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Attorneys for the Ticaboo Electric Improvement District

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

IN THE MATTER OF THE APPLICATION OF THE TICABOO ELECTRIC IMPROVEMENT DISTRICT FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY TO OPERATE AS A PUBLIC UTILITY RENDERING ELECTRICAL POWER SERVICE	DOCKET NO. 09-2508-01 AMENDED APPLICATION
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Applicant Ticaboo Electric Improvement District respectfully submits this Amended Application for a Certificate of Convenience and Necessity.

PROCEDURAL HISTORY

Garfield County, Utah, on behalf of the Ticaboo Electric Improvement District (the "Applicant"), filed an application for a Certificate of Convenience and Necessity ("Certificate") on July 27, 2009, pursuant to Utah Code Annotated §§ 17B-2a-406(5) and 54-4-25. Garfield County filed the application because the Applicant was then being created and did not legally exist until November 3, 2009.

The Applicant is now formed and existing under the laws of Utah, and is now the Applicant herein. Since the time that Garfield County filed the original application, legal counsel for the Applicant has worked with the Division of Public Utilities ("DPU") and the Office for Consumer Services ("OCS") to provide updates and other information necessary to complete the application. The Applicant now files this Amended Application for the Commission's consideration.

BACKGROUND

Ticaboo is an unincorporated community in Garfield County, Utah, lying approximately 12 miles north of the Bullfrog Marina on Lake Powell. Because of its remote location, Ticaboo does not have access to power service from any public utilities authorized to operate as such by the Commission. To remedy this situation, the Utah Legislature recently adopted new legislation (SB 188 from the 2009 General Legislative Session) permitting local districts to provide electric services, so long as the district obtains a Certificate from the Commission before January 1, 2010. UCA § 17B-2a-406(3)(b)(i)(C) (2009).

Ticaboo is a unique community that is occupied in large part by uranium mining companies and their employees, and numerous seasonal or vacation home owners due to its proximity to the Glen Canyon National Recreation Area. Currently, two mining companies own property in Ticaboo: Uranium One and Denison Mines. Denison's mine is currently active with about 8-10 employees working the mine, but Uranium One's mine is idle.

Ticaboo and its residents have long relied on area mining companies for public utilities, including sewer, water, garbage, and electricity. Within the past few years Garfield County formed the Ticaboo Special Service District to provide sewer, water and garbage services. At the time, local districts and special service districts were not authorized to provide electrical services. Now, with the new legislation authorizing it to do so, Garfield County has formed the Applicant to provide electrical services.

Uranium One currently provides all electrical services to the residents of Ticaboo. Before Uranium One took over, U.S. Energy provided electricity to Ticaboo. Uranium One operates one or more diesel generators located just outside the Ticaboo townsite. Electricity is transmitted via Uranium One-owned transformers and distribution lines to residents in Ticaboo. Each resident is metered, and Uranium One charges its customers for metered usage.

In early 2008 Garfield County, teaming up with Uranium One, Denison Mines, the State of Utah Schools and Institutional Trust Lands Administration (SITLA, the owner of nearly all of the property comprising the Ticaboo townsite, who is interested in seeing its property become more developable), and the Glen Canyon National Recreation Area (who has expressed interest in working with Ticaboo on a new power supply to jointly serve the Bullfrog Marina and Ticaboo), pooled some financial resources in an effort to explore different electrical energy alternatives in the Ticaboo community. All of these entities collectively paid for a feasibility study to determine whether there was any way for Ticaboo to connect to any power line and thence be "on the grid." The nearest power line, however, is a Garkane line located over 40 miles away in Hanksville, Utah, and the power line is inadequate for extension to Ticaboo. Rocky Mountain Power estimated that it would cost over \$65 Million for Rocky Mountain Power to bring Ticaboo power. This simply was not feasible given the small size of the Ticaboo community (only about 78 active connections). For all practical purposes, Ticaboo is an isolated island off the grid when it comes to electrical services.

The Applicant was formed by Garfield County as a vehicle to provide the Ticaboo community and residents with electrical power without needing to rely on the mining companies.

Additionally, the mining companies provided power out of necessity to support the community; Uranium One has its mine and most of its property and assets in the area up for sale and is not interested in continuing to provide electricity and is anxious for the Applicant to take over that duty. Uranium One has been cooperative and helpful, agreeing to donate over \$500,000 worth of generators and transmission equipment to the Applicant to aid in the transition, including two diesel-powered generators.

The other mining company, Denison Mines has also been cooperative, agreeing to donate the use of a third, more fuel-efficient, generator and also agreeing to provide free personnel and technical support to aid the Applicant in its provision of electrical services. SITLA has supported the Applicant by agreeing to donate easements and other interests in real property where the Applicant's generators, transformers, and distribution lines are located. Finally, Garfield County has continually supported the successful operation of the Applicant by paying for the costs to create the Applicant and obtain a Certificate, and also providing some initial seed money to the Applicant to fund initial operations.

Upon receipt of a Certificate, the Applicant will assume responsibility for providing electricity in Ticaboo beginning January 1, 2010. Initially, the Applicant will provide electrical services by operating one or more diesel generators donated by Uranium One and/or Denison. For the long term, the Applicant anticipates pursuing alternative energy supplies, possibly in conjunction with the Glen Canyon National Recreation Area.

Without the Applicant, the Ticaboo community would continue to rely on mining companies for electrical services. Nobody is interested in that result, including the mining companies themselves. The Applicant will fill a role that is rare in Utah, as only one other electric district exists, but necessary and convenient to the Ticaboo community.

AMENDED APPLICATION

1. **Applicant Name:** Ticaboo Electric Improvement District
2. **Address:** Highway 276, Ticaboo, Utah 84533
3. **Service Area:** The Applicant's service area will be the Applicant's boundaries as shown on the official plat attached as **Exhibit A**. As required by UCA § 17C-2a-406(3)(b)(i), no part of the Applicant's boundary is within 40 miles of an existing service line of an electrical corporation, and no part of the area within the Applicant's boundaries is also within the certificated service area of an electrical corporation. Attached as **Exhibit B** are copies of letters from Rocky Mountain Power and Garkane Energy Cooperative verifying the same.
4. **Legal Status:** Applicant is a body corporate and politic with perpetual succession; a quasi-municipal corporation; and a political subdivision of the state of Utah duly created and existing under the laws of the state of Utah. The Applicant is a local district organized and existing under the Utah Limited Purpose Local Government Entities - Local Districts Act, UCA Title 17B. A copy of a Certificate of Existence issued to the Applicant by the Utah Lt. Governor's office on November 3, 2009, is attached as **Exhibit**

- C. The Applicant is a public utility subject to regulation, other than direct rate regulation, by the Commission. UCA § 17B-2a-406(2) (2009).
5. **Tariff:** The Board of Trustees for the Applicant approved a tariff, in the form attached as **Exhibit D**, meeting all of the requirements of the Commission. The Applicant will provide electrical power services as set forth in the Applicant's tariff.
 6. **Governance and Management.** The Applicant is governed by a three-person board of trustees, each of whom is appointed by the Garfield County Commission. The Garfield County Planner serves as the District Secretary. The administrative affairs of the Applicant are managed by a District Manager. Copies of the resumes/applications of the board are attached as **Exhibit E**.
 7. **Electric Generation and Distribution Assets.** Applicant is or will be the owner of sufficient generation and distribution equipment to enable the Applicant to reliably provide electrical power service to all of Applicant's customers, beginning January 1, 2010. Uranium One, the mining company that has been providing electrical power service to all customers in Ticaboo to date, has agreed to donate, before December 31, 2009, substantially all of the electrical power assets owned by Uranium One in Ticaboo. A copy of a Memorandum of Understanding on Electric Service ("MOU"), evidencing the same, including a listing of all of the electrical power assets that will be donated to the Applicant, is attached as **Exhibit F**.

In addition to the electrical assets that the Applicant will receive from Uranium One, the Applicant will also have the use of a 360 kw diesel generator. This 360 kw generator is owned by Denison Mines, and Denison Mines has agreed to donate the use of the generator to the Applicant. At current loads this generator will operate more efficiently and use less diesel fuel. Additionally, Denison Mines has agreed to provide volunteer personnel support to maintain and repair, if necessary, that generator and all of the Applicant's other assets, as more fully described in the MOU attached as **Exhibit F**.

Before agreeing to accept the donation of assets from Uranium One, the Applicant hired an electrical engineering firm, Sunrise Engineering, to inspect and provide a report on the status and condition of all of the electrical power assets in Ticaboo. In short, the report indicates that all of the assets are in good working condition and are expected to continue to be in good working condition for at least the next 10-20 years. A complete copy of that report, including a statement of qualifications, is attached as **Exhibit G**.

At least initially, the Applicant will rely in large part on the technical expertise and experience of Denison Mines personnel to maintain and repair the Applicant's electrical assets. Additionally, the members of the Applicant's board of trustees each have significant experience operating diesel generators.

Uranium One has operated the diesel generators under authority of the Utah Department of Environmental Quality, Division of Air Quality, pursuant to Approval Orders DAQE-AN0141380002-08 and DAQE-IN01438003-09, copies of which Approval Orders are attached as **Exhibit H**. Upon conveyance of the generators from Uranium One to the

Applicant, the Applicant will replace Uranium One with the Applicant's name as the Permittee under those Approval Orders.

8. **Finances.** On November 9, 2009, the Garfield County Commission authorized a \$25,000 grant to the Applicant to fund initial operations and administrative expenses. A copy of minutes from that November 9, 2009 meeting is attached as **Exhibit I**.

The Applicant will fund ongoing operations by charging usage fees as indicated in Applicant's tariff. A copy of Applicant's proposed 2010 budget is attached as **Exhibit J**. The proposed 2010 budget includes statistics and charts showing historical operating expenses, and historical usages (all based on information provided by Uranium One).

Applicant has applied for an insurance policy from the Utah Local Government Trust. That policy will include liability coverage for \$5,000,000, and will also include property/casualty insurance covering the Applicant's electrical assets. The casualty policy will include coverage for accidental damage and mechanical failure. This will guarantee that the Applicant can at least maintain the status quo as the Applicant builds up capital improvements and reserve funds.

9. **Necessary and Convenient Service.** The Applicant's provision of electrical power services in Ticaboo is both necessary and convenient. In 2008, Garfield County completed a feasibility study and provided a Request for Proposal (RFP) to all potential electric service providers within reach of the Ticaboo area. The results of the feasibility study/RFP were unhelpful, as described in the "Background" section above. Copies of the RFP and all responses received by the Applicant are attached as **Exhibit K**.

As indicated in the "Background" section above, the Ticaboo community has long relied on mining companies for utilities, including electricity, but the community will greatly benefit by moving away from that happenstance. The Applicant will allow greater community input and control over critical electrical power assets and services that serve more than the mines.

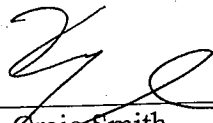
The Applicant has long-term goals to develop a more reliable, more efficient, and more environmentally-friendly power generation source. The Applicant has over the past few years communicated with the Glen Canyon National Recreation Area (Bullfrog Marina) to try and work together on a joint power system, including exploring alternative energy options such as solar powered systems. While Applicant does not have immediate or concrete plans for a new power system, the Applicant will now be in a position to begin exploring these possibilities in further detail and in a more action-oriented manner.

CONCLUSION

The Applicant requests that the Commission issue a Certificate of Convenience and Necessity for the Applicant to provide electrical power services within the Applicant's boundaries as described in this application. The Applicant intends to begin providing electrical power services on January 1, 2010.

DATED this 16th day of November, 2009.

SMITH HARTVIGSEN, PLLC



J. Craig Smith
Kyle C. Fielding
Attorneys for the Applicant

Certificate of Service

I certify that on this 16TH day of November, 2009, a true and correct copy of the foregoing

AMENDED APPLICATION was hand-delivered to the following:

Dennis Miller
Division of Public Utilities
Heber M. Wells Bldg – 4th Floor
160 E 300 S – Box 146751
Salt Lake City, Utah 84114

Cheryl Murray
Office of Consumer Services
160 East 300 South
Salt Lake City, Utah 84111

Additionally, a true and correct copy of the same was emailed to the following:

dpudatarequest@utah.gov

dennismiller@utah.gov

cmurray@utah.gov

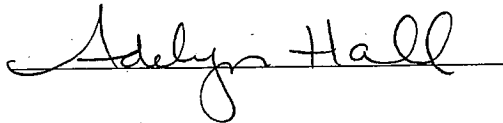
A handwritten signature in cursive script that reads "Adelyn Hall". The signature is written in dark ink and is positioned above a horizontal line.

Exhibit List

Exhibit A	—	District Plat
Exhibit B	—	Boundary Verification Letters from Rocky Mountain Power and Garkane
Exhibit C	—	Certificate of Existence
Exhibit D	—	Tariff
Exhibit E	—	Resumes for Board of Trustees
Exhibit F	—	Memorandum of Understanding on Electric Service
Exhibit G	—	Sunrise Engineering, Electrical Report
Exhibit H	—	DEQ Approval Orders
Exhibit I	—	Minutes from November 9, 2009 Garfield County Commission meeting, showing authorization of \$25,000 grant to the Applicant
Exhibit J	—	Proposed 2010 Budget
Exhibit K	—	RFP and response letters

EXHIBIT A

EXHIBIT B

Loa Business Office



www.garkaneenergy.com

RECEIVED

JUL 27 2009

July 22, 2009

SMITH HARTVIGSEN

SMITH HARTVIGSEN, PLLC
ATTN: J. Craig Smith
215 South State Street, Suite 600
Salt Lake City, UT 84111

RE: Verification that proposed Ticaboo Electric Improvement District's
Boundaries do not overlap Garkane's certificated service area

Dear Smith Hartvigsen, PLLC:

The purpose of this letter is to verify that the proposed boundaries for Garfield County's electric improvement district (the "district") do not overlap Garkane Energy Cooperative, Inc.'s certificated service area. I have reviewed the attached map and legal description of the district's boundaries, and I confirm that the proposed district's boundaries do not overlap Garkane's certificated service area.

Sincerely,

GARKANE ENERGY COOPERATIVE, INC.

A handwritten signature in dark ink, appearing to read "Carl R. Albrecht".

Carl R. Albrecht
CEO

sl



LEGAL DEPARTMENT
R. JEFFREY RICHARDS
Assistant General Counsel
801-220-4734
801-220-3299 (fax)
JEFF.RICHARDS@PACIFICORP.COM

One Utah Center, 201 South Main, Suite 2300

Salt Lake City, Utah 84111

September 23, 2009

RECEIVED

SEP 25 2009

SMITH HARTVIGSEN

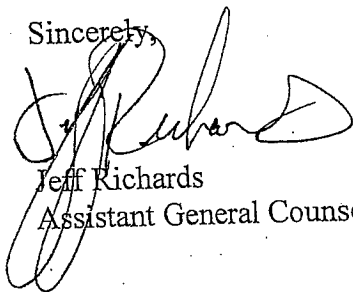
SMITH HARTVIGSEN, PLLC
Attention: J. Craig Smith
215 South State Street, Suite 600
Salt Lake City, UT 84111

Re: Verification that proposed electric improvement district's boundaries do not overlap Rocky Mountain Power's certificated service area

Dear Smith Hartvigsen, PLLC:

The purpose of this letter is to verify that the proposed boundaries for Garfield County's electric improvement district (the "District") do not overlap Rocky Mountain Power's certificated service area. I have reviewed the enclosed map and legal description of the district's boundaries, and I confirm that the district's boundaries do not overlap Rocky Mountain Power's certificated service area.

Sincerely,



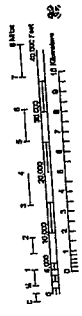
Jeff Richards
Assistant General Counsel

Carrie	JCS	Carrie
Review 9/25/09	Review 9/25/09	Log
Calendar N/A	Assign KJF	STC 9/25/09
Scan 9/25/09	Due —	Delivered

Ticaboo Electric Improvement District Boundaries
Legal Description

Beginning at the northeast corner of Township 31 South, Range 15 East (this point being on the boundary of Garfield and Wayne Counties); thence running southerly along the eastern boundary of said Township and Township 32 South, Range 15 East to the Southeast corner of Township 32 South, Range 15 East; thence westerly along the southern boundary of said Township 32 South and Sections 34, 35 & 36, T32S, R14E; thence northerly along the western boundary of Sections 3, 10, 15, 22, 27 & 34, T32S, R14E to the northwest corner of said Section 3; thence westerly along the southern boundary of Sections 31, 32 & 33, T31S, R14E to the southwest corner of said Section 31; thence southerly along the eastern boundary of Sections 1, 12, 13 & 24, T32S, R13E to the southeast corner of said Section 24; thence westerly along the southern boundary of said Section 24 to the southwest corner of said Section 24; thence southerly along the eastern boundary of Sections 26 & 35, T32S, R13E to the southeast corner of said Section 35; thence westerly along the southern boundary of Sections 34 & 35, T32S, R13E to the southwest corner of said Section 34; thence southerly along the eastern boundary of Sections 4, 9, 16, 21, 28 & 33, T33S, R13E and Sections 4, 9, T34S, R13E to the southeast corner of said Section 9; thence westerly along the southern boundary of Sections 7, 8 & 9, T34S, R13E to the southwest corner of said Section 7; thence southerly along the eastern boundary of Sections 13, 24, 25 & 36, T34S, R12E and Sections 1, 12, 13 & 24, T35S, R12E to the southeast corner of said Section 24; thence westerly along the southern boundary of Sections 23 & 24, T35S, R12E to the southwest corner of said Section 23; thence southerly along the eastern boundary of Sections 27 & 34, T35S, R12E to the southeast corner of said Section 34, thence westerly along southern boundary of said Section 34 to the southwest corner of the section; thence southerly along the eastern boundary of Sections 28 & 33, T35 ½ S, R12E to the southeast corner of said Section 33; thence westerly along the southern boundary of Sections 31, 32 & 33, T35 ½ S, R12E to the southwest corner of said Section 31; thence southerly along the eastern boundary of Section 13, 24, 25 & 36, T36S, R11E and Section 1, T37S, R11E to the southeast corner of said Section 1; thence westerly along the southern boundary of said Section 1 to the southwest corner of the section; thence southerly along the eastern boundary of Section 11, T37S, R11E to the southeast corner of said Section 11; thence westerly along the southern boundary of Sections 10 & 11, T37S, R11E to the southwest corner of said Section 10; thence southerly along the eastern boundary of Sections 16, 21, 28 & 33, T37S, R11E to the southeast corner of said Section 33; thence westerly along the southern boundary of Sections 32 & 33, T37S, R11E (this boundary also being the boundary of Garfield and Kane Counties) to the southwest corner of said Section 32; thence northerly along the western boundary of Sections 29 & 32, T37S, R11E to the northwest corner of said Section 29; thence westerly along the southern boundary of Section 19, T37S, R11E to the southwest corner of said Section 19; thence northerly along the western boundary of Sections 6, 7, 18 & 19, T37S, R11E to the northwest corner of said Section 6; thence westerly along the southern boundary of Sections 34, 35 & 36, T36S, R10E to the southwest corner of said Section 34; thence southerly along the eastern boundary of Sections 4 & 9, T37S, R10E to the southeast corner of said Section 9; thence westerly along the southern boundary of Sections 7, 8 & 9, T37S, R10E to the southwest corner of said Section 7; thence northerly along the western boundary of Sections 6 & 7, T37S, R10E to the northwest corner of said Section 6; thence westerly along the southern boundary of Section 36, T36S, R9E to the

southwest corner of said Section 36; thence northerly along the western boundary of Sections 25 & 36, T36S, R9E to the northwest corner of said Section 25; thence westerly along the southern boundary of Section 23, T36S, R9E to the southwest corner of said Section 23; thence northerly along the western boundary of Sections 14 & 23, T36S, R9E to the northwest corner of said Section 14; thence westerly along the northern boundary of Section 15, T36S, R9E to the northwest corner of said Section 15; thence northerly along the western boundary of Sections 3 & 10, T36S, R9E to the northwest corner of said Section 3; thence westerly along the southern boundary of Section 33, T35S, R9E to the southwest corner of said Section 33; thence northerly along the western boundary of Section 28 & 33, T35S, R9E to the northwest corner of said Section 28; thence westerly along the southern boundary of Section 20, T35S, R9E to the southwest corner of said Section 20; thence northerly along the western boundary of Sections 5, 8, 17 & 20, T35S, R9E and Section 32, T34S, R9E to the northwest corner of said Section 32; thence westerly along the southern boundary of Section 30, T34S, R9E to the southwest corner of said Section 30; thence northerly along the western boundary of Sections 6,7,18, 19 & 30, T34S, R9E and Sections 6,7,18, 19 & 30, T33S, R9E and Sections 6,7,18, 19 & 30, T32S, R9E and Sections 6,7,18, 19 & 30, T31S, R9E to the northwest corner of Section 6, T31S, R9E; thence easterly along the boundary line of Garfield and Wayne Counties to the point of beginning.



Topographic Improvement Data

EXHIBIT C



OFFICE OF THE LIEUTENANT GOVERNOR

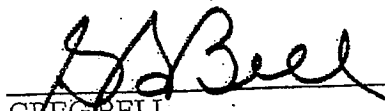
CERTIFICATE OF CREATION

I, GREG BELL, LIEUTENANT GOVERNOR OF THE STATE OF UTAH,
HEREBY CERTIFY THAT there has been filed in my office a notice of creation of the
TICABOO ELECTRIC IMPROVEMENT DISTRICT, dated October 14th, 2009,
complying with Section 17B-1-215, Utah Code Annotated, 1953, as amended.

NOW, THEREFORE, notice is hereby given to all whom it may concern that the
attached is a true and correct copy of the notice of creation, referred to above, on file with
the Office of the Lieutenant Governor pertaining to the TICABOO ELECTRIC
IMPROVEMENT DISTRICT, located in Garfield County, State of Utah.

IN TESTIMONY WHEREOF, I
have hereunto set my hand and
affixed the Great Seal of the State of
Utah at Salt Lake City, this 2nd day
of November, 2009.




GREG BELL
Lieutenant Governor

SMITH | HARTVIGSEN PLLC

ATTORNEYS AT LAW

215 South State Street
Suite 600
Salt Lake City, Utah 84111

T 801.413.1600
F 801.413.1620
www.smithhartvigsen.com

Kyle C. Fielding
KFielding@smithlawonline.com

October 19, 2009

Utah Lieutenant Governor's Office
325 E Capitol Blvd
Salt Lake City, UT 84114-1202

To Whom It May Concern,

On behalf of Garfield County, Utah, and as required by UCA 17B-1-215(1), I am filing with you (1) a copy of a notice of impending boundary action, and (2) a copy of an approved final local entity plat, showing the boundaries of the Ticaboo Electric Improvement District.

Please issue a certificate of incorporation for the Ticaboo Electric Improvement District within 10 days of your receipt of this letter, as required by UCA 67-1a-6.5. If you have any questions or concerns, please contact me.

Sincerely,

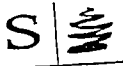


Kyle Fielding
Attorney for the Ticaboo Electric
Improvement District

Received

OCT 19 2009

Greg Bell
Lieutenant Governor



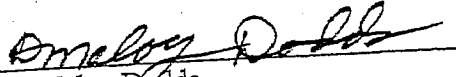
4815-4070-6565/GA008.001

NOTICE OF IMPENDING BOUNDARY ACTION
CREATION AND ESTABLISHMENT OF THE BOUNDARIES FOR THE
TICABOO ELECTRIC IMPROVEMENT DISTRICT

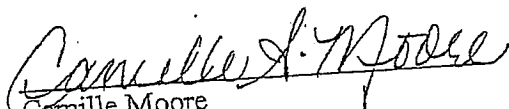
To the Utah Lieutenant Governor:

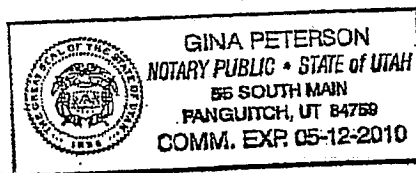
Please take notice of the creation of the Ticaboo Electric Improvement District, the boundaries of which are depicted on the plat included and filed together with this Notice. This notice and plat establishes the boundaries of the Ticaboo Electric Improvement District.

We request that you issue a certificate of incorporation for the Ticaboo Electric Improvement District under UCA § 17C-1-215(2) and UCA § 67-1a-6.5(2). As required by UCA § 17C-1-215 and UCA § 67-1a-6.5(3)(d)(i), I certify that Garfield County has met all of the requirements for creation of the Ticaboo Electric Improvement District.


D. Maloy Dodds
Chair, Garfield County Commission

Attest:


Camille Moore
Garfield County Clerk



Verification

STATE OF Utah)
COUNTY OF Garfield) : ss

On this 14th day of October, 2009, personally appeared before me D. Maloy Dodds and Camille Moore, the Chair and Clerk, respectively, of Garfield County, Utah who, their identities having been satisfactorily established to me, did duly acknowledge before me that they had voluntarily executed this Notice.


Notary Public

Exhibit D

Ticaboo Electric Improvement District
Ticaboo, Utah

Original Sheet No. 1
P. S. C. Utah No. 1

Proposed TARIFF NO. 1

Applicable to the

TICABOO ELECTRIC IMPROVEMENT DISTRICT, UTAH

Filed: _____, 2009
Advice Letter No. ____

Effective: _____

Ticaboo Electric Improvement District
Ticaboo, Utah

Original Sheet No. 2
P. S. C. Utah No. 1

INDEX

<u>Description</u>	<u>Sheet No.</u>
Title and Authority	1
Index	2
Preliminary Statement	3
District Boundary Map	4
Rate Schedule	5-6
Rules and Regulations	7-44
Line Extension Policy	45-46

Filed: _____, 2009
Advice Letter No. ____

Effective: _____

Ticaboo Electric Improvement District
Ticaboo, Utah

Original Sheet No. 3
P. S. C. Utah No. 1

PRELIMINARY STATEMENT

This Tariff applies to all electric service rendered by the Ticaboo Electric Improvement District (the "District") within the District's boundaries as shown on the boundary map on the following page.

The District will provide general electric service to its customers, including residential, commercial, industrial, and governmental.

The District will generally provide electric service to all applicants within the District's boundaries, as long as the applicant meets all the requirements of this Tariff, and subject to the District's ability to provide those services.

Filed: _____, 2009
Advice Letter No. ____

Effective: _____

Original Sheet No. 4
P. S. C. Utah No. 1

The map is a plat of land in the Township of 36 North, Range of 12 East, and Section of 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850

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Ticaboo Electric Improvement District
Ticaboo, Utah

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ELECTRIC SERVICE RATE SCHEDULE

Applicability

Applicable in entire District boundaries to electric service for all purposes, including residential, commercial, industrial, and governmental purposes at one point of delivery for use at a single dwelling unit, for commercial and industrial purposes at a single business connection, and for governmental, at a single connection.

