

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Application of)
GARKANE POWER ASSOCIATION,)
INC., for Authority to Borrow \$4,546,000)
from the National Rural Utilities)
Cooperative Finance Corporation under the)
Guaranteed Loan Program)

DOCKET NO. 99-028-01

REPORT AND ORDER

ISSUED: January 27, 2000

By The Commission:

PROCEDURAL HISTORY

Garkane Power Association ("Applicant") filed its application May 18, 1999, for approval of a proposal to borrow \$4,546,000 from the National Rural Utilities Cooperative Finance Corporation ("NRUCFC"). Part of the proceeds of the loan was to finance a new headquarters building for Applicant. That part of the proposal engendered opposition culminating in a settlement agreement filed with the Commission December 7, 1999. The original application and settlement agreement were referred for review to the Division of Public Utilities, Utah Department of Commerce (DPU), which filed a memorandum January 13, 2000, recommending approval of the proposal as modified by the settlement agreement.

Since the controversy between Applicant's board and its dissenting members has been resolved, and the proposal does not appear to contravene public policy, we have determined to dispose of the matter without further proceedings. Applicant having made out its case, as modified by the settlement agreement, we enter the following

ORDER

WHEREFORE, IT IS HEREBY ORDERED, that:

- The settlement agreement dated November 29, 1999, between Applicant and intervenors Mark Fuellenbach, Marjorie P. Fuellenbach, Vernon D. Roundy, Kip L. Wilson, Dennis K. Jorgensen, Milton Taft, Jeff Christensen, Stan C. Powell, Brent Bastian, Alvin H. Hardman, Keith Max Waters, and Brad Staples be, and it is, approved.
- As modified by the aforesaid settlement agreement, the Application for authority to borrow from the NRUCFC be, and it is, granted.

DATED at Salt Lake City, Utah, this 27th day of January, 2000.

/s/ Stephen F. Mecham, Chairman

/s/ Constance B. White, Commissioner

/s/ Clark D. Jones, Commissioner

Attest:

/s/ Julie Orchard

Commission Secretary