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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application for Amendment to the Certificate of Public Convenience and Necessity of Ticaboo Utility Improvement District SUPPLEMENTAL INFORMATION

Docket No. 18-2508-01

Ticaboo Utility Improvement District ("**TUID**" or the "**District**"), through its undersigned counsel, hereby submits this supplemental information in relation to its application for an amendment to TUID's Certificate of Public Convenience and Necessity as filed on January 9, 2018 (the "**Application**"). At the request of Doug Wheelwright, analyst for the Division, this filing provides more detailed information on a number of specific points raised by Mr. Wheelwright.

TUID is requesting an amendment to its CPCN that would expand its certificated service area to include the National Park Service ("NPS") facilities around Lake Powell—namely Bullfrog Marina, Dangling Rope Marina, Halls Crossing Marina, and Hite Marina—and J N B Marine and Offshore Marina, both of which are located between Ticaboo and Bullfrog Marina. Utah Associated Municipal Power Systems ("UAMPS"), which is the joint-action agency made up of 46 public power suppliers, is supportive of this expansion and continues to offer significant assistance to TUID.

Ticaboo is very remote and completely off-the-grid, as are the facilities mentioned in the preceding paragraph. As such, the self-generated power for Ticaboo and each of these facilities is very expensive. TUID is seeking to expand its customer base in order to bring the benefits of economies of scale to its customers and the enable TUID to spread its overhead and administrative costs over a larger customer base. NPS has communicated to TUID, UAMPS, and potential vendors that NPS desires to get out of the power generation business and will be seeking to buy power from a third party—either based on some sort of rate structure or based on one or more power purchase agreements (PPA). NPS is in the process of gathering information on potential power solutions and is holding an industry day in Denver on March 7th (this event had previously been scheduled for February, but was delayed due to the temporary shutdown of the federal government). After this industry day, TUID and UAMPS anticipate that further details will be available to TUID, the Division, and the Commission regarding the specific projects that would supply power to these areas.

Currently, NPS has not released a request for proposals or anything similar, so some details are simply unknown at this point in the process. However, TUID desires to move forward with the proposed service area expansion as an initial step toward serving these areas. Note that TUID—or Rocky Mountain Power, or Garkane Energy, or any other regulated public utility—cannot force any customer to actively take electricity, so merely being within TUID's service area through this expansion is not a detriment to any person. TUID has contacted Rocky Mountain Power and Garkane Energy, which are the existing utilities with services areas possibly covering the proposed expansion, and both have stated to TUID that they have no facilities in the area and are not intending to oppose or even intervene in this docket. Further, any private entity providing service to NPS facilities is presumably completely exempt from Commission jurisdiction under

Utah Code § 54-2-201(3)(a)(i) as a supplier to a "United States governmental entity." In very plain terms, TUID is the only existing electric utility with any intention to provide service to these areas and this expansion will not be detrimental to any other utility or any private entity seeking to supply power to the NPS facilities.

TUID, as a governmental entity, does not answer to shareholder or investors and does not take actions motivated by profits. Instead, TUID seeks to provide services to its customers in the most efficient and economical manner possible. Although TUID has made great strides in modernizing its systems and bringing reliable power to Ticaboo, electrical service remains inherently expensive for Ticaboo residents. Absent significant technological advances or major development in Ticaboo, TUID has only one option to expand its customer base: serve the NPS facilities, Offshore Marina, and J N B Marine. Although TUID cannot force any entity to buy power from TUID rather than self-generate, TUID believes it can provide power to these loads on attractive terms and that these additional customers will bring power rates down for all customers. UAMPS agrees with this assessment of the benefits to TUID's customers. TUID is merely asking the Commission to approve the first step toward this goal.

Also provided with this filing are the following documents:

- 1) TUID responses to specific questions from Doug Wheelwright
- 2) Audited financial statements for 2012, 2013, 2014, 2015, and 2016
- 3) 2017 (unaudited) income statement (electric only).
- 4) Industry Day announcement issued by NPS for Glen Canyon National Recreation Area.

Additionally, information about preliminary projected costs for equipment and infrastructure necessary to serve Bullfrog Marina and nearby loads will be filed in the near future as confidential pursuant to Commission Rules 746-1-602 and -603.

Respectfully submitted this 6th day of February, 2018.

SMITH HARTVIGSEN, PLLC

/s/ Adam S. Long

J. Craig Smith
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Attorneys for Ticaboo Utility Improvement
District

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing SUPPLEMENTAL INFORMATION was served as indicated on the following on February 6, 2018:

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