Electric Usage Rate

The following rate is for the period of one month:

<u>Usage</u>	<u>Charges</u>
First 200 kWh	\$50.00 Fixed Charge
Over 200 kWh	\$0.26 per kWh
Inactive Surcharge	\$50.00 per connection

Connection Charges

New Connection fee	\$500.00
Turn-on service where meter is already in place	\$ 50.00
Turn-off service	\$ 50.00

Records Requests

The District will charge the following rates for services provided in response to record requests under the Government Records Act and the Records Policy set forth below.

Reviewing a record to determine whether it is subject to disclosure . . . No Charge

Inspection of record by requesting person No Charge

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Ticaboo Electric Improvement District
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Photo copy of record	\$.25/page
Computer disk	Actual Cost (including District overhead and staff time)
Other forms of records. . .	Actual Cost (including District overhead and staff time)

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Ticaboo Electric Improvement District
Ticaboo, Utah

Original Sheet No. 7
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RULES AND REGULATIONS

1.0 GOVERNMENT SUBDIVISION

1.1 Mission Statement

- 1.1.1 The Ticaboo Electric Improvement District (hereinafter referred to as "District") was created in October 2009 as an independent local improvement district under Section 17B-2-301 of the Utah Code Annotated ("UCA") (2009), by petition of the registered voters within the District to the County Commission of Garfield County, Utah, to provide the generation, distribution and sale of electricity. The District is a political subdivision and operates as an improvement district in accordance with Title 17B, Chapter 2a, Part 4 of the Utah Code (2009) and a local district in accordance with Title 17B, Chapter 1 of the Utah Code (2009). The District is a public utility subject to the jurisdiction of the Public Service Commission (except the District is not subject to UCA § 54-7-12). The District has received a certificate of public convenience and necessity from the Utah Public Service Commission to provide electricity within the District's boundaries.

1.2 District Government Vested in the Board of Trustees

- 1.2.1 The District is governed by a Board of Trustees, hereinafter referred to as the "Board," which shall manage and conduct the business and affairs of the District and shall determine all questions of District policy. The Board shall exercise all powers and perform all functions in the operation of the District and its properties as are ordinarily exercised by the governing body of a political subdivision of the State of Utah and as are necessary to accomplish the purposes of the District. (UCA § 17B-1-301.(2009)).

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RULES AND REGULATIONS (continued)

1.2.2 The Board is composed of three (3) Trustees appointed by the Garfield County Commission for terms of four years, except that the initial terms shall be staggered so that the term of approximately half of the Board expires every two (2) years. (UCA § 17B-1-303 (2009)).

1.2.3 The District Manager and the subordinate officers and employees will execute the will of the Board as expressed by Board policy and direction.

1.3 Functions of the Board of Trustees

1.3.1 In every case, the will of the Board shall be expressed by at least a majority vote of the Board. No statement or act of any individual member of the Board shall be viewed as the will of the Board.

1.3.2 The Board shall appoint, as the need arises, qualified persons to function as District Manager and any other officers as the Board may be deemed necessary for the good government of the District and shall regulate and prescribe the powers and duties of all officers of the District, except as provided by law. The Board shall also approve the hiring of qualified persons or entities to provide legal, accounting, engineering, and other professional services, when necessary

1.3.2.1 The District Manager administers the policies and directives of the Board and manages the day-to-day operations and affairs of the District. The Board will review the District Manager's performance. When a non-Trustee is hired to fill this position, the Board will review the District Manager's compensation level annually.

1.3.3 The Board will review this document annually to ensure that it is pertinent and current.

1.3.4 No member of the Board may, while serving on the Board, be employed by the District, whether as an employee or under a contract, and no person employed by the District, whether as an employee or under a contract, may serve on the Board, unless (a) the job opening has had reasonable public notice and (b) the person employed is the best qualified candidate for the position. (UCA § 17B-1-311 (2009)).

1.4 Board Committees

1.4.1 The Board may from time to time appoint committees of its own members to conduct investigations into the conduct of District government, any District officer or any

RULES AND REGULATIONS (continued)

matter relating to the welfare of the District, and delegate to those committees such powers of inquiry as the Board may deem necessary.

1.5 Oath of Office

- 1.5.1 Prior to assuming official duties, each Trustee shall take an oath before an officer authorized to administer oaths that the Trustee will support, obey and defend the Constitution of the United States and the Constitution of the State of Utah, and faithfully discharge the duties of the office of Trustee.

1.6 Chair of the Board of Trustees

- 1.6.1 The Board shall elect from its members a Chair every time Board membership changes, who shall serve at the pleasure of the Board unless the Board sets a term for officers.

1.6.2 The Chair shall:

1.6.2.1 Preside at all meetings of the Board.

1.6.2.2 Execute, on behalf of the District, all bonds, resolutions of the Board and, where required, contracts and other written obligations, and countersign disbursement checks.

1.6.2.3 Attend and, if appropriate, preside at ceremonial activities (including, but not limited to ribbon cutting, open houses, and receptions) in which ceremonial representation is needed or sought.

1.6.2.4 Be a spokesperson for the Board, unless the Board directs otherwise. When the Chair acts as a spokesperson for the Board or the District, the Chair should speak for the majority of the Board. When speaking in his or her capacity as an individual member of the Board, the Chair should clearly identify that limited capacity.

1.6.2.5 Not also be the District Clerk/Secretary or Treasurer.

1.6.2.6 Represent the will of the Board.

1.6.2.7 Have no duties other than those specified in this section.

- 1.6.3 The Chair has the right to vote as a Trustee.

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RULES AND REGULATIONS (continued)

1.7 District Clerk/Secretary

1.7.1 The Board shall appoint a District Clerk/Secretary who shall attend the Board's meetings and keep a record of the proceedings of the Board. (UCA § 17B-1-631 (2009)). The District Clerk/Secretary shall also maintain the financial records of the District and related subsidiary records. (UCA § 17B-1-632 (2009)). The District Clerk/Secretary may not also be the Chair or the Treasurer. The District Clerk/Secretary may, but need not, be a Trustee.

1.7.2 Until such time as there is an employee of the District who can act as the District Manager, the District Clerk/Secretary shall assume the duties of the District Manager.

1.8 Treasurer

1.8.1 The Board shall appoint a Treasurer who shall be the custodian of the funds of the District. (UCA § 17B-1-633 (2009)). The Treasurer may not also be the Chair or the District Clerk/Secretary. The Treasurer may, but need not, be a Trustee.

1.9 Trustee Compensation

1.9.1 Each member of the Board of Trustees shall receive reimbursement for necessary travel and other expenses actually incurred while engaged in the performance of official Board duties. (UCA § 17B-1-307 (2009)).

1.9.2 The Board may compensate its members for their service as Trustees up to the limit set forth in UCA § 17B-1-307 (2009), as it may be amended from time to time.

2.0 DISTRICT ADMINISTRATION

2.1 Structure of District Administration

2.1.1 District administration consists of the District Manager and other officers as may be needed in the discretion of the Board.

2.1.2 The administrative powers of the District are vested in and exercised by the District Manager.

RULES AND REGULATIONS (continued)

- 2.1.3 Each officer of the District shall have such authority as is necessary to enable such officer to carry out duties and responsibilities as assigned by this Document or at direction of the District Manager. The designation of a duty or responsibility shall constitute such authority as is necessary to affect the duty or responsibility so imposed.

2.2 Fidelity Bonds

- 2.2.1 All elected or appointed officers of the District shall, before assuming the duties of office, obtain an official bond conditioned for the faithful performance of the duties of the office and the payment of all monies received by such officers according to the laws and ordinances of the District with corporate sureties. The premium of the surety bond shall be paid by the District. The coverage and amount shall be at least the minimum required by law or such other amounts as required by the courts, or financing obligations of the District. (UCA § 51-7-15 (2009)).

2.3 Appointment of the District Manager

- 2.3.1 The Board shall by majority vote hire an employee to serve as the District Manager solely on the basis of that individual's ability, integrity, and prior experience relating to the duties of the office, including but not limited to managerial capabilities that, in the opinion of the Board, will provide the District with the professional direction it needs.

2.4 Power and Duties

- 2.4.1 The District Manager shall:

2.4.1.1 Faithfully execute and enforce all applicable laws, rules and regulations and see that all franchises, leases, permits, contracts, licenses, and privileges granted by the District are observed;

2.4.1.2 Carry out the policies and programs established by the Board;

2.4.1.3 Establish standards, qualifications, criteria, and procedures to govern the appointment of employees within the District, subject to any applicable provisions of this Document and any future personnel rules and regulations adopted by the Board;

2.4.1.4 Submit to the Board plans and programs relating to the development and needs of the District, and annual or special reports concerning the financial, administrative and operational activities of the District;

RULES AND REGULATIONS (continued)

2.4.1.5 Attend all meetings of the Board and take part in its discussions and deliberations;

2.4.1.6 Recommend to the Board for adoption such measures as deemed necessary or expedient;

2.4.1.7 Prepare a financial estimate of the annual budget and advise the Board of the financial condition and needs of the District;

2.4.1.8 Schedule such public hearings before the Board as are required by law including, but not limited to, rate hearings and budget hearings and cause notice thereof to be published as required by law;

2.4.1.9 Execute such contracts as are necessary for the good order and operation of the District, provided the expenditures pursuant to such contracts are within the appropriations contained within the appropriate budget as adopted by the Board;

2.4.1.10 Implement and administer such plans as approved by the Board for the compensation of District employees;

2.4.1.11 Approve expenditures made for official District business, provided such expenditures are within the appropriations contained within the appropriate budget as adopted by the Board;

2.4.1.12 Act as the Records Officer for the District (UCA § 63G-2-103(25) (2009));

2.4.1.13 Act as the HIPAA Privacy Officer and the HIPAA Security Officer under the Health Insurance Portability and Accountability Act of 1996 and any federal regulations enacted thereunder and shall be responsible for complying with such Act and related regulations; and

2.4.1.14 Discharge any other duties specified by statute or designated by the Board.

2.5 Removal of the District Manager

2.5.1 The District Manager serves at the pleasure of the Board and may be removed by unanimous vote of the Board.

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RULES AND REGULATIONS (continued)

3.0 DISTRICT FINANCE

3.1 Budget Officer

3.1.1 The District Manager shall function as the Budget Officer, as appointed by the Board in accordance with Title 17B, Chapter 1, Part 6 of the Utah Code (2009). The District Manager is authorized to make expenditures for:

3.1.1.1 Payroll;

3.1.1.2 Repetitive contractual obligations such as utility bills; and/or

3.1.1.3 All items approved by the Board in the annual budget or by specific Board action.

3.2 Preparation of Budget

3.2.1 Prior to the regularly scheduled meeting of the Board in November of each year, the Budget Officer shall present an outline of concepts for operating and capital project budgets, and any other budget for funds established and maintained by the District (collectively, the "Budget").

3.2.2 On or before the first regularly scheduled meeting of the Board in November of each year, the Budget Officer shall prepare for the ensuing fiscal year and file with the Board a tentative Budget, together with specific work programs and any other supporting data required by the Board (UCA § 17B-1-629 (2009)).

3.2.3 The Board shall review, consider and tentatively adopt the tentative Budget at any regular meeting or any special meeting called for that purpose. The Board may make any changes considered advisable in the tentative Budget prior to the public hearing to consider the adoption of the final Budget.

3.2.4 After holding a properly noticed public hearing on the Budget, the Board shall adopt by resolution the final Budget that shall be in effect for the budget year, subject to later amendment. During the budget year, the Board may, in any regular meeting or special meeting called for that purpose, review the Budget for the purpose of determining if any amounts therein should be increased.

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RULES AND REGULATIONS (continued)

3.2.5 The Budget may be reopened at any time during the fiscal year at a properly noticed meeting held in accordance with the law.

3.2.6 The Budget shall contain a reserve to pay any unanticipated expenses or to cover budget line items over-runs. The reserve may only be used upon approval by the Board.

3.2.7 When a total line item appropriation is exceeded, the over-run may be covered by a transfer from another line item in the Budget with the approval of the Board.

3.3 Financial Reports

3.3.1 The District Manager shall prepare and present to the Board quarterly summary financial reports showing the financial position and operations of the District for the quarter and year-to-date. (UCA § 17B-1-638).

3.3.2 Within 180 days after the close of each fiscal year, the District Manager shall present to the Board an annual financial report prepared in conformity with generally accepted accounting principles, as prescribed in the Uniform Accounting Manual for Local Districts. This requirement may be satisfied by presentation of an audit report furnished by an independent auditor. (UCA § 17B-1-639).

3.3.3 The District Manager will prepare and file an annual report, on the form provided by the Utah Division of Public Utilities, with the Utah Public Service Commission by or before March 31 of each year. (UCA § 54-3-22; R746-400)

3.3.4 The District Manager will prepare and file a Report of Gross Revenue with the Utah Public Service Commission by or before April 15 of each year. (UCA § 54-3-22; R746-400)

3.3.5 The District Manager will prepare and file any other reports required by the Public Service Commission of Division of Public Utilities. (UCA § 54-3-22; R746-400)

3.4 Certified Public Accountant and/or Independent Auditor

3.4.1 When either the revenues or expenses of all funds of the District equal or exceed \$100,000 but are less than \$200,000, the Board shall cause a compilation to be made of its accounts by a certified public accountant; when either the revenues or expenditures

RULES AND REGULATIONS (continued)

of all funds equal or exceed \$200,000 but are less than \$350,000, the Board shall cause a review to be made of its accounts by a certified public accountant; when either the revenues or expenditures of all funds equals or exceeds \$350,000, the Board shall cause an audit to be made of its accounts by a competent certified public accountant. Copies of the annual financial report or the audit report furnished by the independent auditor shall be filed with the state auditor and shall be filed as a public document in the office of the District. If the District's revenues and expenditures of all funds is less than \$100,000, the Board may prepare and submit a fiscal report on forms provided by the state auditor. (UCA § 51-2a-201)

- 3.4.2 The District Manager shall, with the approval of the Board, select the District's competent certified public accountant and/or independent auditor.

3.5 Checks

- 3.5.1 All checks drawn on accounts of the District shall be signed by both the Chair and the Treasurer.

4.0 DISTRICT MEETINGS

4.1 Types of Meetings

- 4.1.1 Regular Meeting: A regularly scheduled meeting of the Board for which notice of the date, time and place has been given in the Annual Meeting Schedule.
- 4.1.2 Special Meeting: Any meeting of the Board that replaces or is held in addition to a regular meeting.
- 4.1.3 Emergency Meeting: A special meeting held as a result of unforeseen circumstances to consider matters of an urgent or emergency nature.

4.2 Public Notice of Meetings

- 4.2.1 Annual Schedule: An annual schedule of the regular meetings of the Board shall be posted at all times in a conspicuous place at the principal office of the District or, if none exists, at the building where the District's meetings are to be held and at the office of the Garfield County Commission in Panguitch, Utah.

RULES AND REGULATIONS (continued)

4.2.2 Regular Meeting Notice: Notice of the date, time, place and agenda for each regular meeting shall be posted at the principal office of the District or, if none exists, at the building where the meeting is to be held, and at the office of the Garfield County Commission in Panguitch, Utah, not less than 24 hours before the beginning of each meeting.

4.2.3 Special Meeting Notice: Where possible, the notice described above in section 4.2.2 shall be given for special meetings; however, when unforeseen circumstances require a special meeting, including but not limited to an emergency meeting, such notice requirements may be disregarded and the best practicable notice given. No special meeting shall be held until a reasonable attempt has been made to notify all Trustees and a majority of such Trustees are contacted and polled and agree to hold such special meeting.

4.3 Conduct of Meetings

4.3.1 All meetings of the Board shall be conducted according to Robert's Rules of Order when so requested by any member of the Board.

4.3.2 Any member of the Board shall have the right to place any matter on the agenda if a reasonable notice is given. The meeting shall follow the agenda unless otherwise agreed.

4.3.3 The Board may hold electronic meetings provided the Board has first adopted a resolution governing the use of electronic meetings in accordance with UCA § 52-4-207 (2009).

4.4 Quorum

4.4.1 A majority of the actual number of Trustees shall constitute a quorum for the transaction of District business. A concurrence of a majority of the quorum in any matter within the scope of the duties of the Board shall be sufficient for the determination of such matter, except as otherwise required by statute or herein.

4.5 Presumption of Assent

4.5.1 A Trustee who is present at a meeting of the Board at which action on any matter is taken shall be presumed to have assented to the action taken unless such Trustee's dissent shall be entered into the minutes of the meeting and unless such Trustee shall

RULES AND REGULATIONS (continued)

file a written dissent to such actions with the Chair or the District Clerk/Secretary before the adjournment of the meeting. A written statement shall not apply to a Trustee who voted in favor of such action.

4.6 No Proxy

- 4.6.1 No Trustee may appoint another individual by proxy or otherwise to assume the responsibilities of the Trustee.

4.7 Open and Closed Meetings; Actions Taken

- 4.7.1 Open Meeting: All meetings of the Board, except for closed meetings as defined below in 4.7.2, shall be open to the public and noticed and held in accordance with Title 52, Chapter 4 of the Utah Code, the Open and Public Meetings Act.

4.7.2 Closed Meetings:

- 4.7.2.1 Purposes of Closed Meetings. Closed meetings may be held:

4.7.2.1.1 To discuss the character, professional competence, or physical or mental health of an individual;

4.7.2.1.2 To discuss deployment of security personnel, devices or systems;

4.7.2.1.3 To investigate allegations of criminal misconduct.

4.7.2.1.4 As strategy sessions to discuss collective bargaining;

4.7.2.1.5 As strategy sessions to discuss pending or reasonably imminent litigation;

4.7.2.1.6 As strategy sessions to discuss the purchase/exchange/lease of real property if public discussion would disclose property valuations or would prevent the District from getting the best possible terms; or

4.7.2.1.7 As strategy sessions to discuss the sale of real property if (a) public discussion would disclose property valuations or would prevent the District from getting the best possible terms; (b) prior public notice has been given that the property

RULES AND REGULATIONS (continued)

would be offered for sale; and (c) the terms of the sale are publicly disclosed before the sale is approved.

4.7.2.2 Procedures for Calling a Closed Meeting

4.7.2.2.1 The proposal for a closed meeting must be made in a properly noticed open meeting.

4.7.2.2.2 A quorum must be present at the open meeting.

4.7.2.2.3 The proposal for a closed meeting must be approved by two-thirds of the Trustees present at the open meeting.

4.7.2.2.4 The vote of each Trustee on the proposal must be recorded in the minutes.

4.7.2.2.5 The general reason(s) for the proposed closed meeting must be recorded in the minutes (e.g., to discuss a land purchase).

4.7.2.3 Except as otherwise directed by the Board, participation in closed meetings shall be limited to the Board, the District Manager, and other invited District staff.

4.7.2.4 No resolution, rule, regulation, contract, or appointment shall be approved in a closed meeting.

4.8 Minutes of Meetings to be Kept by District Clerk/Secretary

4.8.1 Open Meeting: An audio recording and written minutes shall be taken of all open meetings. The written minutes, once approved, shall be the official record of the meeting. Such minutes shall include:

4.8.1.1 the date, time, and place of the meeting;

4.8.1.2 the names of Trustees present and absent;

4.8.1.3 the names of all matters proposed, discussed, or decided, and a record, by individual Trustee, of votes taken;

RULES AND REGULATIONS (continued)

4.8.1.4 the names of all citizens who appeared and the substance in brief of their testimony;

4.8.1.5 any other information that any Trustee requests be entered in the minutes

4.8.2 Closed Meetings:

4.8.2.1 In closed meetings held to discuss the character, professional competence, or physical or mental health of an individual or to discuss deployment of security personnel, devices or systems, the presiding official in the closed meeting shall sign a sworn statement affirming that the sole purpose of the meeting was to discuss the character, professional competence, or physical or mental health of an individual or to discuss deployment of security personnel, devices or systems, and no other record of the meeting needs to be made.

4.8.2.2 In all other closed meetings, a complete and unedited audio recording and detailed written minutes shall be taken of the discussions that occur at the meeting. The recording and minutes shall include the date, time, and place of the meeting; the names of Trustees present and absent; and the names of all others present except where the disclosure would infringe on the confidentiality necessary to fulfill the original purpose of closing the meeting.

4.8.2.3 The written minutes shall be the official record of the meeting.

5.0 INDEMNIFICATION OF EMPLOYEES

5.1 Trustees, officers, and employees of the District shall be indemnified for acts and omissions occurring during the performance of their duties, within the scope of their employment or under color of authority pursuant to the provisions of the Utah Governmental Immunity Act.

6.0 ETHICAL CONDUCT

6.1 The purposes of this section are to establish standards of conduct for Trustees and officers and employees of the District and to require these persons to disclose actual or potential conflicts of interest between their public duties and their personal interests.

6.2 The conduct of Trustees and District officers and employees shall be consistent with, among other things and not by way of limitation, Title 67, Chapter 16 of the Utah Code,

RULES AND REGULATIONS (continued)

the Utah Public Officers' and Employees' Ethics Act; UCA § 17B-1-637; Sections 105, 201, 202, 203 and 402 of Title 76, Chapter 8 of the Utah Code, Offenses Against the Administration of Government.

7.0 AUDIT COMPLIANCE

7.1 Cash Management

- 7.1.1 All funds are to be deposited on a daily basis when possible, or at least every three days (UCA § 51-4-2(2) (2009)).

7.2 Investments

- 7.2.1 The investment of any District funds shall be made only with institutions authorized by the Utah Money Management Act, Title 51, Chapter 7 of the Utah Code.
- 7.2.2 Funds may not be invested for terms which exceed the anticipated rate of the expenditure of the funds. (UCA § 51-7-11 (2) (2009)).
- 7.2.3 Funds may only be invested in instruments and assets authorized by the Utah Money Management Act (UCA § 51-7-11(3) (2009)).
- 7.2.4 All securities are to be delivered to an authorized safekeeping custodian within 15 days of the transaction (UCA § 51-7-11(7) (2009)).
- 7.2.5 Selections of investments shall be made with the exercise of that degree of judgment and care which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation but for investment, considering the probable safety for their capital, as well as the probable benefits to be derived. (UCA § 51-7-14 (2009)).
- 7.2.6 All public funds invested in deposit instruments should be invested with qualified depositories within Utah, unless national market rates on instruments of similar quality and term significantly exceed those offered by qualified depositories within the state.

RULES AND REGULATIONS (continued)

7.3 Public Debt

- 7.3.1 The District shall have the power to incur indebtedness; however, it shall contract no debt in excess of state statutory limits.

7.4 Other General Compliance

- 7.4.1 Abandoned Property: Any tangible or intangible property which is presumed abandoned over one year will be submitted to the State Treasurer's Office. The annual abandoned property report (ST-2) will be filed regardless of whether or not the District holds any abandoned property.
- 7.4.2 The District shall provide annually its name, telephone number, and address to the telephone directory publisher serving the geographical area within the District.
- 7.4.3 No District officer or Trustee may employ, appoint, or vote for or recommend the appointment of a relative to any position or employment, when the salary, wages, pay, or compensation of the appointee will be paid from public funds and the appointee will be directly supervised by a relative, except as otherwise permitted by law (UCA § 52-3-1 et seq).

8.0 PURCHASING

8.1 Scope

- 8.1.1 This section shall, except where otherwise noted, govern the acquisition of real or personal property, supplies or services, and disposal of property, whether real or personal, by the District.
- 8.1.2 No purchase shall be made and no encumbrances shall be incurred for the benefit of the District except as provided herein.
- 8.1.3 No purchase shall be made and no encumbrance shall be incurred unless funds sufficient to cover the purchase or encumbrance have been budgeted and are available within the approved Budget or unless the purchase or encumbrance is approved by the Board by a vote at a regular Board meeting.

8.2 Chief Procurement Officer:

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RULES AND REGULATIONS (continued)

- 8.2.1 Designation: The District Manager shall act as and is herein designated to be the Chief Procurement Officer (the "CPO") of the District, subject to final Board approval.
- 8.2.2 The CPO is hereby charged with the responsibility of staying within the Budget and authorizing no expenditures in excess of the Budget as required by Utah Fiscal Procedures Act for Local Districts.
- 8.3 Purchasing and Contacting Procedures:**
- 8.3.1 Except as otherwise approved by the Board, a purchase of goods and services in an amount greater than \$2,000.00 requires the solicitation of price quotations from three prospective vendors or suppliers to reasonably ensure that the District receives the best price. Price quotes in excess of \$2,000.00 shall be in writing.
- 8.3.2 Except as otherwise approved by the Board, whenever the total amount of a contract or purchase exceeds \$10,000 the contract shall be awarded through competitive bidding or proposal process.
- 8.3.3 Funds designated for the purchase of goods or services under a particular Budget line item may not be used for the purchase of goods or services under a different Budget line item without the prior approval of the Board.
- 8.3.4 All purchases shall be reported to the Board for review at the next regular Board meeting.
- 8.3.5 Bond Construction Fund and Other Capital Fund Expenditures:
- 8.3.5.1 Projects shall be submitted to the Board for authorization of funding.
- 8.3.5.2 Construction Change Orders of 15% or less may be approved by the CPO and submitted to the Board for review at its next regular Board meeting.
- 8.3.5.3 Construction Change Orders exceeding 15% shall be submitted to the Board for approval.
- 8.3.5.4 Upon completion of each project, a final summary of costs shall be submitted to the Board for review.

RULES AND REGULATIONS (continued)

8.3.6 Other Expenditures or Fund Transfers: All other expenditures or fund transfers shall be submitted to the Board for review.

8.3.7 The Board may waive the above requirements at such time as the public good justifies such action and shall not be prohibited by the terms of this section from awarding contracts or purchase orders without advertisement or other solicitation if the item to be procured is a brand-name type product which can be procured from only one source. No contract or purchase order in excess of \$5,000.00 may be awarded for such brand-name type of product without the review of the Board.

8.3.8 An official copy of each awarded purchase order or contract, together with all necessary attachments, including assignments, shall be retained by the District Manager in an appropriate file open to the public for such period of time after termination of the contract as an action against the District might ensue under applicable statutes of limitations. After such period of time, purchase orders, contracts and attachments may be destroyed by the direction of the District Manager.

8.4 Emergency Procurements

8.4.1 Notwithstanding any of the provisions of these rules and regulations, when an imminent threat to public health, welfare, or safety exists, the CPO may make or authorize others to make emergency procurements, PROVIDED that the emergency procurements shall be made with as much competition as practicable under the circumstances.

8.4.2 A written determination of the basis for the emergency and the selection of the particular contractor shall be included in the contract file.

8.5 Exceptions to Competitive Bidding

8.5.1 Contracts which by their nature are not conducive to award by competitive bidding, such as personal service contracts, shall not require competitive bids.

8.5.2 Products for services currently defined and contracted for open purchase by the State of Utah shall not require competitive bids.

9.0 RECORDS MANAGEMENT

9.1 General Purpose

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RULES AND REGULATIONS (continued)

- 9.1.1 It is the District's policy to establish and implement guidelines for open government information recognizing the need to maintain and preserve accurate records, provide public access to public records and preserve the right of privacy of personal data collected or received by the District.

