



State of Utah  
Department of Commerce  
Division of Public Utilities

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## ACTION REQUEST RESPONSE

**To: Public Service Commission**

From: Division of Public Utilities  
Chris Parker, Director  
Energy Section  
Artie Powell, Manager  
Doug Wheelwright, Technical Consultant  
Eric Orton, Technical Consultant

Date: July 14, 2016

**Subject:** Garkane Energy Cooperative, Inc. Docket No. 16-028-T01

In the Matter of Changes to Rate Schedules for Garkane Energy Cooperative, Inc.

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### RECOMMENDATION

The Utah Division of Public Utilities (Division) recommends that the Public Service Commission of Utah (Commission) acknowledge Garkane Energy Cooperative, Inc. (Garkane)'s changes to its tariff Schedules, and make them available for public inspection.

### BACKGROUND

Garkane's members were originally notified in April of the proposed changes. On May 23, 2016 Garkane held a public hearing where members/customers were invited to comment on the proposed changes. The proposed changes were noticed on Garkane's web site in June and in July the HIGHLIGHTS newsletter again informed the

members/customers of the changes. Garkane's board approved the changes to its rate schedules during the public hearing on May 23, 2016 and is making them effective August 1, 2016. Garkane filed notification of these changes to its Tariff Schedules with the Commission on July 11, 2016. During discussions with Garkane it was disclosed that Garkane had intended to notify the Commission by July 1, 2016, but due to a clerical error, the notice was not sent on time. The error was discovered on July 11, 2016 at which time notice was sent to the Commission. On July 14, 2016 the Commission issued an Action Request to the Division to investigate this notification. This is the Division's response to that Action Request.

## **ISSUE**

Garkane is changing nearly all of its tariff schedules including discontinuing seven tariffs. The changes seem to mainly reflect the expected increase in the energy charge. There are also minor wording changes and a new tariff allowing for a pre-paid electric service meter. Also there is new language specifying that harmonic filters be installed on motors over ten horsepower. The seven tariff schedules were discontinued because the contract with Kanab City is ending in August 2016.

## **DISCUSSION**

The Division has reviewed Garkane's filing, attached tariff sheets and has spoken with a Garkane representative. The members/customers will start to see the increases on their bills that will be sent out beginning the second week of August, 2016

## **CONCLUSION**

The Division recommends that, although the Commission was not officially notified of the changes in sufficient time to strictly meet the requirements, the Commission should acknowledge Garkane's changes to its tariff Schedules with an effective date of August 1, 2016, and make them available for public inspection. The Division does not believe that

this clerical error should inhibit Garkane from implementing its new tariff rates, especially given the ample notice provided to customers.

Cc: Marcus Lewis, Garkane Energy Cooperative, Inc.  
Maria Wright, Division of Public Utilities, Customer Service  
Michele Beck, Office of Consumer Services  
Mike Peterson, Utah REA