

UTAH DEPARTMENT OF COMMERCE Division of Public Utilities

MARGARET W. BUSSE Executive Director CHRIS PARKER Division Director

Action Request Response

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director

Brenda Salter, Assistant Director

Abdinasir Abdulle, Utility Technical Consultant Supervisor

Ron Slusher, Utility Technical Consultant

Date: July 25, 2023

Re: Docket No. 19-999-01, Report on compliance of the electric cooperative

companies with Rule 746-312-16 titled Public Utility Maps, Records and Reports and Rule 746-313-7 titled Reporting on Electric Service Reliability and comment

on the usefulness of the referenced Rules.

Recommendation (Order Technical Conference)

The Division of Public Utilities ("Division") has reviewed the Action Request issued by the Public Service Commission ("Commission") and based on the review of the request and conversations with Mr. Jeff Peterson of the Utah Rural Electric Cooperative Association ("URECA" or "Co-ops"), the Division recommends the Commission schedule a technical conference to discuss Commission Rules 746-312-16 and 746-313-7, with the Co-ops in order to clarify positions on the rules.

Issue

On or about May 03, 2023, the Commission requested a compliance report from the Division on the Co-ops' compliance with the Public Service Commission Rules 746-312-16 Public Utility Maps, Records and Reports and 746-313-7 Reporting on Electric Service Reliability.

Discussion

The Division has reviewed the correspondence dated July 26, 2019, sent by the Commission, and found that the Commission distribution list was incomplete and or incorrect. The Commission sent out letters to six companies. Of those six, two of them, Ticaboo Utility Improvement District and South Utah Valley Electric Service District are not electrical cooperatives and should have been excluded from the mailing. While the Division has engaged with all of the Co-ops in the past, the Division's public list of electric cooperatives was lacking. To remedy this issue the Division reached out to Mr. Jeff Peterson of URECA on June 08, 2023, to get an updated list of rural electrical co-ops. He responded with a list of eight Distribution Electric Cooperatives and one Generation and Transmission Electric Cooperative, for a total of nine Co-ops serving in Utah. They are as follows:

Distribution Electric Cooperatives

- 1) Bridger Valley Electric (Mt. View, WY)
- 2) Dixie Power (St. George, UT)
- 3) Empire Electric (Cortez, CO)
- 4) Garkane Energy (Kanab, UT)
- 5) Moon Lake Electric (Roosevelt, UT)
- 6) Mt. Wheeler Power (Ely, NV)
- 7) Raft River Electric (Malta, ID)
- 8) Wells Rural Electric (Wells, NV)

Generation and Transmission Electric Cooperative

1) Deseret Power (South Jordan, UT)

Of these nine companies Dixie Escalante, Garkane Energy, Moon Lake Electric, and Flowell Electric (Flowell is now part of Dixie Escalante) received letters requesting compliance reports be sent to the Commission. The Division asked further questions as to why the Coops did not respond to the Commission's request for information. Mr. Peterson answered that the Co-ops felt that the Commission Rules 746-312-16 and 746-313-7 pertain only to

the Investor-Owned Utilities and that the Co-ops were inadvertently included in this request.

Mr. Peterson goes on to state that:

"This unexpected inclusion might present subtle nuances, with the potential to introduce unfamiliar reporting and compliance obligations. Given their unique, member-led governance and lean staffing, Co-ops typically don't encounter such requirements in their regular interactions with the Commission. Therefore, the lack of a response to the 2019 request could stem more from unawareness of the requirement than from any misalignment with the commission."

As to the usefulness of these reports and what is required/requested by the Commission rules, it is the Division's position that in order to fully understand the Co-op's "unexpected inclusion or unawareness of the requirements" that a technical conference be held to discuss and educate the parties involved. After the technical conference, the Commission will be better-positioned to determine how to proceed with Rules 746-312-16 and 746-313-7 as it pertains to the cooperatives.

Conclusion

Based on the review of the Commission request and conversations with Mr. Peterson of the URECA, the Division recommends the Commission hold a technical conference with the Co-op's in order to clarify positions concerning Rules 746-312-16 and 746-313-7.

cc: Patricia Schmid, Assistant Attorney General, State of Utah Patrick Grecu, Assistant Attorney General, State of Utah Jeff Peterson, General Counsel Deseret Power Office of Consumer Services, State of Utah