9.2 District Policy

- 9.2.1 In adopting the policy contained in this Article 9.0, RECORDS MANAGEMENT (the "Records Policy"), the District recognizes the enactment of Title 63G, Chapter 2 of the Utah Code, the Government Records Access and Management Act (the "Government Records Act") and the application of the Government Records Act to District records. The purpose of this section is to conform to UCA § 63-2-701 which provides that each political subdivision may adopt an ordinance or a policy relating to information practices including classification, designation, access, denials, segregation, appeals, management, retention and amendment of records. The District's Records Policy modifies the general provisions of the Government Records Act, as allowed by law, to best meet the public needs, operation, management capabilities and resources of the District.

9.3 Compliance with State Law

- 9.3.1 In adopting the Records Policy, the District recognizes that the Government Records Act applies to the District and is adopted by this reference as part of the District's Records Policy.

9.4 Definitions

- 9.4.1 In addition to the terms previously defined herein, the following definitions shall be applicable with regard to the Policy.

9.4.1.1 "Computer software program" means the series of instructions or statements that permit the functioning of a computer system in a manner designed to provide storage, retrieval, and manipulation of data from the computer system, and any associated documentation, manuals, or other source material explaining how to operate the software program. "Software" does not include the original data or records which are manipulated by the software.

9.4.1.2 "Controlled record" shall refer to a record containing data on individuals that is controlled as provided in the Government Records Act.

RULES AND REGULATIONS (continued)

9.4.1.3 "Data" shall refer to individual entries (for example, birth date, address, etc.) in records.

9.4.1.4 "Dispose" means to destroy, or render irretrievable or illegible, a record of the information contained in it by any physical, electronic, or other means, including unauthorized deletion or erasure of electronically recorded audio, visual, non-written formats, data processing or other records.

9.4.1.5 "District" means the Ticaboo Electric Improvement District, or any public or private entity which pursuant to contract with the District has agreed to produce and maintain public District records.

9.4.1.6 "Private record" shall refer to a record containing data on individuals that is private as provided the Government Records Act.

9.4.1.7 "Protected record" shall refer to a record that is classified protected as provided by the Government Records Act.

9.4.1.8 "Public record" means a record that is not controlled, private, or protected and is not exempt from disclosure as provided in the Government Records Act.

9.4.1.9 "Record" means all books, letters, documents, papers, maps, plans, photographs, films, cards, tapes, recordings, or other documentary materials, and electronic data regardless of physical form or characteristics, prepared, owned, used, received or retained by the District where all the information in the original is reproducible by some mechanical, electronic, photographic or other means.

9.4.1.10 "Record" does not mean temporary drafts or similar materials prepared for the originator's personal use or prepared by the originator for the personal use of a person for whom he is working; materials that are legally owned by an individual in his or her private capacity; materials to which access is limited by the laws of copyrights or patent; junk mail or commercial publications received by the District or by an officer or employee of the District; proprietary computer software programs as defined in paragraph 10.4.1.2 above that are developed or purchased by or for the District for its own use; and other materials as provided by the Government Records Act.

9.5 Public Right to Records

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RULES AND REGULATIONS (continued)

- 9.5.1 Members of the public shall have to right to see, review, examine and take copies, in any format maintained by the District, of all District governmental records defined as a "public record" under the provisions of the Records Policy, upon the payment of a reasonable fee pursuant to the provisions of the Records Policy and the Government Records Act.
- 9.5.2 The District has no obligation to create a record series in response to a request from a member of the public, if the record requested is not otherwise regularly maintained or kept.
- 9.5.3 When a record is temporarily held by the District's custodial agent pursuant to the custodial agent's statutory functions, such as records storage, investigation, litigation or audit, the record shall not be considered a record of the custodial agent for the purposes of the Records Policy. The record shall be considered a record of the District and any requests for access to such records shall be directed to the District, rather than the custodial agent, pursuant to the Records Policy.
- 9.6 Public, Private, Controlled, and Protected Records**
- 9.6.1 Public records of the District shall be made available to any person. All District records are considered public unless they are (1) expressly designated, classified, or defined otherwise by the District in accordance with policies and procedures established by the Records Policy, (2) are so designated, classified or defined by the Government Records Act, or (3) are made non-public by other applicable law.
- 9.6.2 Private records are those records defined as "private" within the meaning of the Government Records Act or are classified or designated as "private" by the District as provided in the Government Records Act or the Records Policy. Private records shall be made available to the following persons: (1) the subject of the record, (2) the parent or legal guardian of a minor who is the subject of the record, (3) the legal guardian of an incapacitated individual who is the subject of the record, (4) any person who has power of attorney or a notarized release from the subject of the record or his or her legal representative, or (5) any person in possession of or serving a legislative subpoena or a court order issued by a court of competent jurisdiction.
- 9.6.3 Controlled records are those records defined as "controlled" within the meaning of the Government Records Act or are classified or designated as "controlled" by the District as provided in the Government Records Act or the Records Policy. Controlled records shall be made available to a physician, psychologist, or licensed social worker who

RULES AND REGULATIONS (continued)

submits a notarized release from the subject of the record or any person presenting a legislative subpoena or a court order issued by a court of competent jurisdiction.

- 9.6.4 Protected records are those records defined as "protected" within the meaning of the Government Records Act or are classified or designated as "protected" by the District as provided in the Government Records Act or the Records Policy. Protected records shall be made available to (1) the person who submitted the information in the record, (2) a person who has power of attorney or a notarized release from any person or governmental entity whose interests are protected by the classification of the record, (3) any person presenting a legislative subpoena or a court order regarding the release of the information issued by a court of competent jurisdiction.

9.7 Privacy Rights

- 9.7.1 The District recognizes and upholds the personal right of privacy retained by persons who may be the subject of governmental records.
- 9.7.2 The District may, as determined appropriate by the District Manager, notify the subject of a record that a request for access to the subject's record has been made.
- 9.7.3 The District may require that the requester of records provide a written release, notarized within thirty (30) days before the request and from the subject of the records in question before access to such records is provided.

9.8 Designation, Classification and Retention

- 9.8.1 All District records and record series, regardless of format, shall be designated, classified and scheduled for retention according to the provisions of the Government Records Act and the Records Policy. Any records or record series generated in the future shall also be so designated, classified and scheduled for retention. Records shall be designated, classified and scheduled for retention under the supervision of the District Records Officer.

9.9 Procedures for Records Request

- 9.9.1 Records requests shall be in writing and presented to the District on forms provided by the District. The date and time of the request shall be noted thereon and will start the time periods contained in the Records Policy. Persons requesting a record that is not a "public record" within the meaning of the Government Records Act and the Records

RULES AND REGULATIONS (continued)

Policy shall adequately identify themselves and their status prior to receiving access to such a record.

9.9.2 The District may respond to a request for a record by approving the request and providing the records, denying the request, or such other appropriate response as may be established by the District.

9.9.2.1 Except as provided below in paragraph 10.9.3.2, the District shall respond to a written request for a public record within ten (10) business days of the receipt of the request.

9.9.2.2 In the event of extraordinary circumstances as defined below, the District shall be allowed more than ten (10) business days to respond to a written request for a public record as may be reasonably necessary to respond to the request, as determined by the District Manager. Extraordinary circumstances shall include but not be limited to the following:

9.9.2.2.1 Some other governmental entity is currently and actively using the record.

9.9.2.2.2 The record request is for a voluminous quantity of records or requires the District to review a large number of records or perform extensive research to locate the requested record;

9.9.2.2.3 The District is currently processing a large number of record requests and/or is subject to extraordinary seasonal work loads in the processing of other work;

9.9.2.2.4 The record request involves an analysis of legal issues to determine the proper response to the request.

9.9.2.2.5 The record request involves extensive editing to separate public data in a record from that which is not public; or

9.9.2.2.6 Providing the requested record requires computer programming or other format manipulation.

RULES AND REGULATIONS (continued)

9.9.2.3 When a record request cannot be fulfilled within the (10) days, the District Manager shall give the requester an estimate of the time required to respond to the request.

9.9.3 The failure or inability of the District to respond to a record request within the time frames set forth herein, or the District's denial of such a request, shall give rise to the right to appeal as provided in Section 10.11 herein.

9.10 Appeal Process

9.10.1 Any person aggrieved by the District's denial of a record request or claim of extraordinary circumstances in responding to a record request may appeal such denial or claim by filing a written notice of appeal with the District Manager within 30 days of the District's action. The notice of appeal shall contain the petitioner's name, address, and phone number and the relief sought; and may contain a short statement of the facts, reasons and legal authority for the appeal.

9.10.2 If the appeal involves a record that is subject to business confidentiality or affects the privacy rights of an individual, the District Manager may send a notice of the appeal to the affected person.

9.10.3 The District Manager shall make a decision regarding the appeal within fifteen (15) days after receipt of the notice of appeal. During that 15-day period, the District Manager may schedule an informal hearing or request any additional information deemed necessary to render a decision. A copy of the District Manager's decision shall be mailed by the District to all appropriate parties promptly thereafter and shall include the reasons for the District Manager's determination.

9.10.4 If the District Manager affirms the denial in whole or in part, the denial shall include a statement that the requester has a right to appeal the denial to the District's Board.

9.10.5 A written notice of appeal of the District Manager's decision shall be filed with the Board within 30 days of the decision and the appeal shall be heard at the next regularly scheduled meeting of the Board. If there is no meeting scheduled in the next 30 days, the Board shall schedule a meeting for the purpose of hearing the appeal. The final decision of the Board shall be by majority vote of a quorum of the Board. The Board shall prepare a written decision stating their final determination and reasons therefore.

RULES AND REGULATIONS (continued)

- 9.10.6 If the Board affirms the denial, in whole or in part, the Board's decision is subject to judicial review in district court as provided in UCA § 63G-2-404.

9.11 Reasonable Accommodation

- 9.11.1 Reasonable accommodations regarding access to governmental records shall be provided to persons with disabilities in accordance with the Americans with Disabilities Act upon specific request of the record requester.

9.12 Record Amendments

- 9.12.1 Government records held by the District may be amended or corrected as needed. Requests for amendments, corrections, or other changes to records within the custody of the District shall be made in writing, setting forth, with specificity, the amendment or correction requested. When an amendment or correction of a government record is made, only the amended or corrected record shall be retained, unless provided otherwise by the Government Records Act or other State or Federal law.

9.13 Penalties

- 9.13.1 District employees who knowingly refuse to permit access to records in accordance with the Government Records Act and this Records Policy, who knowingly permit access to records that are not "public records," or who knowingly, without authorization or legal authority, dispose of, alter, or remove records or allow other persons to do so in violation of the provisions of the Act, the Records Policy or other law or regulation may be subject to criminal prosecution and disciplinary action, including termination.
- 9.13.2 In accordance with the Act, the District, the Trustees, and District officers and employees shall not be liable for damages resulting from the release of a record where the requester presented credible evidence of authority to obtain the record, even if it may be subsequently determined that the requester had no such authority.

9.14 Records Officer

- 9.14.1 The Records Officer shall be the District Manager. The Records Officer shall oversee and coordinate records access, management and archives activities. The Records Officer shall make annual reports of record service activities to the Board.

RULES AND REGULATIONS (continued)

9.15 Records Maintenance

- 9.15.1 Records maintenance procedures shall be developed to ensure that due care is taken to maintain and preserve District records safely and accurately over the long term. The Records Officer shall be responsible for monitoring the application and use of technical processes in the creation, duplication and disposal of District records. The Records Officer shall also monitor compliance with required standards of quality, permanence, and admissibility pertaining to the creation, use and maintenance of records.
- 9.15.2 All District records shall remain the property of the District unless federal or state legal authority provides otherwise. Property rights to District records may not be permanently transferred from the District to any private individual or entity, including those legally disposable obsolete District records. This prohibition does not include the providing of copies of District records produced for release or distribution under this Records Policy.
- 9.15.3 Custodians of any District records shall, at the expiration of their terms of office, appointment or employment, deliver custody and control of all records kept or received by them to their successors, supervisors, or the District's Records Officer.

10.0 General Rate and Connection Rules and Regulations

10.1 Tariff and Rate Schedules

- 10.1.1 The schedule of rates may be revised and amended from time to time when in the opinion of the District's Board of Trustees, revisions are necessary to yield revenues adequate for the payment of operating expenses, capital improvements, bond indebtedness, and other obligations existing against the system together with any interest due thereon.
- 10.1.2 Prior to the implementation of any rate increase, the District will hold a public meeting for all its customers and members. Notice will be mailed at least ten days prior to the meeting. In addition, any schedule of new rates or other change that results in new rates must be approved by the District's Board of Trustees.
- 10.1.3 All charges not specifically listed in this Tariff which are the responsibility of the applicant or customer, including for example, the cost of cutting and replacing

RULES AND REGULATIONS (continued)

pavement and cement where necessary, shall be fixed and charged as determined by the District Manager.

- 10.1.4 All actual costs occasioned by a nonstandard request of a customer shall be paid by the customer. The District's rates for items necessitated by such requests, as set forth in this Tariff, shall also be paid by the customer.
- 10.1.5 Unless the District is otherwise contractually bound, the rates shall be determined from the Tariff in effect at the time service is rendered and shall not be determined by any estimate received from the District. There shall be no guarantee that any quoted rate, whether oral or written, will be in effect when the service is actually rendered.
- 10.1.6 The District Manager shall file with the Public Service Commission for informational purposes only the current Tariff at least annually, and any time the rates are increased. (UCA § 54-4-1.1 (2009))
- 10.1.7 This Tariff will be produced in loose-leaf form and contain all the requirements as described in Rule R746-405. An effective copy of this Tariff will be maintained and open for public inspection at the District's office at all times. The District will post in a conspicuous place in its office a notice to the effect that copies of the schedule of applicable rates in the District are on file and may be inspected by anyone desiring to do so. (R746-405-2(F))
- 10.1.8 The District will ensure that canceled tariff sheets are removed from the binder of currently effective tariffs. The District will permanently retain a file of all canceled tariff sheets. (R746-405-2(B))
- 10.1.9 The District hereby incorporates the terms of Residential Utility Service Rules (R746-200) into the Tariff.

10.2 Electric Connections

- 10.2.1 All applicants for electrical connections shall pay the applicable fees, including but not limited to engineering, connection, impact fees, meter set, inspection, and permit fees. The applicant is responsible for all installation costs in addition to the District's fees.

10.3 Inspections

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- 10.3.1 Prior to commencing any service, District personnel shall have the right to inspect all lines and related facilities within and upon the premises. If the District Manager does not approve of the same, the applicant shall cause each deficiency identified to be corrected at the applicant's sole expense so as to meet the requirements of the District and of any other governmental entity having jurisdiction.
- 10.3.2 After service has commenced, District personnel shall have the right to inspect all lines, and related facilities within and upon the premises with reasonable notice to the customer to ensure that the District's rules and regulations are being complied with and may require that deficiencies and/or violations be corrected at the customer's sole expense.
- 10.3.3 Any customer of the District may have any appliance used in the measurement thereof tested, upon paying the fees fixed by the public service commission. (UCA § 54-4-20 (2009)).
- 10.3.4 The applicant or customer must pay all reasonably required inspection fees.

11.0 CUSTOMER SERVICE

11.1 New Connections

- 11.1.1 All new customers shall provide a security deposit equal to \$200.00 at the time of connecting to the District's system. Additionally, all customers who are tenants and not the owners of the property on which they desire service shall provide a security deposit equal to \$200.00 at the time of connecting to the District's system.
- 11.1.2 The District shall pay interest on all security deposit at the rate of 1.0% per annum. The deposit paid, plus accrued interest, is eligible for return to the customer after the customer has paid the bill on time for 12 consecutive months.
- 11.1.3 A residential customer has the right to pay a security deposit in at least three equal monthly installments if the first installment is paid when the deposit is required. (R746-200-3(A)(3))
- 11.1.4 When service is extended to a customer, the District will provide the customer with a consumer information pamphlet approved by the Public Service Commission which clearly describes and summarizes the substance of Public Service Commission's rules. The District mail or deliver a copy of this pamphlet to its residential customers annually

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in September or October. Copies of this pamphlet will be prominently displayed in the District office and furnished to consumers upon request. The District will inform its customers of significant amendments to those rules. (R746-200-1(E))

- 11.1.5 When electric service is extended to a customer, annually, and upon first notice of an impending service disconnection, the District will provide a copy of the "Customer's Statement of Rights and Responsibilities" as approved by the Commission. The Statement of Rights and Responsibilities will be a single page document. It will be prominently displayed in the District's office. (R746-200-1(G))

11.2 Meters and Other Equipment

- 11.2.1 All customers of the District shall be metered.

- 11.2.2 The District shall have access to high grade testing instruments, working standards, to test the accuracy of meters or other instruments used to measure electricity consumed by its customers. The error of accuracy of the working standards at both light load and full load shall be less than one percent of 100 percent of rated capacity. This accuracy shall be maintained by periodic calibration against reference standards. (R746-310-3(A)(2))

- 11.2.3 All new meters shall be tested before installation. Removed meters shall be tested before or within 60 days of installation. In-service meters shall be periodically or sample tested. Upon written request, the District shall promptly test the accuracy of a customer's meter. If the meter has been tested within 12 months preceding the date of the request, the District may require the customer to make a deposit. The deposit shall not exceed the estimated cost of performing the test. If the meter is found to have an error of more than two percent of tested capacity, the deposit shall be refunded; otherwise, the deposit may be retained by the District as a service charge. Customers shall be entitled to observe tests, and utilities shall provide test reports to customers. In the event of a dispute, the customer may request a referee test in writing. The Commission may require the deposit of a testing fee. Upon filing of the request and receipt of the deposit, if required, the Commission shall notify the District to arrange for the test. The District shall not remove the meter prior to the test without Commission approval. The meter shall be tested in the presence of a Commission representative, and if the meter is found to be inaccurate by more than two percent of rated capacity, the customer's deposit shall be refunded; otherwise, it may be retained. (R746-310-3(B))

- 11.2.4 If a meter tested pursuant to this section is more than two percent fast, the District shall refund to the customer the overcharge based on the corrected meter readings for the period the meter was in use, not exceeding six months, unless it can be shown that the

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error was due to some cause, the date of which can be fixed. In this instance, the overcharge shall be computed back to, but not beyond that time. (R746-310-3(C))

- 11.2.5 If a meter tested pursuant to this section is more than two percent slow, the District may bill the customer for the estimated energy consumed but not covered by the bill for a period not exceeding six months unless it can be shown that the error was due to some cause, the date of which can be fixed. In this instance, the bill shall be computed back to, but not beyond that time. (R746-310-3(C))
- 11.2.6 If a meter does not register, the District may bill the customer for the estimated energy used but not registered for a period not exceeding three months. (R746-310-3(C))
- 11.2.7 The District shall maintain records for each meter until retirement. This record shall contain the identification number; manufacturer's name, type and rating; each test, adjustment and repair; date of purchase; and location, date of installation, and removal from service. The District shall keep records of the last meter test for every meter. At a minimum, the records shall identify the meter, the date, the location of and reason for the test, the name of the person or organization making the test, and the test results.
- 11.2.8 The District will cause to be installed a suitable meter on an applicant's premises in a location furnished by the applicant and approved by the District, which shall be located on the exterior of the structure and shall be accessible for reading, testing and maintaining the meter. No rent or other charge shall be made by the applicant for the use of this location.
- 11.2.9 In multiple occupancy buildings where a number of meters are required to measure the electricity supplied, all meters shall be located on the exterior of the structure at a central point and each meter socket or panel will be clearly marked to indicate the particular location supplied through it.
- 11.2.10 All meters will be sealed by the District at the time of installation and no seal shall be altered or broken except by one of its authorized employees.
- 11.2.11 All service switches, disconnects, meter sockets, and similar devices, irrespective of voltage, required by law in connection with a service and meter installation on a customer's premises shall be furnished and installed by the customer, subject to District approval.
- 11.2.12 The District shall install the instruments necessary to obtain a record of the load on its systems, showing at least the monthly peak and a monthly record of the output of its

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plants. If the District ever purchase electrical energy then the District shall install the instruments necessary to furnish information regarding monthly purchases of electrical energy, unless those supplying the energy have already installed instruments from which that information can be obtained. The District Manager shall maintain records indicating the data obtained by station instruments.

11.2.13 The District shall own or have access to portable indicating voltmeters or other devices necessary to accurately measure, upon complaint or request, the quality of electric service delivered to its customer to verify compliance with the standard established in Subsection R746-310-4(B)(1). The District shall make periodic voltage surveys sufficient to indicate the character of the service furnished from each distribution center and to ensure compliance with the voltage requirements of these rules.

11.2.14 The District shall inspect its poles, towers and other similar structures with reasonable frequency in order to determine the need for replacement, reinforcement or repair. Unless otherwise ordered by the Commission, the requirements contained in the National Electrical Safety Code, as defined at R746-310-1(B)(13), constitute the minimum requirements relative to the following: 1. the installation and maintenance of electrical supply stations; 2. the installation and maintenance of overhead and underground electrical supply and communication lines; 3. the installation and maintenance of electric utilization equipment; 4. rules to be observed in the operation of electrical equipment and lines; and 5. the grounding of electrical circuits. (R746-310-4)

11.2.15 Facilities owned or operated by the District and used in furnishing electricity shall be designed, constructed, maintained and operated so as to render adequate and continuous service. The District shall, at all times, use every reasonable effort to protect the public from danger and shall exercise due care to reduce the hazards to which employees, customers and others may be subjected from the District's equipment and facilities. (R746-310-5)

11.3 Billings

11.3.1 The District will bill customers on a monthly basis, based on actual or estimated meter readings. Actual meter readings will be used unless a meter reader is unable to gain access to a meter reading, in which case the District will take appropriate additional measures in an effort to get an actual meter reading. These measures shall include, but are not limited to, scheduling of a meter reading at other than normal business hours, making an appointment for meter reading, or providing a prepaid postal card with a notice of instruction upon which a customer may record a meter reading. If after two regular route visits, access has not been achieved, the District will notify the customer that he must

RULES AND REGULATIONS (continued)

make arrangements to have the meter read as a condition of continuing service. If the District cannot make an actual meter reading, after taking all of the previous steps, then the District will give an estimated bill for the current billing cycle, provided that actual readings shall occur at least once in each two month period. (R746-200-4(B))

11.3.2 Customers shall have 20 days from the date a bill is prepared to pay the new balance, which date will be the statement due date. (R746-200-4(E)) Any balance not paid within 30 days of the statement due date shall bear interest at the rate of 10.0% per annum on the unpaid balance until paid in full.

11.3.3 All disputes concerning bills will attempt to be resolved by negotiation. If the negotiation does not resolve the dispute, the account holder may obtain informal and formal review of the dispute as set forth in Section R746-200-8, Informal Review, and R746-200-9, Formal Review. While an account holder is proceeding with either informal or formal review of a dispute, no termination of service shall be permitted if amounts not disputed are paid when due. (R746-200-4(F)).

11.3.4 An applicant or customer who cannot pay a delinquent account balance on demand will have the right to receive residential utility service under a deferred payment agreement subject to R746-200-5(B) unless the delinquent account balance is the result of unauthorized usage of, or diversion of, residential utility service. If the delinquent account balance is the result of unauthorized usage of, or diversion of, residential utility service, the District will not allow the use of a deferred payment agreement. (R746-200-5(A)).

11.3.5 An applicant or customer shall have the right to a deferred payment agreement, consisting of 12 months of equal monthly payments, if the full amount of the delinquent balance plus interest shall be paid within the 12 months and if the applicant or customer agrees to pay the initial monthly installment. The customer shall have the right to pre-pay a monthly installment, pre-pay a portion of, or the total amount of the outstanding balance due under a deferred payment agreement at any time during the term of the agreement. The customer also has the option, when negotiating a deferred payment agreement, to include the amount of the current month's bill plus the reconnection charges in the total amount to be paid over the term of the deferred payment agreement. (R746-200-5(A)).

11.4 Backbills (R746-310-8)

11.4.1 As used in this subsection, the term "backbill" is that portion of a bill, other than a leveled bill, which represents charges not previously billed for service that was actually delivered to the customer during a period before the current billing cycle, and the term

RULES AND REGULATIONS (continued)

"catch-up bill" is a bill based upon an actual reading rendered after one or more bills based on estimated or customer readings. A catch-up bill which exceeds by 50 percent or more the bill that would have been rendered under a utility's standard estimation program is presumed to be a backbill.

- 11.4.1.1 The account holder may be notified by mail, by phone, or by a personal visit, of the reason for the backbill. This notification shall be followed by, or include, a written explanation of the reason for the backbill that shall be received by the customer before the due date and be sufficiently detailed to apprise the customer of the circumstances, error or condition that caused the underbilling, and, if the backbill covers more than a 24-month period, a statement setting forth the reasons the utility did not limit the backbill under Subsection R746-310-8(D).
- 11.4.1.2 The District shall not render a backbill more than three months after the District actually became aware of the circumstance, error, or condition that caused the underbilling. This limitation does not apply to fraud and theft of service situations
- 11.4.1.3 The District shall not bill a customer for service rendered more than 24 months before the District actually became aware of the circumstance, error, or condition that caused the underbilling or that the original billing was incorrect.
- 11.4.1.4 In case of customer fraud, the District shall estimate a bill for the period over which the fraud was perpetrated. The time limitation of Subsection R746-310-8(D)(1) does not apply to customer fraud situations.
- 11.4.1.5 The District shall permit the customer to make arrangements to pay a backbill without interest over a time period at least equal in length to the time period over which the backbill was assessed. If the District has demonstrated that the customer knew or reasonably should have known that the original billing was incorrect or in the case of fraud or theft, in which case, interest will be assessed at the rate applied to past due accounts on amounts not timely paid in accordance with the established arrangements.

11.5 Overbilling (R746-310-9)

11.5.1 Billing under the following conditions constitutes overbilling:

- 11.5.1.1 a meter registering more than two percent fast, or a defective meter;
- 11.5.1.2 use of an incorrect watt-hour constant;

RULES AND REGULATIONS (continued)

11.5.1.3 incorrect service classification, if the information supplied by the customer was not erroneous or deficient;

11.5.1.4 billing based on a switched meter condition where the customer is billed on the incorrect meter;

11.5.1.5 meter turnover, or billing for a complete revolution of a meter which did not occur;

11.5.1.6 a delay in refunding payment to a customer pursuant to rules providing for refunds for line extensions;

11.5.1.7 incorrect meter reading or recording by the District; and

11.5.1.8 incorrect estimated demand billings by the District.

11.5.2 Interest

11.5.2.1 The District shall provide interest on customer payments for overbilling. The interest rate shall be the greater of the interest rate paid by the District on customer deposits, or the interest rate charged by the District for late payments.

11.5.2.2 Interest shall be paid from the date when the customer overpayment is made, until the date when the overpayment is refunded. Interest shall be compounded during the overpayment period.

