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TO: PUBLIC SERVICE COMMISSION

FROM: DIVISION OF PUBLIC UTILITIES
Philip J. Powlick, Director
Rea Petersen, Manager Customer Service
Abdinasir Abdulle, Technical Consultant

DATE: August 6, 2008

SUBJECT: PacifiCorp 08-035-T05

RECOMMENDATION: Approve with suggested changes.

ISSUE:

PacifiCorp is proposing changes to Electric Service Regulations 2, 4, 5 and 12. Several of the changes are simply clarifications or explanations of existing language. Other changes are more substantive in nature.

Regulation 2 General Definitions

The current definition of the term “Applicant” does not include developers. This is contrary to the Company practice which provides backbone services to developers. To align the definition with the Company practice, the Company proposes an expansion of the definition of the term “Applicant” to include developers. Specifically, the Company proposes to add the following language to the current definition:

May also be an entity that applies to the Company to provide backbone in a development or applies for other services under the tariff such as a relocation of services.

PacifiCorp will use the term “Extension or Line Extension” instead of the term “Extension”. The purpose of adding Line Extension is to clarify that the term “Extension” is synonymous with the term “Line Extension,” as both terms are currently used. This modification is also made in regulation 12.

Regulation 4 Supply and Use of Service

Changes to this regulation are to expand the language in the tariff to make it consistent with the company practice. When there is more than one point of delivery, currently RMP does

not mount transformers on poles. Instead the transformers are mounted on a pad and will require a system capable of electronically summing the individual metered services into a single meter. The customer is responsible for the meter cabinets, conduits, and connections required for primary or totalized metering. The Company's proposed additional language reflects the specific Company practice explained above and is moved from Regulation 5 Section 1a.

Regulation 5 – Customer's Installation

Language that is now addressed in regulation 4 has been removed from regulation 5.

Regulation 12 – Line Extensions

1. Conditions and Definitions

Refunds. The company has added this section to Regulation 12. The refund to the initial Applicant could have been less than a full 25% of the cost of the Line Extension when the shared facilities for a subsequent customer is the only portion of the line for which the refundable advance was paid. The purpose of the new language is to allow an applicant to waive any refund that is less than 25% of the applicant's total refundable allowance, without decreasing the potential number of future refunds, in order to accept three refunds offering greater value. The applicant can save up his refunds to collect a full 25%. This will benefit the applicant to have the option to be able to collect a full refund. The applicant, to whom the refund is due will have 24 months, from the connection of the additional applicant, to request their refund.

2. Residential Extensions

(b) Additional Customers, advances and Refunds. The company made small modifications to this paragraph to make it easier to understand without changing the meaning. The Division recommended changes to the paragraph to make reference to the new section on refunds as follows: "A customer that pays for a portion of the construction of an Extension may receive refunds if additional Customers connect to the Extension. The Customer is eligible for refunds during the first five years following construction of an Extension for up to three additional Applicants as given in section 1 (j) refunds. Each of these three Applicants utilizing a portion of the initial Extension must pay the Company, prior to connection, 25% of the cost of the shared facilities. The company will refund such payments to the initial Customer. "

(c) Contracts was changed to Remote, Seasonal and Recreational Residential Service

(e) Transformation Facilities – This section has been added to clarify the customer's and the Company's responsibilities when it is necessary to upgrade existing transformer or service conductor capacity. This proposed section makes it Rocky Mountain Power's responsibility to upgrade the capacity if a residential customer only contributes to the overload. However if the residential customer's load alone is more than the existing capacity the upgrade will be treated as a regular line extension. The Division recommended changes to the paragraph to read as follows: "When an existing residential Customer adds load, or a new residential Customer builds in a subdivision where secondary service is available at the lot line either by means of a

transformer or a secondary junction box and the existing transformation facilities or service conductors are unable to serve the increased residential load.”

3. Non Residential Extensions

The Division recommends an addition to the language in the second sentence of the paragraph in (c) (1) and (2) to make reference to the new section on Refunds as follows: “ The customer is eligible for refunds during the first five years following construction of an Extension for up to three additional Applicants as given in section 1(j) Refunds.”

Additional language is added to Section 3(d) Underground Extensions for non-residential customers when an Extension is made to property that is not part of an improved development. The proposed language allows the Company to require the Applicant to pay for facilities on the Applicant’s property to provide additional service reliability or for future development. These provisions in underground job design are necessary to avoid adding unnecessary expense and complexity to subsequent extensions from the previous facilities.

4. Extensions to Planned Developments

The company made minor wording changes to (c) Refunds and removed language that was moved to 1.(j). The Division recommends the company make reference to Section 1 (j) Refunds.

RECOMMENDATION

The Division reviewed the Company’s proposed changes and found that it is consistent with Company practice. Therefore, the Division recommends the Commission approve the proposed changes to Regulations 2, 4, 5 and 12, with the Division’s recommended revisions. The Company has agreed to the Division’s recommended revisions.