11.5.3 The District shall not be required to pay interest on overpayments if offsetting billing adjustments are made during the next full billing cycle subsequent to the receipt of the overpayment.

11.5.4 The District shall be required to offer refunds, in lieu of credit, only when the amount of the overpayment exceeds \$50 or the sum of two average month's bills. However, the District shall not be required to offer a refund to a customer having a balance owing to the District, unless the refund would result in a credit balance in favor of the customer.

11.5.5 If a customer is given a credit for an overpayment, interest will accrue only up to the time at which the first credit is made, in cases where credits are applied over two or more bills.

11.5.6 The District shall not be required to make a refund of, or give a credit for, overpayments which occurred more than 24 months before the customer submitted a complaint to the

RULES AND REGULATIONS (continued)

District or the Commission, or the District actually became aware of an incorrect billing which resulted in an overpayment.

- 11.5.7 When the District can demonstrate before the Commission that a customer knew or reasonably should have known an overpayment to be incorrect, the District shall not be required to pay interest on the overpayment.

11.6 Termination of Service

- 11.7 The District may terminate service for any of the following reasons: Residential utility service may be terminated for the following reasons: (a) Nonpayment of a delinquent account; (b) Nonpayment of a deposit when required; (c) Failure to comply with the terms of a deferred payment agreement or Public Service Commission order; (d) Unauthorized use of, or diversion of, residential utility service or tampering with wires, pipes, meters, or other equipment; (e) Subterfuge or deliberately furnishing false information; or (f) Failure to provide access to meter during the regular route visit to the premises following proper notification and opportunity to make arrangements. (R746-200-7(B))

- 11.7.1 When an account is delinquent, the District will issue a written late notice to inform the customer of the delinquent status. The late notice will include the following information: (a) a statement that the account is a delinquent account and should be paid promptly; (b) statement that the account holder should communicate with the District's collection department, by calling the company, if he or she has a question concerning the account; and (c) a statement of the delinquent account balance, using a term such as "delinquent account balance." (R746-200-7(A)(2))

- 11.7.2 The following shall be insufficient grounds for termination of service: A delinquent account, accrued before a divorce or separate maintenance action in the courts, in the name of a former spouse, cannot be the basis for termination of the current account holder's service; Cohabitation of a current account holder with a delinquent account holder whose utility service was previously terminated for non-payment, unless the current and delinquent account holders also cohabited while the delinquent account holder received the utility's service, whether the service was received at the current account holder's present address or another address; When the delinquent account balance is less than \$25.00, unless no payment has been made for two months; Failure to pay an amount in bona fide dispute before the Commission; Payment delinquency for third party services billed by the regulated utility company, unless prior approval is obtained from the Commission.

RULES AND REGULATIONS (continued)

11.7.3 Service by the District may not be terminated and will be restored if terminated when the termination of service will cause or aggravate a serious illness or infirmity of a person living in the residence. Utility service will be restored or continue for one month or less as stated in Subsection R746- 200-7(C)(2) (R746-200-7(C))

11.7.3.1 Upon receipt of a statement, signed by an osteopathic physician, a physician, a surgeon, a naturopathic physician, a physician assistant, a nurse, or a certified nurse midwife, as the providers are defined and licensed under Title 58 of the Utah Code, either on the health care provider's letterhead stationery, which statement legibly identifies the health infirmity or potential health hazard, and how termination of service will injure the person's health or aggravate their illness, the District will continue or restore residential utility service for the period set forth in the statement or one month, whichever is less; however, the person whose health is threatened or illness aggravated may petition the Commission for an extension of time.

11.7.3.2 During the period of continued service, the account holder is liable for the cost of residential utility service. No action to terminate the service may be undertaken, however, until the end of the period of continued service.

11.7.3.3 The District shall not terminate service to a residence in which the account holder or a resident is known by the District to be using an iron lung, respirator, dialysis machine, or other life-supporting equipment whose normal operation requires continuation of the District's service, without specific prior approval by the Commission. Account holders eligible for this protection can get it by filing a written notice with the District, which notice form is to be obtained from the District, signed and supported by a statement consistent with that required in Section 11.7.3.1 above,, and specifically identifying the life-support equipment that requires the utility's service. Thereupon, the District shall mark and identify applicable meter boxes when this equipment is used.

11.7.4 The District may terminate residential utility service without notice when, in its judgment, a clear emergency or serious health or safety hazard exists for so long as the conditions exist, or when there is unauthorized use or diversion of residential utility service or tampering with wires, pipes, meters, or other equipment owned by the utility. The utility shall immediately try to notify the customer of the termination of service and the reasons therefor. (R746-200-7(F))

11.8 Notice of Proposed Termination of Service –

Filed: _____, 2009
Advice Letter No. ____

Effective: _____

RULES AND REGULATIONS (continued)

- 11.8.1 At least 10 calendar days before a proposed termination of service, the District will give written notice of disconnection for nonpayment to the customer. The 10-day time period is computed from the date the bill is postmarked. The notice shall be given by first class mail or delivery to the premises and shall contain a summary of the following information:
- 11.8.1.1 Statement of Customer Rights and Responsibilities under existing state law and Commission rules;
 - 11.8.1.2 the District's policy on termination of service;
 - 11.8.1.3 the availability of deferred payment agreements and sources of possible financial assistance including but not limited to state and federal energy assistance programs;
 - 11.8.1.4 informal and formal procedures to dispute bills and to appeal adverse decisions, including the Public Service Commission's address and telephone number;
 - 11.8.1.5 specific steps, printed in a conspicuous fashion, that may be taken by the consumer to avoid termination of service; and
 - 11.8.1.6 the date on which payment arrangements must be made to avoid termination of service.
- 11.8.2 At least 48 hours before termination of service is scheduled, the utility shall make good faith efforts to notify the account holder or an adult member of the household, by mail, by telephone or by a personal visit to the residence. If personal notification has not been made either directly by the utility or by the customer in response to a mailed notice, the utility shall leave a written termination of service notice at the residence. Personal notification, such as a visit to the residence or telephone conversation with the customer, is required only during the winter months, October 1 through March 31. Other months of the year, the mailed 48-hour notice can be the final notice before the termination of service.
- 11.8.3 If termination of service is not accomplished within 15 business days following the 48-hour notice, the utility company will follow the same procedures for another 48-hour notice.
- 11.8.4 The District will send duplicate copies of 10-day termination of service notices to a third party designated by the customer and will make reasonable efforts to personally contact the third party designated by the customer before termination of service occurs, if the

Filed: _____, 2009
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Effective: _____

RULES AND REGULATIONS (continued)

third party resides within its service area. The district will inform its customers of the third-party notification procedure at the time of application for service and at least once each year.

- 11.8.5 In rental property situations where the tenant is not the customer and that fact is known to the utility, the utility shall post a notice of proposed termination of service on the premises in a conspicuous place and shall make reasonable efforts to give actual notice to the occupants by personal visits or other appropriate means at least five calendar days before the proposed termination of service. This notice provision applies to residential premises when the customer has requested termination of service or the customer has a delinquent bill. If nonpayment is the basis for the termination of service, the District will advise the tenants that they may continue to receive utility service for an additional 30 days by paying the charges due for the 30-day period just past.
- 11.8.6 Upon expiration of the notice of proposed termination of service, the District will terminate residential utility service. Except for service diversion or for safety considerations, utility service shall not be disconnected between Thursday at 4:00 p.m. and Monday at 9:00 a.m. or on legal holidays recognized by Utah, or other times the utility's business offices are not open for business. Service may be disconnected only between the hours of 9:00 a.m. and 4:00 p.m.
- 11.9 Disconnection of Service**
- 11.9.1 A customer shall advise the District at least three days in advance of the day on which the customer wants service disconnected to its residence. The District will disconnect the service within four working days of the requested disconnect date. The customer shall not be liable for the services rendered to or at the address or location after the four days, unless access to the meter has been delayed by the customer.
- 11.9.2 A customer who is not an occupant at the residence for which termination of service is requested shall advise the District at least 10 days in advance of the day on which the customer wants service disconnected and sign an affidavit that he is not requesting termination of service as a means of evicting his tenants. Alternatively, the customer may sign an affidavit that there are no occupants at the residence for which termination of service is requested and thereupon the disconnection may occur within four days of the requested disconnection date.

12.0 HEAT Program

Filed: _____, 2009
Advice Letter No. ____

Effective: _____

RULES AND REGULATIONS (continued)

- 12.1 The District shall allow its customers to participate in the HEAT program. The District Manager shall coordinate all contact with the customer, HEAT Program Manager, and any other person or entity required for the customer to participate in the program.
- 12.2 The District will not discontinue utility service to a low-income household for at least 30 days after receipt of utility payment from the state program on behalf of the low-income household.

13.0 RULES OF CONSTRUCTION

- 13.1 The singular number includes the plural where the context and application of the rules and regulations contained herein reasonably suggest.
- 13.2 Words used in the present tense include the future.
- 13.3 Words used in the masculine gender comprehend, as well, the feminine and neuter.
- 13.4 The word "person" includes bodies politic and any individual, partnership, association, corporation or group of individuals, however styled or designated.

14.0 CONFLICTS AND INVALIDITY CLAUSE

- 14.1 If any provision, paragraph, word, section, or chapter hereof is invalidated by any court of competent jurisdiction or by any state or federal statute, the remaining provisions, paragraphs, words, sections, and chapters hereof shall not be affected and shall continue in full force and effect.

LINE EXTENSION POLICY

1. Overview. This Line Extension Policy governs the basic rights and duties of the District and the customer, for the extension of new electrical service. This Policy is not intended to cover every specific situation or eventuality. The Board of Trustees is therefore authorized to make policy adjustments to accommodate those unique situations as they arise.
2. Definition of Extension. An extension is any continuation of, or branch from, the nearest available existing service line of the District, including any increase in capacity of an existing line to meet the customer's requirement.
3. Costs. The total cost of an extension, including engineering, labor and material shall be paid by the applicant. The District shall provide to the customer or applicant a good faith estimate of the cost of the project which shall be based upon the actual necessary cost of constructing and installing the line extension and facilities necessary to adequately supply the service requested by the customer or applicant. Where more than one applicant is involved in an extension, the costs shall be prorated on the basis of the street frontage distances involved. Sufficient infrastructure shall be included with every installation. The applicant must pay 100% of the extension cost of the line.
4. Construction Standards. Facility sizes shall be designed by the District, but the size shall never be smaller than necessary for sufficient transmission and voltage. The District shall be responsible for choosing the contractor, but may provide a list of approved contractors from which the customer may choose.
5. Ownership. Completed facilities shall be owned, operated, and maintained by the District, including the meters, as detailed in the Rules and Regulations.
6. Electric Power Supply. All costs, other than line extension costs, for providing needed electric power supply shall be paid by the District. This cost shall include the installation and operation of transformers and voltage regulators as required for proper regulation of the system.
7. Temporary Service. The customer will pay the total cost for the installation and removal of any extensions for service to a venture of a temporary or speculative permanency. The District will receive the estimated cost from the customer before beginning work on the extension.
8. Service from Prior Extension. Customers desiring service from a prior extension less than five (5) years old, to which a contribution has been made by another customer, must pay their proportionate share of that contribution in advance of construction. This amount is in addition to any contributions required by this policy.

Filed: _____, 2009
Advice Letter No. ____

Effective: _____

Ticaboo Electric Improvement District
Ticaboo, Utah

Original Sheet No. 46
P. S. C. Utah No. 1

LINE EXTENSION POLICY (continued)

9. Refunding Contributions. The District shall refund contributions by new customers on a preexisting line extension, to the contributor(s) to that extension, or to the current owners of the affected properties. The purpose of this refund is that all customers served from the extension share proportionally in the cost of the extension. Refunds apply to monetary contributions only and shall be made to the legal owner(s) of the property(s) served by the extension at the time of the refund.

Filed: _____, 2009
Advice Letter No. ____

Effective: _____

Exhibit E

GARFIELD COUNTY, UTAH

RESOLUTION NO. 2009-7

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF GARFIELD COUNTY, UTAH, APPOINTING MEMBERS TO THE BOARD OF TRUSTEES OF THE TICABOO ELECTRIC IMPROVEMENT DISTRICT.

WHEREAS the owners of property within the Ticaboo Electric Improvement District petitioned the Board of County Commissioners of Garfield County, Utah (the "County Commissioners") to authorize the creation of the Ticaboo Electric Improvement District (the "District"); and

WHEREAS the petition requested that the District be governed by a three-person Board of Trustees, to be appointed by the County Commissioners; and

WHEREAS public notice of the vacancies was given as required by UCA § 17B-1-304 and timely applications for appointment to the Board of Trustees of the District were submitted by the following qualified candidates: James Hills, Christopher L. Thompson, and Wilford Kay Randall; and

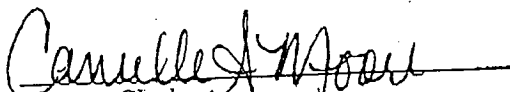
NOW THEREFORE, be it resolved by the Board of County Commissioners of Garfield County, Utah, acting as the appointing authority of the District, as follows:

1. James Hills, Christopher L. Thompson, and Wilford Kay Randall are hereby appointed to serve as members of the Board of Trustees of the Ticaboo Electric Improvement District. As determined by lot, Wilford Randall will serve an approximately two-year initial term to expire on December 31, 2011, and James Hills and Christopher Thompson will each serve an approximately four-year initial term to expire on December 31, 2013.
2. This resolution shall take effect upon its adoption.

APPROVED AND ADOPTED by the Board of Commissioners of Garfield County, Utah, on November 9, 2009.


Commissioner Chair

ATTEST:


County Clerk



Garfield County

Ticaboo Special Service District No. 1

11/3/2009

To: Garfield County Commissioners

Re: TEID Board of Trustees Vacancy

I would like to submit the following applicants for your consideration as Board members for the 3 vacancies you have for the new Ticaboo Electric Improvement District. Kay Randal, Jim Hills and Chris Thompson. As current Chairman of the Special Service District in Ticaboo I have worked with these individuals on several occasions and believe them to have the right skills, attitude and means to make a difference in our community. I would highly recommend them as Control Board Members.

The scope of this project is tremendous, and I believe having the right board members is going to be critical and the key to the success of this District. Kay and Jim (self employed) both live and own businesses in Ticaboo and Chris (NPS employee) is an expert for the NPS on the power systems we currently have in the area and will be a great liaison between the district efforts and the National Park Service. I believe these individuals are sincere will work hard to operate, maintain and help to expand the Electric District throughout the entire Bullfrog Basin over the years to come. They were here before the mine opened and will be here to fulfill their obligation regardless of the condition of the mining industry.

They are long term residents and care that we are successful and meet the future challenges we all face in this new venture. I have enclosed their resumes and statement of qualifications for your review.

I will submit my application as a board member if needed, but believe I could be more productive and efficient as a District Manager for this cause. I am currently managing the day to day operations along with the wastewater rehabilitation project and culinary water project for the Special Service District in Ticaboo. This would allow for easy integration and cooperation between the two districts. I have given my personal commitment for service on the TSSD and will continue to serve to the best of my ability. As a long term resident and property owner in Ticaboo my wife and I (self employed) own and operate residential and commercial real estate in Utah and Colorado for over 26 years. I am semi retired which allows me the time to commit to the functions and duties required to manage a successful District properly and efficiently. I will commit the same to the TEID.

Thank you for your consideration,

Chuck Birrenbach | Chairman
Administrative Control Board
Garfield County Ticaboo Special Service District No. 1
Phone: 435.788.2115
cbirrenbach@gmail.com

P.O. Box 2111, Ticaboo, Utah 84538



Wilford Kay Randall
Box 2275
Lake Powell, UT 84533
435-788-1247 work
435-788-1249 home
wilfordkayrandall@hotmail.com

September 19, 2009

To Ticaboo Special Service District

To Garfield County Commissioners

In November 2008 my wife and I moved to Ticaboo to open a NAPA store. We moved from Monticello, Utah where I owned my own business for 30 years as a NAPA Automotive Jobber and Ace Hardware Retailer. We have been coming to Ticaboo and Lake Powell for the past 3 years selling supplies to the Mine, Aramark, and NPS. We enjoy the area and people and are working hard to make a successful business here.

I have lived in Monticello almost my whole life, but about 9 years ago we moved to a small community east of Monticello, called Eastland. The community is unincorporated and we have our own Special Service District. Since moving to Eastland, I have received certifications as a small systems water operator. I am currently fulfilling similar obligations in Ticaboo.

I work over 40 hours a week at the Ticaboo NAPA store, but feel I could put some time in helping with the Special Service District here in Ticaboo. I think Chuck and Pam Birrenback have done a lot of work and a great job. I would like to be considered as board member for the Ticaboo Special Service District also. I have some ideas that would make the Service District run more smoothly, such as operating it as a business and asking for volunteer help and grants as needed.

Thank you for your time, and I would enjoy the opportunity to meet with you to discuss what I can offer. Feel free to reach me at the numbers above.

Sincerely,

Wilford Kay Randall

Wilford Kay Randall

Box 2275

Lake Powell, UT 84533

Email: wilfordkayrandall@hotmail.com

435-788-1247 work
435-788-1249 home
435-459-9742 cell

CERTIFICATIONS

- Small Systems Water Operator, Utah Water System Operator, Certificate # 07106
- March 2007

WORK EXPERIENCE

NAPA Auto Parts, *Ticaboo UT*

Manager, November 2008 – Present

- Construction to make store useable space.
- Set up fixtures in store
- Inventory
- Set up computer system for Customers, Accounts Payable, Accounts Receivables
- Public Relations with local markets.
- Advertising

NAPA Automotive Jobber/Ace Hardware Retailer, Monticello UT

- Owner – Since Jan 1980, Became Employee in January 2007 – October 2008
- Owned and operated my own business for 27 years at which time I sold to my Son.

OTHER EXPERIENCE

Small Systems Water Operator, Eastland UT

- March 2007 License # 07106
- Attend Scheduled Water Meetings, helped make decisions regarding water policy for Eastland
Took Monthly water samples

INTERESTS

- Rocks
- 4 Wheeling
- Working a lot :)

Memorandum

To: Chuck Birrenbach

From: Christopher Thompson

Subject: Ticaboo

My name is Christopher L. Thompson. I am employed as a Maintenance Mechanic Supervisor over Hite, Halls Crossing and Bullfrog Marinas' Maintenance division personnel and operations. I have been a resident of Bullfrog Marina for the last 5 years, this being my second tour of duty at Bullfrog with the National Park Service, the first starting in January 1994.

I have been employed for a total of 20 years with the National Park Service.

I am currently a registered voter.

Sincerely,

Christopher L. Thompson

RESUME

FOR

James L. Hills

9/04/2009

EDUCATION: Honor Graduate from Butte High School 1970
2- year graduate from Butte Vo-Tech; courses in Advanced Mechanics, welding and Machine Shop
4- year Machinist Apprenticeship through Butte Mines Machine Shop/IBEW
5-years of periodic accredited training in the theory, development and application of Adaptive Medical Equipment and Adaptive Living Devices
8-years periodic accredited training in Business Management, Business Development and Employee/Customer Relations; including 6 years involvement with the National Micro Business Association

WORK EXPERIENCE:

Involved in work/Study programs through high school
Worked summers through high school as Service Station Attendant and Mechanics Assistant
7-years as a Machinist Helper, Machinist Apprentice and Machinist for the Anaconda Mining Co. Butte Mines Machine Shop
7-years for Westinghouse as Machinist starting as class C Qualifying and finishing as Class A Senior Qualified
7-years Adaptive Medical Technician
2-years Executive Director for "ADA Associates of Montana"
5-years as owner/operator of photo studio and freelance photo business
9-years Upholstery Shop Supervisor for Aramark LPM
6.5 years owner/operator of "Canyon Ferry Canvas and Upholstery"

PRIMARY INTERESTS:

Motorcycling Outdoor activities Hiking, Shooting, ATVing, Boating Art and Music

Jim Hills
Ticaboo, UT 84533
435-788-3039

9/04/2009

To: Ticaboo Special Service District

To: Garfield County Commissioners

My wife and I moved to the area over 9 years ago after a forest fire destroyed our business in Montana. We love the area and have brought our family with us to live and work in this pristine area of Southern Utah. Owning and operating my own business out here I understand the importance of an Electric District for the much needed growth out here. I believe I will bring a strong commitment and dedication to the control board and will allocate the time needed to get the job done.

I would like to be considered for one of the vacant positions on the Ticaboo Electric Improvement District.

Sincerely,

Jim Hills

Exhibit F

MEMORANDUM OF UNDERSTANDING ON ELECTRIC SERVICE

THIS MEMORANDUM OF UNDERSTANDING ON ELECTRIC SERVICE (this "MOU") is entered into as of this 13th day of November, 2009, by and between the Ticaboo Electric Improvement District, a political subdivision of the State of Utah (the "**District**"), Denison Mines (USA) Corp., a Delaware corporation ("**Denison**"), and Uranium One Ticaboo Inc., a Delaware corporation ("**Uranium One**" and collectively with the District and Denison, the "**Parties**").

WHEREAS the District is a political subdivision of the State of Utah, with all the attendant rights and powers granted to local districts under Title 17B of the Utah Code formed for the purpose of providing electricity to customers within the District's boundaries; and

WHEREAS Uranium One is the lessee under that certain Ground Lease and Development Agreement, dated September 1, 2008, by and between the State of Utah acting by and through the School and Institutional Trust Land Administration ("**SITLA**") and Uranium One ("**Ground Lease**") which covers the Ticaboo townsite located within the District's boundaries and more specifically described on Exhibit A ("**Ticaboo Townsite**"); and

WHEREAS Uranium One is the owner of certain electric generators, transmission lines, transformers, meters, and all other electric generation, transmission, distribution, and metering equipment described on Exhibit B and located within the Ticaboo Townsite ("**Electric Power Assets**") used for the generation and distribution of electricity within the Ticaboo Townsite, a portion of the cost of acquisition of which was contributed by Denison to Uranium One; and

WHEREAS the District desires to acquire the Electric Power Assets and Uranium One desires to donate the Electric Power Assets to the District in order to facilitate the formation and viability of the District and to insure that the District is able to serve its customers within the district boundaries; and

WHEREAS Denison is the operator of a nearby mining complex and has an interest in the successful operation of the Ticaboo Townsite; and

WHEREAS Denison is willing to provide volunteer services to the District for one year to facilitate the formation and viability of the District and to allow the District to operate the Electric Power Assets so that the District is able to serve its customers within the district boundaries; and

WHEREAS the Parties each find and expressly declare that this MOU is in the best interest of the Parties:

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING, THE PARTIES AGREE AS FOLLOWS:

1. On or before December 31, 2009, Uranium One will donate to the District and the District will accept and take possession of all of Uranium One's interest in the Electric Power Assets. Denison consents to and approves the donation of the Electric Power Assets.

2. Effective upon receipt of the Electric Power Assets from Uranium One ("Transition Date"), the District will assume responsibility to supply and will supply electricity to electric power customers, including residential, commercial and municipal users, located within the Ticaboo Townsite. Prior to the Transition Date, Uranium One will continue to operate and maintain the Electric Power Assets and supply power to the Ticaboo Townsite.
3. The District hereby acknowledges that it has made its own independent inspection and investigation of the Electric Power Assets and all matters concerning the Electric Power Assets which it deems material to its acquisition, ownership and use of the Electric Power Assets. The District is acquiring the Electric Power Assets AS IS AND WITH ALL FAULTS. The District acknowledges that Uranium One makes no representations or warranties whatsoever, implied or express, concerning the value, physical or environmental condition, use, status, validity, ownership, title, merchantability, fitness for a particular purpose, freedom from defects, or encumbrances on the Electric Power Assets and the District acknowledges and agrees that no representations, statements or warranties, express or implied, have been made by or on behalf of Uranium One regarding the Electric Power Assets. Furthermore, without waiving any of the District's rights to government immunity from the claims of third persons who are not a party to this MOU, which rights to immunity extend to the District's employees, including volunteers, the District will indemnify, defend and hold harmless Uranium One and its affiliates and their respective present and future directors, officers, employees, agents, and other contractors and persons acting on their behalf, from and against any and all claims, obligations, liens, encumbrances, liabilities, penalties, causes of action, damages and injuries to persons and property whatsoever, and costs and expenses incidental thereto (including, without limitation, orders, judgments, fines and legal and other expenses) resulting from claims or actions arising out of the ownership or the operation of the Electric Power Assets from and after the Transition Date. Notwithstanding any other provision herein, the amounts payable by the District under the foregoing indemnity will not exceed the limits of the District's insurance policy described in Section 9 below. This Section 3 shall survive the termination or expiration of this MOU.
4. Uranium One will cooperate with the District in securing dedications and grants of easements from SITLA covering the lands upon which the Electric Power Assets are located.
5. From the Transition Date to and until December 31, 2010, Denison will provide, out of its employee base, volunteer labor services to the District, free of charge, as required for the District to operate and maintain the Electric Power Assets at the Ticaboo Townsite for the District in a state substantially similar to that which currently exists as of the Transition Date. On a monthly basis, Denison will deliver to the District an invoice setting forth the actual costs incurred by Denison, not including the labor costs for Denison employees, together with supporting receipts, cost summaries, data sheets and such other appropriate records documenting the total costs incurred by Denison to provide such services. Denison will be reimbursed by the District for its reported costs within 30 days after receipt of an invoice from Denison. The District will have the right, upon reasonable notice at its own cost to conduct an audit of Denison's records documenting the costs incurred by Denison to provide such services. It is understood that Denison will provide the services of its existing and regular work force. If any special expertise or qualifications are required by the District and Denison does not have available any personnel with such expertise or qualifications, then the District will engage and pay for qualified third party personnel. All permitting and licensing will be the responsibility

of the District. The District and Denison will use their respective good faith efforts to enter into an agreement by December 31, 2009, memorializing the terms of the service agreement as provided in this Section 5 ("**Service Agreement**"). This MOU will control pending execution of the Service Agreement. The Parties expressly reserve the right to negotiate all of the terms and conditions of the Service Agreement.

6. Denison will supply the District with the use of a Cummins 360 Kilowatt generator, which should lower the cost of generating power during the off season when the commercial properties are not operating. Title to and ownership of the Cummins 360 Kilowatt generator will remain with Denison.
7. In order to take advantage of significant fuel tax savings available to local governments in Utah, the District will purchase all diesel used for the generation of electricity by the District. The administrative details of how the purchase of diesel will be carried out will be addressed in the Service Agreement.
8. Without waiving any of the District's rights to government immunity from the claims of third persons who are not a party to this MOU, which rights to immunity extend to the District's employees, including volunteers, the District will indemnify, defend and hold harmless Denison and its affiliates and their respective present and future directors, officers, employees, agents, and other contractors and persons acting on their behalf, from and against any and all claims, obligations, liens, encumbrances, liabilities, penalties, causes of action, and costs and expenses incidental thereto (including, without limitation, orders, judgments, fines and legal and other expenses) resulting from claims or actions arising out of the acts or omissions of Denison, its affiliates and their respective employees and agents occurring or alleged to have occurred in whole or in part in connection with the services provided by Denison as contemplated hereby. Notwithstanding any other provision herein, the amounts payable by the District under the foregoing indemnity will not exceed the limits of the District's insurance policy described in Section 9 below.
9. The District will maintain general liability insurance, at its own cost and expense, in a minimum amount of \$5,000,000, covering the District's indemnity obligations set forth herein and the services provided by and the acts or omissions of Denison hereunder and under the Services Agreement. Such insurance will name Denison and Uranium One as an additional insured. The District will provide proof of such insurance to Denison and Uranium One. Such insurance shall be in a form acceptable to Denison and Uranium One, acting reasonably.
10. The Parties acknowledge that Uranium One intends to sell and assign its interest in the Ground Lease to one or more third parties. The District and Denison consent to any such sales and assignments. Uranium One's obligations and rights under this MOU will be delegated and assigned to and assumed by the purchasers and assignees of the Ground Lease; provided, however, that Uranium One shall retain its rights under paragraph 3 above. All references to Uranium One in this MOU include Uranium One and its successors and assigns.
11. The District will set its power rates according to Utah law and according to the procedures set forth in the Rules and Regulations adopted by the District Board of Trustees, and the District is under no obligation to inform or obtain Denison's or Uranium One's consent regarding the rates imposed by the District. After the execution of this MOU, the District will charge a

uniform price to all of its customers within the Ticaboo Townsite, including Denison and Uranium One regardless of residential, commercial, industrial or municipal classification.

12. Denison hereby waives any and all rights in and to the Electric Power Assets and that certain Cummins 1750DQKAA generator owned by Uranium One and currently located at the Ticaboo Townsite.
13. This MOU will be effective immediately upon execution and the MOU will remain in effect until December 31, 2010 unless the Parties agree in writing otherwise.
14. This MOU will be binding upon and inure to the benefit of the Parties and their respective devisees, successors, assigns and heirs.
15. This MOU and all rights and obligations contained hereunder are expressly conditioned upon (i) the issuance by the Utah Public Service Commission of a certificate of convenience and necessity to the District, and (ii) prior to December 31, 2009 the District has been properly constituted and has obtained all required approvals and authorizations and has satisfied any and all statutory requirements in order to enter into and to carry out its obligations under this MOU.
16. Notwithstanding any other provisions in this MOU, it is understood by the parties that the District will be responsible for providing electrical power to the Ticaboo township and to other customers within the District's boundaries. Under no circumstances shall Denison or Uranium One be liable or held responsible for any costs, expenses, losses or damages, including without limitation any consequential, incidental, penal, lost profit, special or pecuniary losses or damages, resulting from any failure to provide power or any interruptions or cessation in the provision of power to any person, entity or business, whether or not such failure or cessation is caused in whole or in part by the actions or inactions of Denison, Uranium One or their affiliates or any of their respective employees or agents.

SIGNATURE PAGE TO MEMORANDUM OF UNDERSTANDING ON ELECTRIC SERVICE

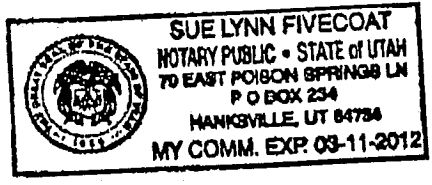
Ticaboo Electric Improvement District

Wilford Kay Randall
Wilford Kay Randall Chair, Board of Trustees

STATE OF Utah)
COUNTY OF Wayne)SS

This 16th day of November, 2009, there personally came before me Wilford Kay Randall, the
Chair of the Ticaboo Electric Improvement District, who, being by me duly sworn,
acknowledged that he signed the foregoing MOU.

Sue Lynn Fivecoat
NOTARY PUBLIC



SENT BY: BIRRENBACH

4357882115 ;

NOV-13-09 5:03PM;

PAGE 9/13

SIGNATURE PAGE TO MEMORANDUM OF UNDERSTANDING ON ELECTRIC SERVICE

Ticaboo Electric Improvement District

Welford Kay Randall
Chair, Board of Trustees

Attest:

Justin Fisher
Secretary

STATE OF Utah)
COUNTY OF Garfield)SS

This 17th day of November, 2009, there personally came before me Justin Fisher, the Secretary of the Ticaboo Electric Improvement District, who, being by me duly sworn, acknowledged that he signed the foregoing MOU.

Cyndi Leach
NOTARY PUBLIC

Denison Mines (USA) Corp.

Title: _____

STATE OF _____)
COUNTY OF _____)SS

This ____ day of _____, 2009, there personally came before me _____, the _____ of Denison Mines (USA) Corp., a Delaware corporation, who, being by me duly sworn, acknowledged that he signed the foregoing MOU.

NOTARY PUBLIC

Uranium One Ticaboo Inc.

Title: _____



SIGNATURE PAGE TO MEMORANDUM OF UNDERSTANDING ON ELECTRIC SERVICE

Ticaboo Electric Improvement District

Chair, Board of Trustees

Attest:

Secretary

STATE OF _____)

COUNTY OF _____) SS

This ____ day of _____, 2009, there personally came before me _____, the
_____ of the Ticaboo Electric Improvement District, who, being by me duly sworn,
acknowledged that he signed the foregoing MOU.

NOTARY PUBLIC

Denison Mines (USA) Corp.

Title: *Executive Vice President - U.S. Operations*

STATE OF Colorado)

COUNTY OF Denver) SS

This 13 day of November, 2009, there personally came before me Harold P. Roberts, the
~~Executive Vice President - U.S. Operations~~ of Denison Mines (USA) Corp., a Delaware corporation, who, being by me
duly sworn, acknowledged that he signed the foregoing MOU.

Harold P. Roberts
NOTARY PUBLIC

Uranium One Ticaboo Inc.

Title:

PRESIDENT

STATE OF OKLAHOMA)
COUNTY OF OKLAHOMA)SS

This 13th day of November, 2009, there personally came before me Dennis E. Storey, the
President of Uranium One Ticaboo Inc., a Delaware corporation, who, being by me
duly sworn, acknowledged that he signed the foregoing MOU.

Kay M. Walker
NOTARY PUBLIC

KAY M. WALKER
NOTARY PUBLIC - STATE OF OKLAHOMA
MY COMM. EXPIRES 01/27/13
COMM. # 00020645

EXHIBIT A

PROPERTY DESCRIPTION

Township 36 South, Range 11 East, SLB&M

Section 16: All, except that parcel conveyed to the State Road Commission of Utah, those parcels conveyed to Garfield County and those housing lots conveyed to various private parties.

EXHIBIT B
ELECTRIC POWER ASSETS

DESCRIPTION	QUANTITY	
	NO UNITS	UNIT MEAS
Area 1 - Generator Building		
40 ft x 40 ft metal on metal building on concrete slab housing generators and switch gear.	1	EA
19,000 gallon diesel storage tanks	2	EA
Generator 1: Caterpillar 3412C DITA rated at 749 bhp (500 kW)	1	EA
Generator 2: • Cummins 1000DQFAD rated at 1,322 bhp (985 kW)	1	EA
Transformer 1500kVA, 480-24.9kV, padmount	1	EA
Area 2 - Residential Homes		
SWITCHGEAR		
PME-6 SWITCHGEAR (INCLUDING FUSES)	2	EA
PME-7 SWITCHGEAR (INCLUDING FUSES) (INCLUDED IN GEN. STATION)	0	EA
CONDUIT/CABLE		
#1/0, 25kV, URD CABLE - DIRECTLY BURIED	5,808	LF
TRANSFORMERS		
167kVA, 1 PHASE, TRANSFORMER	6	EA
SECONDARY SERVICES - METERBASE		
SINGLE METERBASE INSTALLTION	7	EA
Area 3 - Mobil Home Park		
SWITCHGEAR		
PME-6 SWITCHGEAR (INCLUDING FUSES)	1	EA
PME-5 SWITCHGEAR (INCLUDING FUSES)	1	EA
3-POSITION GROUND SLEEVE	1	EA
CONDUIT/CABLE		
#1/0, 25kV, URD CABLE - DIRECTLY BURIED	4,224	LF
TRANSFORMERS		
167kVA, 1 PHASE, TRANSFORMER	9	EA
500kVA, 3 PHASE, TRANSFORMER	1	EA
SECONDARY SERVICES - METERBASE		
DOUBLE METERBASE INSTALLTION	144	EA
SINGLE METERBASE INSTALLTION	6	EA

DESCRIPTION	QUANTITY	
	NO UNITS	UNIT MEAS
Area 4 - Dry Boat Storage		
SWITCHGEAR PME-6 SWITCHGEAR (INCLUDING FUSES)	1	EA
CONDUIT/CABLE #1/0, 25KV, URD CABLE - DIRECTLY BURIED	300	LF
TRANSFORMERS 300KVA, 3 PHASE, TRANSFORMER	1	EA
SECONDARY SERVICES - METERBASE SINGLE METERBASE INSTALLTION	1	EA
Area 5 - Hotel		
SWITCHGEAR PME-3 SWITCHGEAR (INCLUDING FUSES)	1	EA
CONDUIT/CABLE #1/0, 25KV, URD CABLE - DIRECTLY BURIED	4,988	LF
TRANSFORMERS 300KVA, 3 PHASE, TRANSFORMER	1	EA
500KVA, 3 PHASE, TRANSFORMER	1	EA
SECONDARY SERVICES - METERBASE SINGLE METERBASE INSTALLTION	2	EA
Electric Meters All residential and commercial electric meters located within the Ticaboo Townsite		
Permits Any and all operating permits relating to the Electric Power Assets		
Utah Air Approval Order DAQE-AN014138003-09	1	EA
Title V Operating Permit (application submitted, issuance pending UDAQ approval)	1	EA

TICABOO ELECTRIC IMPROVEMENT DISTRICT**RESOLUTION NO. 2009-3**

A RESOLUTION AUTHORIZING THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING WITH DENISON MINES AND URANIUM ONE REGARDING ELECTRIC POWER ASSETS AND SERVICE AGREEMENT.

WHEREAS Uranium One is a mining company that has historically provided electrical power service to the residents within the Ticaboo Electric Improvement District (the "District"); and

WHEREAS the District now intends to assume the duty and obligation to provide electrical services to the residents located within the District's boundaries; and

WHEREAS Uranium One has agreed to donate certain electrical generation, transmission, distribution, metering and other equipment to the District and the District desires to accept this donation in order to serve the residents within the District's boundaries; and

WHEREAS Denison Mines is another mining company operating within the Ticaboo community and Denison Mines has agreed to provide voluntary personnel support, and also the free use of a generator, to the District and the District desires to accept Denison Mines offers to contribute; and

WHEREAS the District desires now to authorize the execution of a Memorandum of Understanding on Electric Service, in substantially the form attached hereto as **Exhibit A** (the "MOU") on behalf of the District, to memorialize the terms of the agreements with Denison Mines and Uranium One;

NOW THEREFORE, be it resolved by the Board as follows:

1. The Board hereby determines that execution of the MOU would serve the best interest of the District and its customers. The MOU in substantially the form attached hereto is hereby approved and the appropriate officers of the District are authorized to execute the MOU with such changes to the MOU as the appropriate officers believe are reasonable and necessary to successfully carry out the transactions contemplated by the MOU.
2. The appropriate officers of the District are authorized to take all action necessary or reasonably required to carry out the transactions contemplated by the MOU.
3. This resolution shall take effect upon its adoption.

Page 2 of 3

Exhibit A

Memorandum of Understanding on Electric Service

Exhibit G

Ticaboo Electrical Report

October 30, 2009

Introduction

Uranium One Ticaboo, Inc., a mining company operating in the Ticaboo, Utah community, is the electrical provider to the Ticaboo community, including all residential, commercial, and governmental customers. Uranium One owns the electrical generation and distribution system that consists of diesel generators, underground distribution lines, transformers, and meters. Each customer is monitored by an individual meter. There are seventy eight active residential services - seventeen inactive residential services, one church service, five commercial services (Lodge, Gas Station, and Boat Storage, etc.) in the town.

Sunrise Engineering conducted a site visit on October 21, 2009, to inspect each part of Uranium One's electrical system. On the whole, the electrical system is in suitable working condition, and there does not appear to be any major physical, environmental, or capital concerns with the system. The generators are in good working condition. The underground distribution lines are well-designed and appear to be in good working condition, and the meters appear to be accurate and reliable.

Report

Electrical System Inventory:

1. 1 ea -Cummins 1000 kW 480V generator, to remain in place.
2. 1 ea- Cummins 1750 kW 480V generator, to be removed in the near future because it does not meet emissions requirements.
3. 1 ea- Caterpillar 455 kW 480V generator currently in use
4. 1 ea- 1000 gallon day tank.
5. Two 19,000 gallon (estimated value) diesel fuel tanks located approximately 200 ft outside of the generator building in a fenced enclosure.
6. 1 ea- Onan 1600A, 480V Manual Transfer Switch
7. 10 ea- S&C 25kV rated Pad Mount Switches
8. Approximately 15,000 feet of #1/0 Aluminum URD cable (XLP insulation)
9. Approximately 5,000 feet of 4 inch PVC conduit (The three phase distribution is in a single conduit)
10. One 480V 50HP culinary water well pumping station.

11. 21 Pad Mount Transformers including single & three phase transformers. The voltage is stepped down from 24.9 kV to the distribution system voltages required.
12. 101 electric revenue meters.

Generators:

The Ticaboo community is currently powered by Uranium One's 455 kW, 480V diesel generator that is in good working condition. Additionally, Uranium One owns two larger diesel generators (a Cummins 1000 kW, 480V generator, and a Cummins 1750 kW, 480V generator) that were also on site on the day of inspection. The generators are located approximately one half mile north east of the town. The 1000kW & 1750kW generators are located in a building designed for housing diesel generators. The 455kW generator is located outside of the building in a weatherproof enclosure.

The 455 kW, 480V is the primary generator for the Ticaboo community, at least as of the date of this report. Neither the 1000 kW nor the 1750 kW is "on line" or energized. We were informed by Uranium One personnel that the 1750 kW unit is scheduled to be removed because it does not meet emission requirements. The 1000 kW unit is scheduled to remain in place but not be used. The total Ticaboo load does not require anything larger than a 455 kW generator, and we concur. The total load for the town is approximately 260 kW. The Caterpillar 455 kW generator located outside of the generator building is the only generator supplying power, and it is sufficient for the current load on the town.

Transformers:

The electrical system implements a single 1500 kVA, three phase pad mount transformer located outside of the generator building. This transformer was installed recently and steps the voltage up from the generator's 480V to 24,900V for distribution to the town's residential and commercial transformers. It has been maintained and is in good condition. It should last another twenty years.

25kV rated Pad mount switches are used to distribute the power to the 24.9kV power to the residential and commercial transformers. These switches are in good condition, require very little maintenance, and will also last another twenty years.

The residential and commercial transformers that step the voltage down to 120/240V single phase for the residences and 120/208V or 480/277V three phase are all in good condition. Some of these were installed in the original system in 1978-79 but are in good condition because they are all loaded well below their ratings. They should last for another twenty years.

Underground Distribution System:

The electrical distribution is underground residential distribution cable. There are no overhead transmission or distribution lines. The 2/0 Aluminum URD cable capacity is 7.0 MVA (7000 kVA). It was installed in 1994, requires no maintenance, and should last another 20 years. The system is well designed and is comparable to good residential/commercial service provided by investor owned and public utilities.

Defective or Failing Electrical Equipment

The large majority of the electrical system is comprised of components that are in good working condition, although we have a concern with one component. The 50HP well pump starter panel located in the well pump building is overheating. The panel is open exposing live electrical components. There is a fan blowing air to cool the starter panel electrical components. Section 110 of the National Electrical Code (NEC) involves open enclosures containing energized equipment and safe working distances. This section of the National Electric Code is in violation at the well pump building.

Five to Ten Year Outlook on the Cost to Operate, Maintain, and Make any Capital Improvements Required to Keep the Electrical System Operating

The 455kW generator is currently running at 30% capacity and burning between 8,000 and 10,000 gallons of diesel fuel per month. The price of diesel currently is \$2.50 per gallon and is probably higher for the remote location of Ticaboo. At the current cost for diesel fuel, it is costing Uranium One between \$240,000.00 and \$300,000.00 a year for diesel fuel alone. The generators are serviced twice a month by Uranium One personnel. (See the attached spreadsheet for operation & maintenance costs for the generation system.) At this time, no capital improvements will be necessary for the existing electrical system. No Capital improvements are foreseen for the next five to ten years.

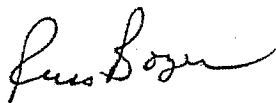
General Assessment of the Condition of the Property

The Ticaboo generation/electrical distribution system is in good condition and will be adequate for the next five to ten years and beyond. The generation equipment is in good condition. It has been maintained by regularly scheduled overhauls of the diesel engines at the service hours recommended by the manufacturer. The diesel engine/generator building is kept clean as well as the engine/generator units themselves which contributes to long life.

Visual inspection of the power transformer cable connections and overheating are done by Uranium One and their electrical contractor. The pad mount switches do not require maintenance and have life spans of twenty plus years. They are very reliable and electric utilities do not generally inspect these units.

If you have any questions, please feel free to give me a call; and we can discuss them. Thanks for the opportunity to work with you on this project.

Sincerely,



Ira Russell (Russ) Boyer, E.E., P.E.
Electrical Engineer
Sunrise Engineering

CC: David E. Lund, P.E.
Principal Engineer
Sunrise Engineering, Inc.

STATEMENT OF QUALIFICATIONS:
POWER SYSTEM STUDIES

2009





Company Profile

For over 30 years, Sunrise Engineering, Inc. has been acknowledged as a regional leader in providing professional design and consulting services. Our multi-disciplinary practice areas serve both public and private sector clients in a diverse range of geographic locations and markets.

Our employees have the technical expertise necessary for your project and the communication skills that enable an assignment to be completed efficiently and timely. With over 170 employees, Sunrise is large enough to handle the project, yet small enough to be adaptable and cost-effective.

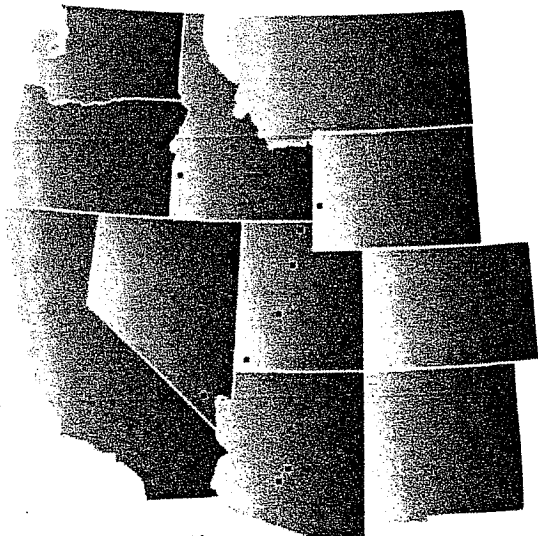
Offering comprehensive services, our company supports clients at every project stage, from initial conception, through the design phase, to project construction and completion. Sunrise provides for multiple client needs and to ensure all aspects of projects are successfully coordinated and completed.

Locations

Sunrise offers clients greater accessibility to the organization's expertise and services. Project locations have ranged from California to Washington, and Wyoming to New Mexico. We believe one of the surest methods for assisting our clients is to maintain an available staff.

Additionally, having multiple office locations enhances Sunrise's flexibility for accomplishing a wide range of project types, large or small. We welcome the opportunity to demonstrate how we can make your next project successful. For a more detailed description of our company, locations and the services we provide, please visit our website at sunrise-eng.com.

Electrical
SCADA
Civil
Soils/Geotechnical
Wastewater
GIS
Water Rights
Water Resources
Hydraulics/Hydrology
Water Systems
Construction Administration
Transportation
Building Inspection
Plan Review
Surveying
Environmental Compliance
Land Development
Natural Gas
Renewable Energy



• Office Locations



Sunrise will be providing services from our Salt Lake City office following an on-site visit. We will facilitate communication through phone and web conferences, as well as a project web page that can be set up and access given to all stakeholders.

Governmental Agencies Contracted in Similar Services

Sunrise has worked with communities in the development of electrical system studies and GIS systems on their power system. Please find below two communities with their contact information that will be able to reference our capabilities.

Along with our governmental agencies we have also included two of our private clients for whom we provided the same types of services.

Town of Pioche, Nevada
Mr. Nathan Adams
Public Utilities Director
Phone: 775.962.5840
Email:
pputilities@lcturbonet.com

City of Caliente, Nevada
Mayor Kevin Phillips
Phone: 775.726.3679
Email:
kevin@lcturbonet.com

PacifiCorp Energy
Generation Engineering
W. Craig Seamons, P.E., S.E.
Engineer Ld., Sr.
801.220.4848

Rio Tinto
Kennecott Utah Copper
Corporation
David Andreason
Senior Power Systems
Engineer
801.569.6156



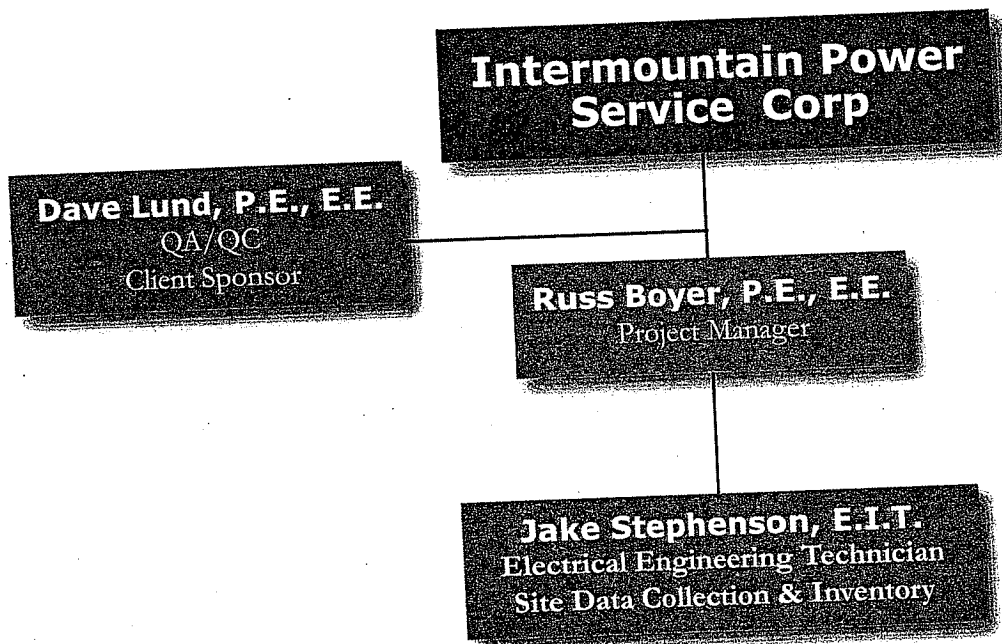
Key Personnel

The following organizational chart outlines the staff that will be assigned to this project according to their expertise in the various phases of your project.

We carefully evaluate the responsibilities and workload of each project team member before

assigning them to a project. In this way we ensure that those we present are truly those that will be working on your project.

Their capabilities and expertise are outlined in the following pages as well as full resumes listed in the Credentials & Resumes section.



Ira Russell Boyer, E.E., P.E.
Project Manager

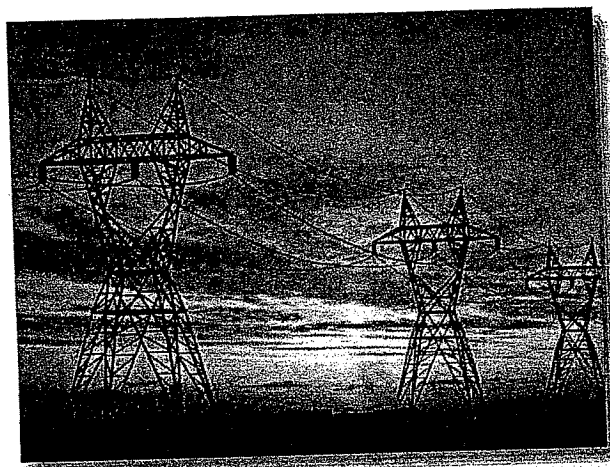
Mr. Boyer received his B.S. in Electrical Engineering from the University of Idaho. He has 37 years of experience in the electrical engineering field including commercial projects, electrical power generation, transmission and distribution, lighting, instrumentation, data acquisition and control, industrial process control and electrical system studies associated with several industries, agencies and municipalities. Mr. Boyer has experience in power system planning and power system studies using SKM Power Tools for Windows software. He has worked extensively with municipalities on projects ranging from street lighting and waterworks projects to SCADA systems. He is a Registered Professional Engineer in Idaho, Utah, Wyoming, Arizona and California.

David E. Lund, E.E., P.E.
Quality Assurance/Quality Control

Mr. Lund received his B.S. in Electrical Engineering from Brigham Young University in 1990. He has 17 years of experience in designing power & energy systems (Natural Gas & Electric), utility system design, facility engineering, project management, compliance documentation, training and systems start up. He is a member of the National Association of Corrosion Engineers and holds a NACE Level II Cathodic Protection Technician certification. Mr. Lund is also a member of the IEEE, Institute of Electrical and Electronics Engineers. He is a Registered Professional Electrical Engineer in Utah, Nevada and multiple other states within the western United States. Mr. Lund also holds a current commercial electrical inspection license as well as a commercial electrical plans examiner license.

Jake S. Stephenson, E.I.T
Electrical Technician (Data Collection)

Mr. Stephenson has four years of experience in electrical design including power distribution systems for commercial and light industrial (pump stations, booster stations, and water treatment plants). He also has experience in Interior lighting design for commercial and light industry; street and parking lot lighting design for commercial and municipal. He is currently enrolled in the engineering program at Southern Utah University.





Description of Services: Recent Similar Projects

Holly Woods Cross Refinery **Woods Cross, Utah**

Sunrise has been under contract with the Holly Woods Cross Refinery to model the Electrical Power Distribution system and keep the model updated since 1995. The SKM power tools for windows electrical engineering software is used. Short circuit studies, voltage drop/load flow, protective device coordination, transient motor starting studies and arc flash analysis programs have been run and analyzed for the refinery for specific needs as they arise and for all the refinery expansion projects.

Sunrise consulted to the refinery to develop a 46kV cut-over procedure that would keep the refinery energized during the LSG Compliance OSBL project. This included replacement of the 45 year old 1100 foot long 46kV transmission line connecting Substation #2 and Substation #3. Power Line Systems (PLS) software was used for the structure type design (four wood poles and one steel pole) and sag tension calculations.

Holly Navajo Refinery **Artesia, New Mexico**

Sunrise is under contract with the Holly Navajo Refinery in Artesia, New Mexico to analyze the existing power system using the SKM power tools for windows electrical engineering software. Short circuit studies, voltage drop/load flow, protective device coordination, and arc flash analysis programs are being ran and analyzed. The study results will be used for the detail design of the electrical system upgrades that will be required for the refinery expansion projects.

Kennecott

Salt Lake County, Utah

Sunrise is under contract to perform the electrical system one line diagram revisions and arc flash studies for the electrical distribution systems for the Utah Power Plant, the mine area, the concentrator and the water services area. Electrical system models are being developed for each of these areas based on the upgraded one line diagrams. The SKM power tools for windows electrical engineering software is being used for

short circuit studies, protective device coordination, and arc flash analysis programs. Sunrise will consult to Kennecott to integrate all the power system studies for the above mentioned areas with all the existing areas that Kennecott has already modeled to provide an overall electrical system model that can be used to run the software to analyze the impact on the electrical system for all future plant revisions and expansions.

Transient Motor Starting Study for Jim Bridger Coal Fired Power Plant; PacifiCorp (Rocky Mountain Power)

Rock Springs, Wyoming

Sunrise performed a 7000 HP, 7200V Induction Fan Transient Motor starting study for the Unit 4 generating unit on the Jim Bridger Coal Fired Power Plant near Rock Springs, Wyoming. SKM Inc., Power Tools for Windows (PTW) electrical engineering software was used to model the entire generation plant which consists of four units at 800MW to 100MW (mega watts) each. Motor starting programs were run that confirmed the voltage drop that was being experienced at the plant when the Unit 4 induction motors were started. The study results showed the electronic starters would lower the voltage drop during starting to industry acceptable standards. A recommendation to use electronic starters was made and an engineer's estimate of probable costs was submitted.

Town of Pioche Power System Study

Pioche, Nevada

Sunrise utilized SKM software to perform a study to further understand what was occurring with the Pioche electrical system, as well as its efficiency and capability to continue to supply the residents of Pioche with power. Our electrical engineering staff utilized the capabilities of our GIS professionals in gathering information that would not only be used later in the electrical study- but also developed into a functioning GIS/Asset Management system.

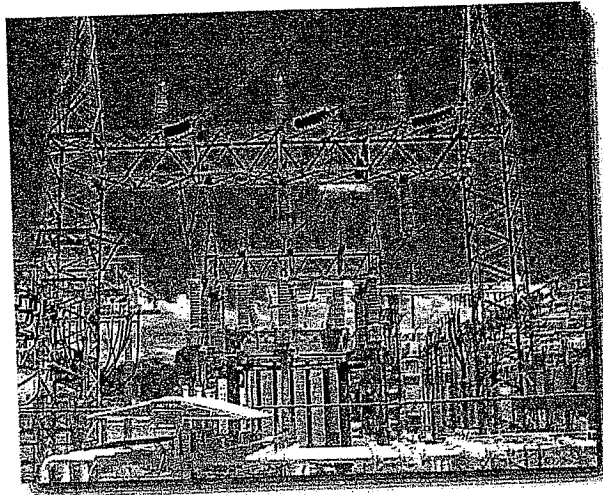
Sunrise found that the 4160V substation was operating at approximately 66% of total capacity, and that there were distribution lines that were overloaded and others operating near capacity in the existing system.

The study included the following tasks:

- Define the existing electrical system and problems within the existing system.
- Identify necessary improvements for the next twenty years.
- Determine what the costs would be for those improvements.
- Designate possible inflation rates.
- Designate possible growth rate.
- Develop the impact fees to provide for the growth of the system
- Adjust connection fees to compensate for new services.
- Adjust rate schedule to provide for improvements.

Town of Caliente Power System Study **Caliente, Nevada**

Sunrise is utilizing SKM software to perform a study to further understand what is occurring with the Caliente electrical system, as well as its efficiency and capability to continue to supply the residents of Caliente with power. Our electrical engineering staff utilized the capabilities of our GIS professionals in gathering information that would not only be used later in the electrical study- but also developed into a functioning GIS/Asset Management system.



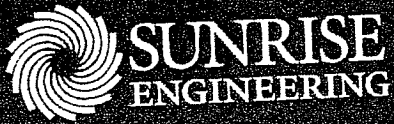
The study included the following tasks:

- Provide one line diagrams of the existing electrical system
- Model the system in SKM Electrical engineering software.
- Identify overloaded distribution lines
- Recommend re-circuiting of distribution lines and other equipment changes that will improve the reliability of the system.
- Project what improvements and additions will be needed for the next 20 years.
- Perform an Engineer's opinion of probable costs for the recommended improvements including inflation to implement the recommendations in the next twenty years.
- Identify necessary improvements for the next twenty years.
- Determine what the costs would be for those improvements.
- Designate possible inflation rates.
- Designate possible growth rate.
- Develop the impact fees to provide for the growth of the system

- Adjust connection fees to compensate for new services.
- Adjust rate schedule to provide for improvements.

Recent Similar Project Summary Chart:

Project	Brief Description	Sunrise Role	Additional Firms	GIS Performed?
Holly Woods Cross Refinery	Electrical Modeling Study for the refinery electrical power distribution	Prime Consultant	None	No
Holly Navajo Refinery	Electrical Modeling Study for the refinery electrical power distribution	Prime Consultant	None	No
Kennecott	Electrical Modeling Study for the refinery electrical power distribution system at various locations of the mine: Utah Power Plant, mine area, concentrator and water services area	Prime Consultant	None	No
Jim Bridger Power Plant	Transient Motor Starting Study utilizing SKM	Prime Consultant	None	No
Town of Pioche Power System Study	Community power study using SKM	Prime Consultant	None	Yes
Town of Caliente Power System Study	Community power study using SKM	Prime Consultant	None	Yes



Credentials & Resumes

The following resumes cover the education, general and specific experience and additional information that demonstrates the capability of our staff to serve you.



IRA RUSSELL BOYER, P.E

Senior Electrical Engineer

Mr. Boyer has extensive industry experience in the Electrical Engineering field, including electrical power generation, transmission and distribution, instrumentation, data acquisition and control, lighting industrial process control and electrical system studies associated with several industries, agencies and municipalities.

EDUCATION:

B.S. - Electrical Engineering, University of Idaho, 1969

YEARS IN PROFESSION:

39 Years

REGISTRATIONS:

Registered Professional Engineer: Arizona No. 40664; California No. 1736; Idaho No. 2987; Utah No. 159731; and Wyoming No. 2987

MEMBERSHIPS:

Certificate of Lighting, I.E.S., 1992; and T.Q.M. Phillip Crosby & Associates, 1993

AREAS OF EXPERTISE:

Electrical Power System Studies (Short Circuit, Load Flow, Motor Starting and Coordination); Electrical Power System Design and Specifications (Substations and Distribution Systems); Lighting Systems; Ground Systems; Motor Controls; Standby and Peak Power Generators (Diesel and Natural Gas, Synchronizing and Relaying); Instrumentation Devices & Systems; Supervisory Control & Data Acquisition (SCADA); Programmable Logic Controllers (PLC); PLC Programming Burner & Combustion Controls; Hazardous Waste Incineration; Waste Water Treatment Facilities; Waste Treatment Facilities; HazWaste Incineration Projects (APTUS Incineration Facility and CIA-GEIGY St. Gabriel, and DuPont Sabine, HazWaste Facilities)

RECENT PROJECT EXPERIENCE:

Water/Wastewater Facilities

Wastewater Treatment Plant Fairview, Utah

Responsible for conducting electrical and instrument design and specification and P&ID development and coordination with Systems Integrator for the Fairview wastewater treatment plant. Electrical System modeling using SKM Power Tools for Windows (PTW) for pump stations, water treatment plants, commercial and industrial facilities. Short circuit calculations; voltage drop calculations; motor starting analysis, protective device coordination, arc flash evaluations, harmonic analysis and electrical system component sizing.

Val Vista Water Treatment Plant Solids Handling Facility Mesa, Arizona

Detail engineering and project management for addition to existing plant control system including procurement of 800 field instruments, fabrication of 24 Modicon 984 PLC Cabinets, seven which had to be tied into an existing fiber optic/copper plus network. Seven stand alone PLC cabinets including programming and 20 Local Control Panels.

Mining Projects

**Timpanogos Wastewater Treatment Plant
Utah County, Utah**

Detail engineering drawings, procurement project management and start up for a 5 MVA, 480V switchgear, tie in to existing emergency diesel generator synchronizing panel and switchgear.

**Well No. 10
White City, Utah**

Designed a 900HP medium voltage pump motor and performed system analysis.

**First Miss Gold Mine
Golconda, Nevada**

Turn key project which included electrical design, equipment procurement, construction management, project management and start up for a new 12MVA 115KV-13.8KV Substation and switchgear house.

Industrial Facilities

Chevron Pipeline Company - Truck Loading Stations Upgrades
Chevron Pipeline Company, Project Manager for Truck Loading Stations Data Terminal Management System upgrade for Risun's part of the project, engineer, procure, fabricate and test the new fiber optic Local Area Networks at the Pocatello, Boise and Pasco Loading stations.

Pacificorp Jim Bridger Power Plant Unit 4
Developed electrical system model for plant power distribution system in using SKM Power Tools software for 700hp ID Fan Start voltage drop problems and recommended solutions to correct the problems.

Pacificorp Dave Johnston Plant Air Quality System
Provided an Arc Flash Protection Study checking the detailed calculations done by the plant and making recommendations for system modeling short circuit and Protective Device Coordination study to be done on SKM Power Tools software. Also did Coal Load Facility Electrical Fault Protection work using the SKM Power Tools software.

**Northwest Pipeline Corporation – Opal Gas Conditioning Plant Expansion
Opal, Wyoming**

Responsible for design of electrical distribution system and specification of major electrical equipment. Substation design and protective relaying for a 69 KV-13.8 KV commercial power substation that synchronizes with existing plant 13.8KV gas turbine generators, UPS system, 480V switchgear and MCC's electrical, instrument, control drawings and indoor/outdoor plant lighting.

Phillips 66 Refinery

Woods Cross, Utah

Developed Hazardous Area Classification drawings. Developed electrical system model for plant power distribution system SKM Power Tools software for Short Circuit and Protective Device Coordination Study of Refinery. Also engineered several miscellaneous electrical engineering projects.

Ciba-Geigy, St. Gabriel Hazardous Waste Incineration Project

Responsible for design of electrical distribution system design and major electrical equipment specifications. Equipment included 15KV power transformers, 480V switchgear and MCC's and UPS system for Distributed Control System, production of construction drawings and specifications, supervised design/drafting staff, plant lighting design for outdoor/indoor areas and development of hazardous area classification drawings.

Aptus Incineration Project

Utah

Responsible for design of electrical distribution system design and major electrical equipment specifications at a hazardous waste incineration facility. Equipment included 15KV power transformers, 480V switchgear and MCC's and UPS system for Distributed Control System, production of construction drawings and specifications, supervised design/drafting staff, plant lighting design for outdoor/indoor areas and development of hazardous area classification drawings.

Other

Murray City Power Department

Murray, Utah

Specified and engineered distribution and transmission line extension projects and substation upgrades and additions under the direction of the Power Department Manager. Direct supervisory responsibilities for Engineering Clerical staff. Assisted Department Manager in matters requiring interfacing with other utilities, public agencies or right-of-way acquisitions, as well as negotiating contracts between Murray City Power and the agencies. Responsible for engineering review and checking of commercial and industrial plans and drawings.

Murray City Little Cottonwood Creek Hydroelectric Plant

Murray, Utah

Responsible for installation 5.5 miles of 12.5KV transmission line (through an urban area) and a 5 MW low profile hydro-plant substation. Design of 35 miles of 115KV transmission line and 5 substations for Arco Oil and Gas Company C02 Project, near Walsenburg, Colorado. Responsible for supervision of ROW agents and field

surveying; design drawings for transmission line and substations; material procurement specifications; preliminary and final material and labor estimate; administering of subcontracts; month-to-month forecasting of manpower; cost control and progress reporting to client. Assistant to Western Regional Manager. Managed office from 12/81 to 12/82.

Various Electrical Projects

Staff electrical engineer responsible for Short Circuit, Voltage Drop, and Protective Device Coordination Studies using SKM Dapper/Captor Software. Programming of Programmable Logic Controller in ladder logic for industrial applications. Light design. Modified 5KV switchgear and protective relaying to add new feeders for Kennecott Smelter Plant. Used Westinghouse WESTCAT software for load flow and transient stability studies for Kennecott 46KV Transmission System.



DAVID E. LUND, P.E.

Quality Assurance/Quality Control

Having worked with municipal governments, large corporate clients, and in the private sector for the past 16 years, Mr. Lund is experienced in facilities engineering, design and project management. He has provided electrical design, lighting systems, mechanical systems, heating and ventilation systems for projects across the Western United States. Mr. Lund's expertise also includes utility system design, compliance documentation and training.

EDUCATION:

B.S. - Electrical Engineering, Brigham Young University, 1990

YEARS IN PROFESSION:

16 Years

REGISTRATIONS:

Professional Engineer: California No. 91742; Idaho No. 13124; Nevada No. 017749; New Mexico No. 18232; Utah No. 375168; Wyoming No. 11398

MEMBERSHIPS:

National Association of Corrosion Engineers
National Association of Gas Consumers
Intermountain Gas Association
Institute of Electrical and Electronics Engineers, Inc.
NACE CP Level II Certification

AREAS OF EXPERTISE:

Electrical Facility Design: Irrigation Systems; Lift Stations & Collection; Street Lighting; System Backup Generation; UV Disinfecting Systems; Water Chlorinating Systems; Water Systems (Pump House); and Waste Treatment Facilities.

National Gas Systems: Cathodic Protection for Pipelines; Distribution System Design; Feasibility Reports; O & M Manuals; System Startup & Management; Training and Qualification; and Transmission Line Design.

PROJECT EXPERIENCE:

Municipal Electrical Design

Pressure Irrigation Evanston, Wyoming

Mr. Lund was responsible for the electrical design of the system. The system utilizes a pressure transducer and flow meter to start up a variable frequency drive (VFD) motor & pump. The variable frequency drive is used in order to keep a constant output pressure in the system. The system has two 30hp pumps with VFD's that alternate in use.

Culinary Water Treatment Monticello, Utah

Mr. Lund, working in conjunction with the Civil Engineer, was responsible for the electrical design, and piping and conduit chases throughout the Monticello, Utah treatment facility. The electrical system design provided lighting, HVAC, ventilation,

electrical power distribution, and a filter tech system for treatment of the water for the operations areas as well as the control rooms.

Wastewater Treatment Facilities - Belt Press Building

Big Park, Arizona

Mr. Lund was responsible for the electrical design of the facility and associated equipment. The equipment associated with the belt press was designed to start up in sequential order; this was accomplished through a programmable logic controller. In the unlikely even that the PLC failed, a manual system with momentary contacts was designed for backup. Mr. Lund was responsible for the review of the electrical submittals, as well as electrical inspection and testing of the equipment.

Ultraviolet Disinfection System

Big Park, Arizona

Mr. Lund was responsible for the electrical design of the Big Park UV Disinfection system. The system utilizes existing 480-volt 3-phase power with a backup generation system and switch gear. Power is run underground to a remote building that house the control cabinet, and various other equipment. The incoming power is then transformed to the correct voltage to power the control cabinet for the UV banks and other associated equipment.

Wastewater Treatment Plant and Collection System

Bullhead City, Arizona

Mr. Lund completed load analysis and design for the wastewater treatment plant expansion. Modifications were made to the existing system to add oxidation ditches, clarifier system, aeration system and a belt press facility. This project also included four sewer lift stations, a filtration and reuse system, and a SCADA system that would monitor and control all of the facilities from a remote location.

Membrane Filtration Plant

Washington City, Utah

Mr. Lund provided electrical services in conjunction with the design and construction of the new water treatment facility for Washington City.

Jefferson Avenue Street Lighting Project – Phase One

Ogden City, Utah

Sunrise provided electrical engineering services for this street lighting project which consisted of load and voltage drop calculations, analysis of existing power conditions of provided electrical service, and coordination with the local power

*Electrical Distribution/
Street Lighting*

company for service drops to lighting control pedestals. Sunrise assisted in the choice of decorative lighting to help bring character and beauty to the project area and still maintain sufficient lighting coverage and structures. This also included having some of the light posts able to support posting of holiday décor and event type banners. In some instances, an additional power supply was required. Sunrise designs had to comply with stringent Ogden City and UDOT standards and requirements.

Jefferson Avenue Street Lighting Project – Phase Two Ogden City, Utah

Sunrise was selected to perform electrical engineering design and inspection services for the second phase of the Jefferson Avenue street lighting project. The intent of the design was to restore some of the historic prestige that once existed in the area. In early days, Jefferson Avenue was lined with cobblestone streets, a majority of the higher income homes, and supported trolley transportation. With this in mind Sunrise, worked with the City and local citizens to develop a restoration plan that included the look and feel of this time period. The design included exposing the old trolley tracks and cobblestone roads, as well as adding lighting fixtures indicative of the time period. Extra caution was taken in routing of the electrical utilities in an attempt to preserve the mature trees that line the streets, and limit the impact of construction on the citizens who live in the neighborhood.

During the construction Ogden City had their own inspectors in place to coordinate construction activities. Sunrise also provided additional support on an as-needed basis and performed eighty percent of the electrical inspection for the project and performed final inspection.

Main Street Salina City, Utah

Mr. Lund provided electrical engineering services for the main street reconstruction which consisted of the design of 1.5 miles of street lighting.

City Engineering Services Santaquin, Utah

Mr. Lund was the City Engineer for Santaquin City, one of the fastest growing communities in the State. During Dave's tenure the city's population increase was approximately 16%. The work performed by Mr. Lund for the city included all of the city's development review, and he conducted the development review committee (DRC) meetings monthly. He was responsible for all subdivision and commercial development, bond estimates, pre-construction meetings, inspection of developers,

Electrical Distribution

and bond payment release. Mr. Lund was also charged with the responsibility of overseeing the ongoing development of water systems, sewer systems, storm drain systems, and natural gas systems in an attempt to accommodate the growth that the City was seeing.

Pine Creek Ski Area Cokeville, Wyoming

Mr. Lund provided electrical design for the replacement of the existing electrical system of the Pine Creek Ski Area.

Municipal Natural Gas System Santaquin, Utah

Santaquin City wanted to explore the options of having a Natural Gas municipal system. Sunrise's Energy Team put together a presentation for the City Council on how this could be accomplished and the benefits involved in having a municipal system. Mr. Lund was responsible for the natural gas system design, portions of the training and qualification, marketing, rate structure and system startup. With a rate schedule offering 10% savings over Questar Gas, the citizens of the community realize the benefits to their wallets, and their town. Revenues generated by the Natural Gas system are seen in improvements to the City. Santaquin City's Natural Gas municipal is unique in the sense that it competes directly with Questar Gas for their customers.

National Tank and Monitoring Murtaugh, Idaho

Sunrise subcontracted to National Tank & Monitoring to perform and record pipe-to-soils readings and GPS points at specified intervals along the Chevron liquids pipeline located near Murtaugh, Idaho. Mr. Lund used this information in creating base mapping and providing useful and precise location information on the as-built drawing and area map for future repair work and compliance records.

Cathodic Protection

Close Interval Survey (CIS) Eagle Mountain City, Utah

Mr. Lund performed two miles of Close Interval Survey (CIS) for Eagle Mountain City. A current interrupter was connected to the single rectifier, enabling the hand held field computer to detect the ON and IR-FREE Instant OFF voltage polarization levels on the high-pressure steel natural gas pipeline. The pipeline was

located and flagged every 100 feet. The crew measured Pipe-to-Soil voltage potentials every 2.5 to 3 feet, giving an indication of Cathodic Protection levels on the pipe. After the survey, the crew removed all flags and wire, and removed the interrupter from the rectifier. Mr. Lund analyzed the results and presented the data in graphical format along with the report.

Chevron Pipeline, CIS/GIS Mountain Home, Idaho

Mr. Lund conducted Close Interval Potential Survey along a 43.6 mile stretch of the Chevron liquids pipeline in Mountain Home, Idaho. He installed GPS synchronized interrupters on all five of the rectifiers with anode beds that influenced the survey area over the 43 mile section of pipeline. Crews performed the survey by taking pipe to soil potential readings every 3 feet along each pipeline and recording the readings with a GPS points for future compliance and construction repair records and information.

HHI Fire Station for Cathodic Protection Dugway, Utah

Sunrise was contacted by HHI Corporation to perform cathodic protection design for the new water line that serviced the Dugway Proving Grounds Fire Department Building. The U.S. Army Core of Engineers requires through their specifications that any buried metal fitting be cathodically protected with magnesium anodes, permanent CuCu04 reference cells, and test stations. Although the water line was a C900 class "poly" pipe, most of the valves, Tees, and corp. stops have some type of metallic component that needed to be protected.



JAKE S. STEPHENSON

Electrical Design Technician

Mr. Stephenson has worked on numerous electrical engineering design projects over the past five years including power distribution systems for commercial and light industrial (pump stations, booster stations and water treatment plants). He also has experience in interior lighting design for commercial and light industry and street and parking lot lighting design for commercial and municipal systems. He is currently enrolled in the engineering program at Southern Utah University.

EDUCATION:

Senior Engineering Student at Southern Utah University

YEARS IN PROFESSION:

5 Years

AREAS OF EXPERTISE:

Electrical Engineering

PROJECT EXPERIENCE:

Electrical Design Experience

- Valve Control Upgrade; Electric Lake, UT
- Dixon Park; Caliente, Nevada
- Mobile Generator; Sandy (White City), Utah
- Water Treatment Plant; Garden City, Utah
- Booster Station; Fillmore, Utah
- Well House; Stockton, Utah

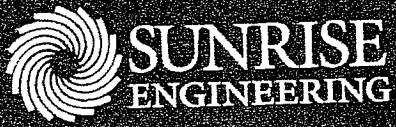
Electrical Construction Observation Experience

- Booster Pump Station; Fillmore, Utah
- Emergency Power Generation Backup; Sandy (White City), Utah
- Auto-Transfer Switch Change Out; Sandy (White City), Utah
- Well #10- 4160 V 900 hp; Sandy (White City), Utah
- Various Projects; Ogden, Utah



Evidence of Insurability, Insurance & Applicable Licenses

Client#: 1915		SUNRISEENG		DATE (MM/DD/YYYY) 01/15/2009	
ACORD™ CERTIFICATE OF LIABILITY INSURANCE					
PRODUCER Moreton & Company 709 East South Temple Salt Lake City, UT 84102 801 531-1234				THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURED Sunrise Engineering, Inc. 25 East 500 North Fillmore, UT 84631				INSURERS AFFORDING COVERAGE INSURER A: Cincinnati Insurance Company INSURER B: Advantage Workers Compensation Ins C INSURER C: Workers Compensation Fund INSURER D: Evanston Insurance Company INSURER E:	
				NAIC #	
COVERAGES THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.					
INSR ADD'L LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> PD Ded:500 GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC	CPP3660217	12/20/08	12/20/09	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COMP/OP AGG \$2,000,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	CPP3660217	12/20/08	12/20/09	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC AGG \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				
A	EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE RETENTION \$	CPP3660217	12/20/08	12/20/09	EACH OCCURRENCE \$5,000,000 AGGREGATE \$5,000,000 \$ \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	2522751	01/01/09	01/01/10	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER
C	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	1509759	01/01/09	01/01/10	E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
D	OTHER Professional Liability	AE815418	06/03/08	06/03/09	\$1,000,000 Ea Occ \$1,000,000 Aggregate
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS					
CERTIFICATE HOLDER					
Proof of Coverage			CANCELLATION Ten Day Notice for Non-Payment of Premium SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE Peter W. Hansen		



Licenses

Our project team will be led by a professional engineer, Mr. Russ Boyer. Mr. David Lund, who will provide QA/QC services for the project is also licensed.

Upon notice of award we will obtain any additional necessary licensure to perform work at no cost to the client.

Exhibit H



State of Utah

JON M. HUNTSMAN, JR.
Governor

GARY HERBERT
Lieutenant Governor

Department of
Environmental Quality

Richard W. Sprott
Executive Director

DIVISION OF AIR QUALITY
Cheryl Heying
Director

DAQE-AN0141380002-08

September 23, 2008

Toby Wright
Uranium One, Inc.
3801 Automation Way
Suite 100
Fort Collins, CO 80525

Dear Mr. Wright:

Re: Approval Order: Installation of three diesel engine/generators at the Ticaboo Generation Facility
Garfield County; CDS SM; NSPS (Part 60), Title V (Part 70)
Project Number: N014138-0002

The attached document is the Approval Order for the above-referenced project. Future correspondence on this Approval Order should include the engineer's name as well as the DAQE number as shown on the upper right-hand corner of this letter. Please direct any questions you may have on this project to John Jenks. He may be reached at (801)536-4459.

Sincerely,

M. Cheryl Heying, Executive Secretary
Utah Air Quality Board

MCH:JJ:dn

cc: Mike Owens
Southeastern Utah District Health Department

STATE OF UTAH

Department of Environmental Quality

Division of Air Quality

**APPROVAL ORDER: Installation of three diesel engine/generators
at the Ticaboo Generation Facility**

Prepared By: John Jenks, Engineer
Phone: (801)536-4459
Email: jjenks@utah.gov

APPROVAL ORDER NUMBER

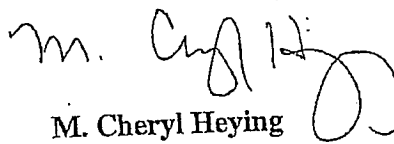
DAQE-AN0141380002-08

Date: September 23, 2008

Uranium One Inc.-Ticaboo Generation Facility

Source Contact:

**Mr. Toby Wright Engineering Manager
Phone: (970) 231-1160**


**M. Cheryl Heying
Executive Secretary
Utah Air Quality Board**

Abstract

Uranium One, Inc. submitted a Notice of Intent to upgrade an existing grandfathered power generation plant in Garfield County, which is an attainment area for all pollutants. As proposed, three new diesel engine/generators will be installed to replace the four grandfathered engines currently located at the site. Total emissions will be limited by keeping one unit in reserve as backup in the event that one of the two primary generators goes offline. As the Notice of Intent was for a total replacement of an existing grandfathered site, these new generators will be permitted as a new source. Therefore the increase in total emissions will be the same as the plant wide emission totals. These emissions are calculated in tons per year as follows: PM₁₀ 2.9; NO_x 188.2; SO₂ 5.4; CO 20.9; VOC 9.6; and HAPs 0.2.

This air quality Approval Order (AO) authorizes the project with the following conditions and failure to comply with any of the conditions may constitute a violation of this order. This AO is issued to, and applies to the following:

Name of Permittee:

Uranium One, Inc.
3801 Automation Way
Suite 100
Fort Collins CO 80525

Permitted Location:

Uranium One Inc.-Ticaboo Generation Facility
Shootaring Canyon Mill
PO Box 2111
Lake Powell UT 84533

UTM coordinates: 527,029 m Easting, 4,170,746 m Northing
SIC code: 4911 (Electric Services)

Section I: GENERAL PROVISIONS

- I.1 All definitions, terms, abbreviations, and references used in this AO conform to those used in the UAC R307 and Title 40 of the Code of Federal Regulations (40 CFR). Unless noted otherwise, references cited in these AO conditions refer to those rules. [R307-101]
- I.2 The limits set forth in this AO shall not be exceeded without prior approval. [R307-401]
- I.3 Modifications to the equipment or processes approved by this AO that could affect the emissions covered by this AO must be reviewed and approved. [R307-401-1]
- I.4 All records referenced in this AO, which are required to be kept by the owner/operator, shall be made available to the Executive Secretary or Executive Secretary's representative upon request, and the records shall include the two-year period prior to the date of the request. Records shall be kept for a minimum of five (5) years. [R307-415-6b]
- I.5 At all times, including periods of startup, shutdown, and malfunction, owners and operators shall, to the extent practicable, maintain and operate any equipment approved under this AO, including associated air pollution control equipment, in a manner consistent with good air pollution control practice for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to

the Executive Secretary which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, and inspection of the source. All maintenance performed on equipment authorized by this AO shall be recorded. [R307-401-4]

- I.6 The owner/operator shall comply with R307-150 Series. Inventories, Testing and Monitoring. [R307-150]
- I.7 The owner/operator shall comply with UAC R307-107. General Requirements: Unavoidable Breakdowns. [R307-107]

Section II: SPECIAL PROVISIONS

II.A The approved installations shall consist of the following equipment:

- II.A.1 **Ticaboo Generation Facility**
- II.A.2 **Engine 1**
Cummins 1750DQKAA rated at 2,282 bhp
- II.A.3 **Engine 2**
Cummins 1000DQFAD rated at 1,322 bhp
- II.A.4 **Engine 3**
Cummins 1750DQKAA rated at 2,282 bhp
- II.A.5 **Storage Tanks**
Two diesel fuel storage tanks and two diesel fuel day tanks

II.B **Requirements and Limitations**

II.B.1 **Conditions on Permitted Source.**

II.B.1.a The sulfur content of any diesel fuel burned at the Ticaboo Generation Facility shall not exceed 0.05% by weight. [R307-401-8]

II.B.1.b Total emissions of NO_x shall not exceed 188.2 tons/rolling 12-month period. Emissions shall be calculated by multiplying the lb/gal NO_x emission factor for each engine by the amount of fuel combusted in each engine each month. By the 20th day of each month, a new rolling 12-month emission total shall be calculated using the data from the most current consecutive 12 months. [R307-401]

II.B.2 **Conditions on Diesel Engine Generators.**

II.B.2.a All emissions from the three diesel engine generators shall be vented vertically unrestricted. The height of each stack shall be no less than 27 feet as measured from the base of the stack. [R307-401-8]

DAQE-AN0141380002-08

Page 4

Section III: APPLICABLE FEDERAL REQUIREMENTS

In addition to the requirements of this AO, all applicable provisions of the following federal programs have been found to apply to this installation. This AO in no way releases the owner or operator from any liability for compliance with all other applicable federal, state, and local regulations including UAC R307.

NSPS (Part 60), III: Stationary Comp/Ignit R.I.C.E

REVIEWER COMMENTS

This AO is based on the following documents:

Is Derived From Source submitted NOI dated April 25, 2008

1. Comment on an item originating in Source submitted NOI regarding Ticaboo Generation Facility
Discussion of grandfathered status: The existing source was considered grandfathered although the four existing diesel engines were installed between 1982 and 2000. While this would imply a redesignation as a non-permitted source, Uranium One (the new owner of the site) is requesting approval as a new source under R307. The Ticaboo Generation Facility will be treated as a new major source. [Last updated July 29, 2008]



State of Utah

JON M. HUNTSMAN, JR.
Governor

GARY HERBERT
Lieutenant Governor

Department of
Environmental Quality

Amanda Smith
Acting Executive Director

DIVISION OF AIR QUALITY
Cheryl Heying
Director

DAQE-IN0141380003-09

July 20, 2009

Toby Wright
Uranium One Exploration, Inc.
380, 1 Automation Way
Suite 100
Fort Collins, CO 80525

Dear Mr. Wright:

Re: Intent to Approve: Replacement of One Diesel Engine-Generator at the Ticaboo Generation Facility, Garfield County; CDS A; NSPS (Part 60), Title V (Part 70)
Project Number: N014138-0003

The attached document is the Intent to Approve for the above-referenced project. The Intent to Approve is subject to public review. Any comments received shall be considered before an Approval Order is issued. The Division of Air Quality is authorized to charge a fee for reimbursement of the actual costs incurred in the issuance of an Approval Order. An invoice will follow upon issuance of the final Approval Order.

Future correspondence on this Intent to Approve should include the engineer's name as well as the DAQE number as shown on the upper right-hand corner of this letter. The project engineer for this action is John Jenks, who may be reached at (801) 536-4459.

Sincerely,

Martin D. Gray, Manager
Major New Source Review Section

MDG:JJ:kw

cc: Mike Owens
Southeastern Utah District Health Department

STATE OF UTAH

Department of Environmental Quality

Division of Air Quality

**INTENT TO APPROVE: Replacement of One Diesel Engine-
Generator at the Ticaboo Generation Facility**

Prepared By: John Jenks, Engineer
Phone: (801) 536-4459
Email: jjenks@utah.gov

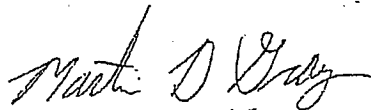
INTENT TO APPROVE NUMBER

DAQE-IN0141380003-09

Date: July 20, 2009

Ticaboo Generation Facility

Source Contact:
Mr. Toby Wright Engineering Manager
Phone: (970) 231-1160



Martin D. Gray, Manager
Major New Source Review Section
Utah Division of Air Quality

ABSTRACT

On March 6, 2009, Uranium One Exploration, Inc. submitted a NOI to replace a diesel engine-generator with a smaller unit. The currently permitted engine is capable of producing 1,600 kW which is greater than anticipated power demands. The replacement engine, which was previously located at the site, is much smaller, capable of producing only 500 kW.

Because the two engines are different models with different years of manufacture, there exists the possibility that emissions of some pollutants will increase. Uranium One Exploration, Inc. desires to operate the engine such that the overall PTE for all pollutants will not change.

The NOI for the above-referenced project has been evaluated and has been found to be consistent with the requirements of UAC R307. Air pollution producing sources and/or their air control facilities may not be constructed, installed, established, or modified prior to the issuance of an AO by the Executive Secretary of the Utah Air Quality Board.

A 30-day public comment period will be held in accordance with UAC R307-401-7. A notification of the intent to approve will be published in the Garfield County Insider on July 23, 2009. During the public comment period the proposal and the evaluation of its impact on air quality will be available for the public to review and provide comment. If anyone so requests a public hearing, it will be held in accordance with UAC R307-401-7. The hearing will be held as close as practicable to the location of the source. Any comments received during the public comment period and the hearing will be evaluated. The proposed conditions of the AO may be changed as a result of the comments received.

Name of Permittee:

Uranium One Exploration, Inc.
3801 Automation Way
Suite 100
Fort Collins, CO 80525

Permitted Location:

Ticaboo Generation Facility
Shootaring Canyon Mill
PO Box 2111
Lake Powell, UT 84533

UTM coordinates: 527,029 m Easting, 4,170,746 m Northing
SIC code: 4911 (Electric Services)

Section I: GENERAL PROVISIONS

- I.1 All definitions, terms, abbreviations, and references used in this AO conform to those used in the UAC R307 and 40 CFR. Unless noted otherwise, references cited in these AO conditions refer to those rules. [R307-101]
- I.2 The limits set forth in this AO shall not be exceeded without prior approval. [R307-401]
- I.3 Modifications to the equipment or processes approved by this AO that could affect the emissions covered by this AO must be reviewed and approved. [R307-401-1]
- I.4 All records referenced in this AO or in other applicable rules, which are required to be kept by the owner/operator, shall be made available to the Executive Secretary or Executive Secretary's representative upon request, and the records shall include the two-year period prior to the date of the

request. Unless otherwise specified in this AO or in other applicable state and federal rules, records shall be kept for a minimum of two (2) years. [R307-401]

- I.5 At all times, including periods of startup, shutdown, and malfunction, owners and operators shall, to the extent practicable, maintain and operate any equipment approved under this AO, including associated air pollution control equipment, in a manner consistent with good air pollution control practice for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the Executive Secretary which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, and inspection of the source. All maintenance performed on equipment authorized by this AO shall be recorded. [R307-401-4]
- I.6 The owner/operator shall comply with R307-150 Series. Inventories, Testing and Monitoring. [R307-150]
- I.7 The owner/operator shall comply with UAC R307-107. General Requirements: Unavoidable Breakdowns. [R307-107]

Section II: SPECIAL PROVISIONS

II.A The approved installations shall consist of the following equipment:

- II.A.1 **Ticaboo Generation Facility**
- II.A.2 **Engine 1**
Caterpillar 3412C DITA rated at 749 bhp (500 kW)
- II.A.3 **Engine 2**
Cummins 1000DQFAD rated at 1,322 bhp (985 kW)
- II.A.4 **Engine 3**
Cummins 1750DQKAA rated at 2,282 bhp (1,600 kW)
- II.A.5 **Storage Tanks**
Two diesel fuel storage tanks and two diesel fuel day tanks

II.B Requirements and Limitations

II.B.1 Conditions on Permitted Source

- II.B.1.a The sulfur content of any diesel fuel burned at the Ticaboo Generation Facility shall not exceed 0.05% by weight. [R307-401-8]
- II.B.1.b Total emissions of NO_x shall not exceed 188.2 tons/rolling 12-month period. Emissions shall be calculated by multiplying the lb/gal NO_x emission factor for each engine by the amount of fuel combusted in each engine each month. By the 20th day of each month, a new rolling 12-month emission total shall be calculated using the data from the most current consecutive 12 months. [R307-401]

II.B.2

Conditions on Diesel Engine Generators

II.B.2.a

All emissions from the three diesel engine generators shall be vented vertically unrestricted. The height of each stack shall be no less than 27 feet as measured from the base of the stack. [R307-401-8]

Section III: APPLICABLE FEDERAL REQUIREMENTS

In addition to the requirements of this AO, all applicable provisions of the following federal programs have been found to apply to this installation. This AO in no way releases the owner or operator from any liability for compliance with all other applicable federal, state, and local regulations including UAC R307.

NSPS (Part 60), IIII: Stationary Comp/Ignit R.I.C.E

PERMIT HISTORY

The final AO will be based on the following documents:

Is Derived From
Is Derived From
Supersedes

Additional NOI Information dated May 15, 2009
Source submitted NOI dated March 6, 2009
DAQE-AN0141380002-08 dated September 23, 2008

ACRONYMS

The following lists commonly used acronyms and their associated translations as they apply to this document:

40 CFR	Title 40 of the Code of Federal Regulations
AO	Approval Order
ATT	Attainment Area
BACT	Best Available Control Technology
CAA	Clean Air Act
CAAA	Clean Air Act Amendments
CDS	Classification Data System (used by EPA to classify sources by size/type)
CEM	Continuous emissions monitor
CEMS	Continuous emissions monitoring system
CFR	Code of Federal Regulations
CO	Carbon monoxide
COM	Continuous opacity monitor
DAQ	Division of Air Quality (typically interchangeable with UDAQ)
DAQE	This is a document tracking code for internal UDAQ use
EPA	Environmental Protection Agency
HAP or HAPs	Hazardous air pollutant(s)
ITA	Intent to Approve
MACT	Maximum Achievable Control Technology
NAA	Nonattainment Area
NAAQS	National Ambient Air Quality Standards
NESHAP	National Emission Standards for Hazardous Air Pollutants
NOI	Notice of Intent
NO _x	Oxides of nitrogen
NSPS	New Source Performance Standard
NSR	New Source Review
PM ₁₀	Particulate matter less than 10 microns in size
PM _{2.5}	Particulate matter less than 2.5 microns in size
PSD	Prevention of Significant Deterioration
R307	Rules Series 307
R307-401	Rules Series 307 - Section 401
SO ₂	Sulfur dioxide
Title IV	Title IV of the Clean Air Act
Title V	Title V of the Clean Air Act
UAC	Utah Administrative Code
UDAQ	Utah Division of Air Quality (typically interchangeable with DAQ)
VOC	Volatile organic compounds

Exhibit I

**GARFIELD COUNTY COMMISSION MEETING
NOVEMBER 9, 2009 AT 10:00 A.M.**

Present: Commissioner Maloy Dodds, Commissioner Dell LeFevre, Commissioner Clare Ramsay, Attorney Barry Huntington and Clerk Camille Moore.

Commissioner Dodds called the meeting to order.

Commissioner Ramsay made a MOTION to adopt the agenda. Seconded by Commissioner LeFevre. Motion carried. Voting unanimous.

Commissioner Ramsay made a MOTION to approve the minutes of the October 26, 2009 meeting. Seconded by Commissioner LeFevre. Motion carried. Voting unanimous.

PUBLIC WORKS BUSINESS

Brian Bremner, County Engineer, reported on current road projects.

PLANNING DEPARTMENT BUSINESS

Street Sign Ordinance: Les Barker, Recorder, gave the Commission and update on the E-911 addressing project and led a discussion regarding street signs throughout the County. Justin and Les will work on drafting an ordinance with standards and requirements for street signing in the unincorporated areas throughout the County. There was discussion regarding possible funding for the signs. The Commission directed Les and Justin to begin work on the ordinance and funding for the project.

TICABOO ELECTRIC IMPROVEMENT DISTRICT BOARD APPOINTMENTS

Four resumes have been received expressing interest in the board. After discussion, Commissioner LeFevre made a MOTION to adopt Resolution 2009-7 appointing James Hills, Christopher L. Thompson, Wilford Kay Randall to the Board and Justin Fischer, County Planner to act as Secretary. Seconded by Commissioner Ramsay. Motion carried. Voting unanimous.

RESOLUTION 2009-7

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF GARFIELD COUNTY, UTAH, APPOINTING MEMBERS TO THE BOARD OF TRUSTEES OF THE TICABOO ELECTRIC IMPROVEMENT DISTRICT.

WHEREAS the owners of property within the Ticaboo Electric Improvement District petitioned the Board of County Commissioners of Garfield County, Utah (the "County Commissioners") to authorize the creation of the Ticaboo Electric Improvement District (the "District"); and

WHEREAS the petition requested that the District be governed by a three-person Board of Trustees, to be appointed by the County Commissioners; and

WHEREAS public notice of the vacancies was given as required by UCA § 17B-1-304 and timely applications for appointment to the Board of Trustees of the District were submitted by the following qualified candidates: James Hills, Christopher L. Thompson, and Wilford Kay Randall. NOW THEREFORE, be it resolved by the Board of County Commissioners of Garfield County, Utah, acting as the appointing authority of the District, as follows:

1. James Hills, Christopher L. Thompson, and Wilford Kay Randall are hereby appointed to serve as members of the Board of Trustees of the Ticaboo Electric Improvement District. As determined by lot, Wilford Randall will serve an approximately two-year initial term to expire on December 31, 2011, and James Hills and Christopher Thompson will each serve an approximately four-year initial term to expire on December 31, 2013.

2. This resolution shall take effect upon its adoption.

APPROVED AND ADOPTED by the Board of Commissioners of Garfield County, Utah, on November 9, 2009.

Commission Chair

ATTEST:

County Clerk

TICABOO ELECTRIC IMPROVEMENT DISTRICT GRANT FUNDING

The district is requesting a \$25,000.00 start up grant. Attorney Huntington expressed his concern regarding the County providing the funding for the district. After discussion, Commissioner Ramsay made a MOTION to grant one-time funding to the district of \$25,000.00, contingent on the Attorney's approval. Seconded by Commissioner LeFevre. Motion carried. Voting unanimous.

EXTENSION SERVICE BUSINESS

Suzanne Jorgensen, Home Agent, gave the Commission a presentation regarding the 4-H mentoring program and use the old senior center kitchen and serving room. After discussion, the Commission gave permission for the 4-H to use the facilities, scheduling should be done through the clerk's office and it should be kept clean.

PUBLIC DEFENDER

Attorney Huntington was given authorization to advertise for a public defender.

TRAVEL COUNCIL BUSINESS

Bruce Fullmer, Travel Council Director, gave the Commission an explanation of the Travel Council 2010 budget requests.

UCIP MEMBERSHIP MEETING RESOLUTION

After discussion, Commissioner Ramsay made a MOTION to adopt Resolution 2009-8 appointing Camille Moore as the Garfield County representative for the UCIP membership meeting to be held December 3, 2009. Seconded by Commissioner LeFevre. Motion carried. Voting unanimous.

ENVISION ESCALANTE EMPLOYEE REQUEST

Envision Escalante has requested a full-time employee for the visitor center for the 2010 tourist season. After discussion, Commissioner Ramsay made a MOTION to deny the request. Seconded by Commissioner Dodds. Motion carried. Voting unanimous.

EMERGENCY GENERATOR INSTALLATION BIDS

Two bids were received for installation of the generator. Wilkinson Electric: \$13,000.00,

ACM Electric: \$12,325.00. After discussion, Commissioner Ramsay made a MOTION to accept the bid from ACM Electric. Seconded by Commissioner LeFevre. Motion carried. Voting unanimous.

ACCOUNTS PAYABLE

The accounts payable list was reviewed, approved and signed by the Commission.

The meeting was adjourned at 2:30 p.m.

Clerk/Auditor

Commission Chair

EXHIBIT J

Ticaboo Electric Improvement District
Proposed 2010 Annual Budget

Expenses

Operation and Maintenance	\$200,000
Administration (1)	\$25,000
Reserve Fund	\$28,800
Insurance	\$6,000
<i>Total Expenses</i>	<i>\$259,800</i>

Revenue

Active Usage Fees (2)	\$249,600
Inactive Residential Surcharges (3)	\$10,200
<i>Total Revenue</i>	<i>\$259,800</i>

Net

<i>Revenue - Expenses</i>	<i>\$0</i>
---------------------------	------------

(1) The Ticaboo Special Service District (water, sewer and trash) currently operates on about \$7,000 annually for administration. The Electric District will be more expensive administratively because of increased regulation and reporting requirements.

(3) Assumes average retail price of \$0.26/kWh with total annual usage of 960,993 kWh

(4) Assumes 17 inactive connections per month, with a \$50 surcharge per connection

EXECUTIVE SUMMARY

The Ticaboo Electric Improvement District ("District") will act as a retailer and a producer of electricity. The District will generate electricity using assets donated from Uranium One Ticaboo, Inc. ("Uranium One") and loaned—for free—by Denison Mines. The District will operate on revenue generated from the sale of electricity.

Because of its tax exempt status, the District can purchase diesel at a lower cost than presently being purchased, resulting in approximately a 10% reduction in electric generation costs. Additionally, the District has negotiated for the use of a smaller, more efficient generator that will reduce overall fuel consumption. These cost reductions will allow the District to generate enough revenue—without significantly increasing the current electrical rates in Ticaboo—to be financially viable.

EXPLANATION OF COSTS

Cost estimates have been performed based on the following spreadsheet, the form of which was provided by Uranium One based on its historical costs. The numbers have been adjusted to reflect the smaller, more fuel-efficient generator that Denison Mines will provide. Additionally, because Denison employees will provide most of the labor free of charge, the costs are lower than Uranium One's actual costs over the past few years.

360 kW Generator				
320 kW Prime Power Rating	25%	50%	75%	100%
Average kWh Output	90	180	270	360
Fuel Consumption (gal/hr)	6	7.5	9	11

Yearly Generator Station O&M Costs Operating at 28% Load				
Item	Quantity	Unit	Unit Price	Amount/Year
Service Every 250 hrs	35	Each	\$ 450	\$ 15,750
Annual Air Filter Replacement	1	Each	\$ 2,000	\$ 2,000
Annual Coolant System Service	1	Each	\$ 2,000	\$ 2,000
Miscellaneous Labor	50	hr/yr	\$ 25	\$ 1,250
Fuel Consumption/Year (assumes 50% load)	65,700	gallons	\$ 2.25	\$ 147,825
Minor Overhaul Every 10,000 hrs	\$15,000	Every 1.14 years	\$ 13,158	\$ 13,158
Rebuild Generator every 30,000 hrs	\$40,000	Every 3.5 years	\$ 11,429	\$ 11,429
Capital Cost of Generator (Life = 120,000 hrs)	\$90,000	Every 13.7 years	\$ 6,569	\$ 6,569
			Total	\$ 199,981
(Assumes 126 kwh averaged draw)			Cost/kWh	\$0.181
			Fuel Only (cost/kWh)	\$0.134

GENERAL EXPLANATION OF 2010 BUDGET

The 2010 Budget is the result of a detailed study and synthesis of historical figures provided by Uranium One. Those figures have been synthesized into two master tables and charts. One table and chart covers the residential, and the other covers the Ticaboo Special Service District (i.e. the sewer, water, and trash district). Commercial usages have not been historically measured.

Drawing on those historical summaries allowed for the creation of a reliable estimate on estimated future usage by District customers. The usage fees portion of the Revenue section in the 2010 Budget is based on the 2010 estimates described below.

COMMERCIAL

Uranium One has not measured the commercial usage of power, primarily because it never billed itself for the power used. Therefore, there are no actual, historical usage numbers for any of the commercial customers. However, Uranium One and Denison Mines employees who have operated the generators estimate that the commercial usage accounts for approximately 60% of all draw on the generators. Current commercial customers include a boat shop, a retail shop, a lodge, a convenience store, and a bar and grill.

RESIDENTIAL

The term "residential" in this budget includes all of the homes in Ticaboo, both primary and secondary, plus an LDS Church building. There are currently 78 active residential connections drawing power from Uranium One, plus the LDS Church building.¹ Additionally, there are currently 17 inactive residential connections.

Inactive Residential Connections

Many of the homes in Ticaboo are vacation homes or empty mining homes. The vacation homes often get used during the summer months—which explains why the District will purchase significantly more electricity during the summer months—and the mining homes are owned by mining companies and filled with temporary employees who work in the mines when uranium prices are right. To provide some financial foundation for the District, the District by necessity will charge a surcharge of \$50 per month for all inactive connections. There are an estimated 17 inactive connections, which equals \$850 per month, or \$10,200 per year, in District revenues. The District intends to eventually reduce this surcharge as the District builds up a reserve fund for financial security.

LDS Church Building

During the summer months, the LDS Church building uses an average of 395 kWh, and during the winter, an average of 490 kWh. These numbers are based on actual usage as measured by Uranium during the past year.

¹ Actually, about 40 of the active connections are mining homes owned by Denison Mines (USA) Corp. Most of these homes are vacant because Denison currently only employs 8-10 people in the mine. However, to support the community and to subsidize the cost of electricity in the community, Denison has agreed to keep these 40 connections active and pay the base monthly rates.

Active Residential Connections

Under its tariff, the District will charge all active connections a base rate of \$50 for the first 200 kWh used each month. This means that a customer using only 120 kWh in one month will pay the base \$58. This base rate equates to a per kWh rate of \$0.295 (assuming all 200 kWh are consumed). In addition to the base rate, any customer who uses more than 200 kWh in one month will pay \$0.26 per additional kWh. An average customer using 400 kWh in a month, for example, would pay \$102 per month (\$50 base, plus \$52 additional). This is how Uranium One has been billing customers since 2007.

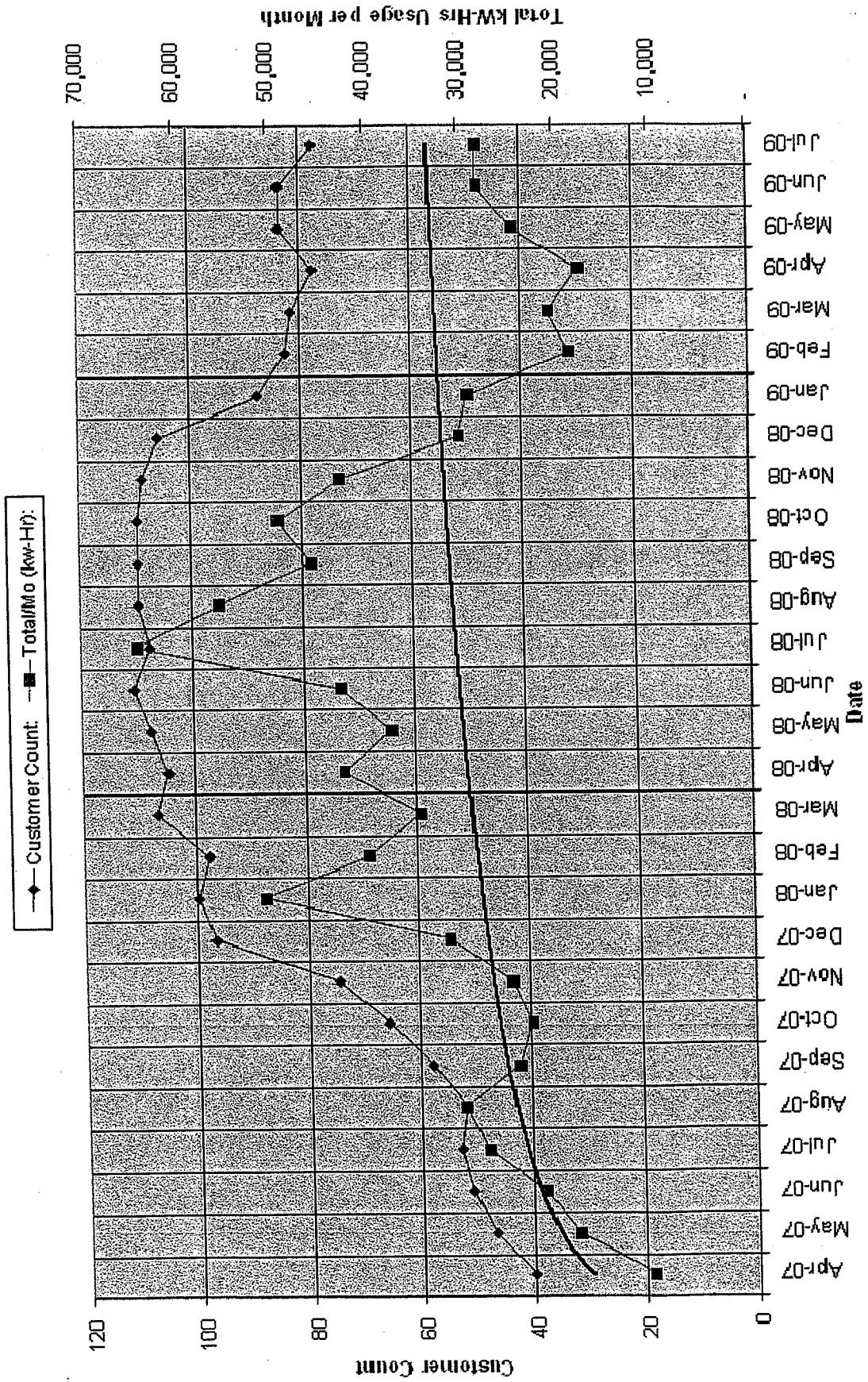
This practice of billing a base rate plus additional usage will be continued because the Ticaboo residents are accustomed to and have generally accepted this type of billing, and the guaranteed \$50 per active connection will provide some financial stability for the District during the first few years of uncertainty.

Uranium One has provided historical figures for the years 2007-2009 regarding the actual kWh used by each residential customer in Ticaboo. In short, the average customer over the past two years has used 355 kWh per month during the winter months (October to March) and 446 kWh per month during the summer months (April to September). The detailed figures supporting those summaries appear in the following table and chart:

* Actual 08-09 Numbers (provided by Uranium One) for residential				
	Total Usage Per Month (kWh)	Customer Count Per Month	Avg. Use Per Customer Per Month (kWh)	
WINTER				
Oct. 08	49,345	110	449	
Nov. 08	42,939	109	394	
Dec. 08	30,021	106	283	
Jan. 09	29,120	88	331	
Feb. 09	18,308	83	221	
Mar. 09	20,568	82	251	
Average	31,717	96	329	
	Total Usage Per Month (kWh)	Customer Count Per Month	Avg. Use Per Customer Per Month (kWh)	
SUMMER				
Apr. 08	42,813	105	408	
May. 08	37,768	108	350	
Jun. 08	43,090	111	388	
Jul. 08	64,350	108	596	
Aug. 08	55,723	110	507	
Sep. 08	45,924	110	417	
Average	48,278	109	444	
	Avg. Usage Per Month (kWh)	Avg. Customer Count Per Month	Avg. Use Per Customer Per Month (kWh)	
COMBINED ANNUAL Average	39,997	103	390	

* Actual 07-08 Numbers (provided by Uranium One) for residential				
	Total Usage Per Month (kWh)	Customer Count Per Month	Avg. Use Per Customer Per Month (kWh)	
WINTER				
Oct. 07	23,208	66	352	
Nov. 07	25,275	75	337	
Dec. 07	31,850	97	328	
Jan. 08	51,167	100	512	
Feb. 08	40,382	98	412	
Mar. 08	34,788	107	325	
Average	34,445	91	381	
	Total Usage Per Month (kWh)	Customer Count Per Month	Avg. Use Per Customer Per Month (kWh)	
SUMMER				
Apr. 07	10,812	40	270	
May. 07	18,616	47	397	
Jun. 07	22,047	51	432	
Jul. 07	28,089	53	530	
Aug. 07	30,414	52	585	
Sep. 07	24,582	58	424	
Average	22,432	50	447	
	Avg. Usage Per Month (kWh)	Avg. Customer Count Per Month	Avg. Use Per Customer Per Month (kWh)	
COMBINED ANNUAL Average	28,438	70	404	
	Avg. Use Per Customer Per Month (kWh)			
07-09 Combined				
Avg. Use Per Customer Per Month (kWh)				400
				365
				306
				421
				316
				288
				355
	Avg. Use Per Customer Per Month (kWh)			
07-08 Combined				
Avg. Use Per Customer Per Month (kWh)				339
				373
				410
				563
				546
				421
				446
	Avg. Use Per Customer Per Month (kWh)			
07-09 Combined				
Avg. Use Per Customer Per Month (kWh)				397

Residential Power Count and Usage



TICABOO SPECIAL SERVICE DISTRICT

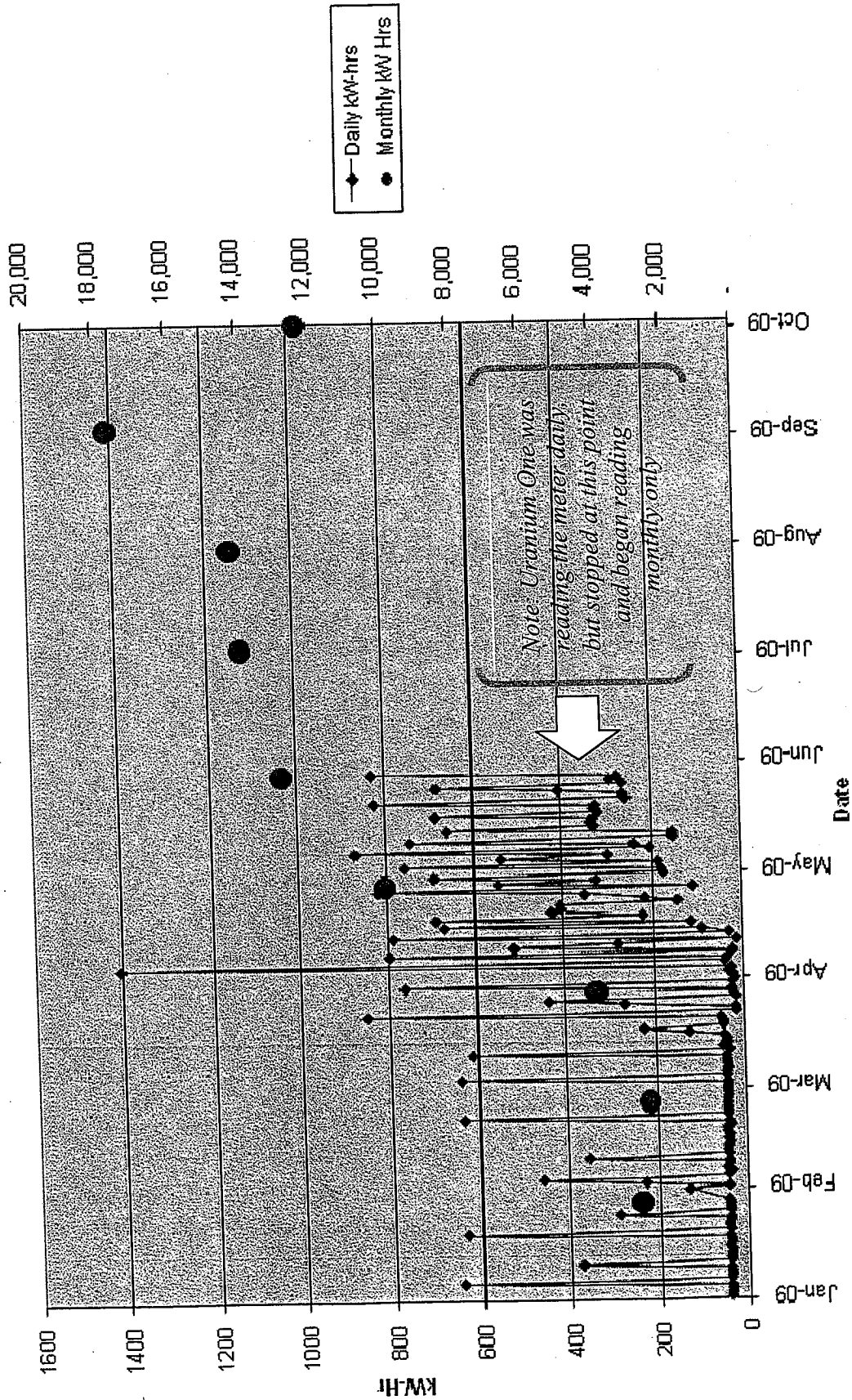
The Ticaboo Special Service District (TSSD) operates a well pump that requires a significant amount of electricity. Uranium One provided usage figures for the year 2009, which show an average winter usage of 3,298 kWh per month, and an average summer usage of 13,533 kWh per month. The detailed figures supporting those summaries appear in the following tables (listing actual measurements recorded and provided by Uranium One):

WINTER	TSSD Actual Usage (kWh)
January	3,011
February	2,745
March	4,139
Average	3,298

SUMMER	TSSD Actual Usage (kWh)
April	10,076
May	12,927
June	14,013
July	14,277
August	17,656
September	12,247
Average	13,533

These same numbers are also summarized in the following chart provided by Uranium One:

TSSD Electrical Usage



2010 USAGE ESTIMATES

The usage estimates for 2010 are based on the data described in the preceding historical figures and tables. Residential usage estimates and TSSD usage estimates were calculated separately, then added together for a final combined usage estimate for each month, and for the entire year 2010.

Residential Usage Estimates

First, the residential usage data was synthesized to come up with an average use per customer during both the winter and summer periods. For the winter, this amount is 355 kWh per month, and for the summer, the amount is 446 kWh per month. We have assumed these averages will remain consistent in 2010 and are therefore reliable estimates. The average usage numbers were then multiplied by the current number of active connections (78) to get an estimate on the total anticipated residential usage during 2010. For the winter, this amount is estimated at 27,684 kWh each month, and for the summer, this amount is estimated at 34,765 kWh each month.

TSSD Usage Estimates

We then calculated the estimated usage by the TSSD, again based on the historical figures provided by Uranium One. Chuck Birrenbach, Chairman of the Board of Trustees for the TSSD, does not anticipate any reduction in TSSD's electrical usage; in fact, if anything, TSSD may draw even more electricity because TSSD is installing a second well pump sometime in the near future.

For the winter, the TSSD will likely draw about 3,298 kWh per month, and for the summer, the amount will increase to about 13,533 kWh per month. The large increase is probably best explained by the increased population of Ticaboo during the summer vacation months. For example, the TSSD usage chart displayed above indicates a spike in TSSD usage on the Labor Day holiday weekend. The more water used by the TSSD's customers, the more power the TSSD uses for its well pump.

Commercial

Uranium One and Denison Mines employees who have operated the generators estimate that the commercial usage accounts for approximately 60% of all draw on the generators. Therefore, commercial has been conservatively estimated at approximately 480,000 kwh annually, roughly equivalent to the historical residential usage. It is expected that commercial will use slightly more than that.

Combined Usage Estimate

Adding the estimated residential usage to the estimated TSSD usage produces the following combined usage estimates for 2010:

2010 Estimated Monthly Electrical Usage (kWh)			
WINTER	Active Connections (as of October 2009)	Average Winter Use (kWh) Per Active Connection	Estimated Monthly Usage (kWh)
Residential	78	355	27,684
LDS Church	1	395	395
Commercial	5	8,000	40,000
Ticaboo Special Service District	1	3,298	3,298
Combined Total	N/A	N/A	71,377
SUMMER	Active Connections (as of October 2009)	Average Summer Use (kWh) Per Active Connection	Estimated Monthly Usage (kWh)
Residential	78	446	34,765
LDS Church	1	490	490
Commercial	5	8,000	40,000
Ticaboo Special Service District	1	13,533	13,533
Combined Total	N/A	N/A	88,788
Average Annual Usage Total kWh			960,993

RATE CALCULATIONS

One of the primary goals in making the District operational is to figure out a way to provide power to the District's customers without significantly raising the rates in the short term, and reducing the rates in the long term. Rates in Ticaboo are currently about \$0.26 per kWh.

The District's goal is to keep rates at the current rate of \$0.26 per kWh for the short term, and to only raise rates if necessary to cover rising diesel fuel prices or other unanticipated expenses. The District's long term goal is to develop and operate a new, more efficient source of electrical power that can reduce costs and increase reliability and capacity. The more connections the District can obtain, the lower the individual rates will be. In the meantime, however, rates are based on actual costs to produce the electricity using diesel generators.

OTHER CONSIDERATIONS

Legal counsel for the District has reviewed, in detail, all of Uranium One's records relating to the provision of electricity in Ticaboo, and most of those records have been either reproduced or summarized in this explanation. It is clear that Uranium One has, since about November 2007 when Uranium One began operating the generators in Ticaboo, been subsidizing electricity in

Ticaboo. In fact, when diesel prices exceeded \$4.50 cents per gallon, Uranium One estimates that its production costs increased to above \$0.40 per/kWh, yet Uranium One never billed Ticaboo residents more than \$0.26 per/kWh (there is some confusion over this, because Uranium One did announce that it would be raising rates, though because of negative public response, Uranium One never actually implemented those rates). Only Denison Mines paid the actual cost during that time. To support the community, Denison paid approximately \$0.45 per kWh on all of its connections in Ticaboo (at least 40 connections).

Uranium One considered it a cost of business to run the generators (primarily because Uranium One's commercial property is powered by the generators) so Uranium One did not devote significant time or expense to tracking and analyzing its costs. Uranium One has been extremely cooperative with the District in creating, analyzing, and synthesizing historical data. The information provided in this explanation is far more than what Uranium One created in the normal course of business.

CONCLUSION

This proposed budget is the short term plan. The long term plan is for the District to invest time and resources into a more efficient, less expensive energy alternative.

EXHIBIT K



September 25, 2008

Mr. Justin Fischer
Garfield County Courthouse
55 South Main - Box 77
Panguitch, UT 84759

RE: Ticaboo Electrical Service Request for Proposals

Dear Justin:

Thank you for the opportunity to respond to the Ticaboo Request For Proposals (RFP) for central station electrical service to replace the current diesel generation. Garkane Energy Cooperative, Inc. will not, however, be making a formal proposal as per the documents we received from Smith-Hartvigsen dated August 4, 2008.

Throughout the years Garkane has provided cost estimates to provide electric service to the Ticaboo area as the demand for uranium rose and fell. However, the projected loads used in prior estimates were much less than those proposed today. To construct facilities to serve a proposed 30 MW load with today's market prices for power becomes a very expensive proposition for any utility, particularly a small company like Garkane. Our existing customers could not absorb the cost of these facilities, thus any expenses would have to be paid by those requesting the power, i.e., the uranium companies, mining companies, developers, etc. Moreover, given the current state of politics in the nation, a presidential election looming and no clear national energy policy for nuclear development, any provider of electrical service would require substantial financial guarantees from the requestors of the power line.

We also note the Ticaboo area is not within Garkane's current certificated service territory granted by the Utah Public Service Commission, nor is it within Rocky Mountain Power's certificated area. Throughout Utah it has generally been assumed if an area is not currently served by a cooperative or a municipality, by default Rocky Mountain Power retains the service territory and the obligation to serve.

Furthermore, in our opinion the time frames in the RFP are not realistic, especially with regards to acquisition of rights-of-way. We have a working relationship with all the federal and state agencies with stewardship responsibilities over the public lands in this area. The tremendous environmental issues alone make this a difficult project for any utility, in addition to

Mr. Justin Fischer, cont.
September 25, 2008
Page 2

the remoteness of the area and the distance to access existing transmission facilities. We make the following observations regarding the construction of transmission lines to serve the area:

The shortest route would be from Boulder, Utah, east to Ticaboo, along the Burr Trail. However, with the government agencies involved, this would require an "act of Congress" to get rights-of-way through the Wilderness Study Area's (WSA's), National Parks, Monuments, etc.

Coming through Wayne County east to Hanksville, and then south to Ticaboo may be a viable option, but would be very costly due to the necessary upgrades to the existing transmission system, and going through Capitol Reef National Park where existing lines are on the ledges and not perceived to be scenic. Moreover, an additional new line would be necessary through the area because of the increased projected loads.

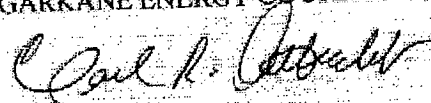
A possible route with the fewest environmental hurdles might be from near Green River to Hanksville, and then south. Again, the costs of transmission facilities for approximately 120 miles would be very high. If Garkane could acquire a delivery point from Rocky Mountain Power near Green River and could negotiate a power supply from our wholesale provider, we may be interested in serving the area from that direction, with the caveat that the total costs are paid by the requestors and guarantees are made on the purchases into the future.

Finally, in our opinion, there needs to be a clear political signal on energy policy from a national perspective, as most of the projected load growth in Ticaboo is "uranium" related. Financial markets are currently very cautious in their approach to investments in nuclear or coal related projects because of the risks and political uncertainties. Absent some type of political assurance it would be difficult for any entity to commit resources to this project.

Please contact us if you have additional questions or comments.

Respectfully,

GARKANE ENERGY COOPERATIVE, INC.



Carl R. Albrecht
CEO



2217 Kittyhawk Drive
Cedar City, Utah 84720

September 30, 2008

Mr. Justin Fischer
Garfield County Planner
55 South Main Street
PO Box 77
Panguitch, Utah 84759

Dear Mr. Fischer,

In response to your RFP for electric energy in the Ticaboo area of Garfield County, Rocky Mountain Power is providing the following information. I believe you have been given this information previously. In order to maintain continuity in how we perform our business, and to be sure we treat all customer requests the same, we will follow the format as shown below.

The Public Service Commission orders delineating Rocky Mountain Power's service territory in the Ticaboo area are unclear. We have discussed this issue with Garkane Energy and will work towards defining territory boundaries.

Meanwhile, Rocky Mountain Power has reviewed three options to provide electrical service to the area. Costs quoted are very rough numbers to be used for indication purposes only. More detailed engineering design and permitting would need to be conducted to determine the viability and requirements for each option, which may have significant impacts on project costs. The options reviewed are:

Option #1: 138 kV line - Emery County near Green River: Cost: \$49,000,000

Advantages - Follows highway from Green River, Hanksville and Bullfrog
Permitting may be easier

Disadvantages - Distance is further than other options
- unknown impacts to Helper - Moab 138 kV line

Option #2: 138 kV line - San Juan county near Monticello: Cost: \$41,500,000

Advantages - Lower expected cost than option one.

Disadvantages - Permitting is anticipated to be difficult and complex.
- unknown impact to Pinto 345-138 kV transformers

Option #3: 138 kV line - San Juan county near Blanding: Cost: \$38,500,000

Advantages - Anticipated lowest cost alternative

Disadvantages - Permitting is anticipated to be difficult and complex.

- unknown impact to Pinto 345-138 kV transformers
- unknown impact to Pinto - Abajo 138 kV line

The steps to move forward with the project are:

1.) Sign an Engineering Services Agreement and forward \$50,000 to initiate preliminary engineering, including scoping, analysis, and material and permitting requirements. Any amounts forwarded in this phase that are not spent will either carry forward into future phases or be refunded to customer if customer elects not to continue with the project.

2.) Upon completion of preliminary engineering, Rocky Mountain Power will provide you with preliminary project information, such as the project scope, a +/- 30% cost estimate (excluding permitting costs) and a preliminary schedule.

3.) Customer will then be asked to sign an Engineering and Materials Procurement agreement that will provide sufficient funding to move forward with ordering long lead materials, completing detailed engineering design, obtaining permits and bidding the project to construction firms for building the power line. At the conclusion of this process, final estimates of construction costs, financial terms for service and construction timelines will be provided to the customer to make a final decision whether or not to move forward to receive service from Rocky Mountain Power.

4.) Customer will then sign a Master Electric Service Agreement that will stipulate terms for construction and delivery of electrical power to customer. Upon execution of this agreement, Rocky Mountain Power will move forward with construction of the facilities to provide service.

Since there are multiple parties in the area requesting service, either one or all parties combined will need to provide sufficient financing and guaranteed minimum usage to fund such a large project. We will also require some form of credit and payment guarantees to ensure the facilities have sufficient usage over a sustained term of service to fund the ongoing operation and maintenance expenses of the facilities to provide power to the area.

I would be happy to meet with you and any others interested in this project to review it in more detail and provide additional information you may need to determine how to move forward.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark B. Cox". The signature is fluid and cursive, with the first name "Mark" being the most prominent.

Mark B. Cox
Rocky Mountain Power
Customer & Community Manager
2217 West Kittyhawk Drive
Cedar City, Utah 84720
435-865-3301

Garfield County Ticaboo Electrical Service

Request For Proposals

A: Development and Construction Proposal. To conceive, design and construct an electrical energy producing or transmission facility and update and integrate a Distribution Network for the distribution of electricity in the Ticaboo Area of Garfield County, with options to include the Bullfrog and Halls Crossing Marinas.

B: Operation Proposal. To operate, manage, and maintain retail electrical service in the Ticaboo area of Garfield County, with options to include the Bullfrog and Halls Crossings Marinas.

C: Joint Proposal. A combined proposal for both A and B.

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Garfield County Courthouse
55 S. Main Street, P.O. Box 77
Panguitch, Utah 84759

Prepared by:

Smith Hartvigsen, PLLC on behalf of
Garfield County

Document Version:

1

Date:

August 4, 2008

A: Development and Construction Proposal. To conceive, design and construct an electrical energy producing or transmission facility and update and integrate a Distribution Network for the distribution of electricity in the Ticaboo Area of Garfield County, with options to include the Bullfrog and Halls Crossing Marinas.
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Proposal Number	Version	Date
2008-1	1	4 August 2008

Disclaimers

The information contained in this document is subject to change without notice.

The information in this document is for information purposes only. Garfield County disclaims all warranties, express or limited, including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose.

The information contained in this document is for the purpose of seeking responsive proposals. Garfield County is not attempting to interfere with any known or existing tariff; nor is it attempting to interfere with any known or existing service area or territory.

The County reserves the right, without qualification and in its sole discretion, to reject and or all bids or proposals, and to terminate this RFP in whole or part at any time. Without limiting the foregoing, the County reserves the right to reject as non-responsive any or all bid proposals received for failure to meet any requirement of this RFP as outlined in Section 2 herein. The County also reserves the right to contact any Proposer for additional information. The County further reserves the right without qualification and in its sole discretion to decline to enter into any agreement with any Proposal Bidder for any reason including, but not limited to, changes in laws, regulations or regulatory requirements that impact the County and/or any collusive bidding or other anticompetitive behavior or conduct.

Proposers who submit bid proposals do so without any recourse against the County, or any of its Commissioners, officers or employees or any representative of them for any modification or withdrawal of this RFP, rejection of any bid proposal, failure to enter into an agreement, or for any other reason arising out of this RFP.

A: Development and Construction Proposal. To conceive, design and construct an electrical energy producing or transmission facility and update and integrate a Distribution Network for the distribution of electricity in the Ticaboo Area of Garfield County, with options to include the Bullfrog and Halls Crossing Marinas.
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0. General Information – Name of Proposal:

A: Development and Construction Proposal. To conceive, design and construct an electrical energy producing or transmission facility and update and integrate a Distribution Network for the distribution of electricity in the Ticaboo Area of Garfield County, with options to include the Bullfrog and Halls Crossing Marinas.

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C: Joint Proposal. A combined proposal for both A and B.

0.1. Query Handling

Send any queries concerning this proposal to:

Name:	J. Craig Smith, Neal C. Geddes & Bradley S. Simpson Smith Hartvigsen, PLLC
Address:	215 South State Street, Suite 600
City:	Salt Lake City, Utah 84111
Tel:	(801) 413-1600
Fax:	(801) 413-1620
Email:	jcsmith@smithlawonline.com ngeddes@smithlawonline.com bsimpson@smithlawonline.com

**GARFIELD
COUNTY**

A: Development and Construction Proposal. To conceive, design and construct an electrical energy producing or transmission facility and update and integrate a Distribution Network for the distribution of electricity in the Ticaboo Area of Garfield County, with options to include the Bullfrog and Halls Crossing Marinas.
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Send your queries via email to jcsmith@smithlawonline.com; ngeddes@smithlawonline.com or bsimpson@smithlawonline.com. The County will attempt to respond to queries from Proposers via e-mail or by telephone.

Queries must be received at least 5 working days before the closing date for the receipt of proposals to assure a response. Queries received after that date will be responded to as time permits. Additional information regarding this proposal will be posted at www.smithhartvigsen.com. All queries and their responses will be shared with all Proposers who have submitted appropriate qualifications.

0.2. Definitions

"Proposer" shall mean any person or entity or collection of persons or entities who forms or puts forward a response to this Request for Proposals, fulfilling its terms and conditions, for acceptance by Garfield County.

"Operating Entity" shall mean a person or legally recognized thing whose principal function is the performance of the work necessary to maintain a plant capable of producing sufficient electrical power to meet the demands of Garfield County. The Operating Entity providing electrical service to the public in the Project Areas may be: (1) an investor-owned public utility; (2) a cooperative entity; (3) a county improvement district; (4) a municipality; or (5) private, for-profit entity.

"Project Area" shall mean the Ticaboo area in Southeast Garfield County, Utah with options to also include Bullfrog and Halls Crossing Marinas at Lake Powell. Ticaboo is an unincorporated residential area in eastern Garfield County, Utah. Bullfrog Marina is approximately twelve miles south of Ticaboo in Northeast Kane County, Utah within the Lake Powell National Recreation area. Halls Crossing Marina is located across Lake Powell from Bullfrog Marina in San Juan County, Utah. A map of the Ticaboo and Bullfrog/Halls Crossing areas are depicted on the map attached hereto as Exhibit 1.

"Infrastructure" shall mean the permanent underlying foundation or basic framework of the facilities necessary for the generation, transmission and distribution of electrical power.

"Turn-key Operation" shall mean that the Proposer shall be responsible for all aspects of the development and construction of the facility, including but not limited to, permitting, engineering, procurement, construction and all related costs up to commercial operation including those costs to be borne to support start-up, testing, commissioning and acceptance. The County may require that the project be maintained and operated by the bid Proposer or successful Operating Entity for one (1) year in order to ensure cost effectiveness, availability and reliability of resource prior to the County's acceptance of the project.

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1. EXECUTIVE SUMMARY

The document that follows is an official Request for Proposals.

One original and 3 copies (including one copy in Electronic Format) of each completed proposal, clearly marked Official Proposal to (A) Construction Proposal; (B) Operation Proposal; and (C) Joint Proposal to Ticaboo area in Garfield County must be delivered to:

Justin Fischer
Garfield County Planner
55 S. Main Street P.O. Box 77
Panguitch, Utah 84759

Or via e-mail at jfischer@fcaog.state.ut.us.

Delivered or postmarked on or before October 1, 2008. Proposals received after the deadline may or may not be considered at the discretion of Garfield County.

1.1. Project Area

The Project Area is the Ticaboo area in Southeast Garfield County, Utah with options to also include Bullfrog and Halls Crossing Marinas at Lake Powell. Ticaboo is an unincorporated residential area in eastern Garfield County, Utah. Bullfrog Marina is approximately twelve miles south of Ticaboo in Northeast Kane County, Utah within the Lake Powell National Recreation area. Halls Crossing Marina is located across Lake Powell from Bullfrog Marina in San Juan County, Utah. A map of the Ticaboo and Bullfrog/Halls Crossing areas are depicted on the map attached hereto as Exhibit 1.

1.2. Background Information

Ticaboo has approximately 125 residents. Two uranium mines and a uranium mill are located near Ticaboo. An increase in mining and milling of uranium is projected to cause growth of Ticaboo within the near term to 1,500 residents.

The Bullfrog and Halls Crossing Marinas are two of only six marinas on Lake Powell, and Bullfrog is the second largest of the six. Bullfrog has approximately 200 residents, but that figure typically increases to about 1,200 during the summer visitor season. Additionally, the Bullfrog District of the Glen Canyon National Recreation area typically has over 240,000 visitors annually. The Bullfrog Marina includes lodging, restaurant and a general store as well as boat launching and mooring facilities. Halls Crossing is located across Lake Powell from Bullfrog, and is approximately 11 miles from Natural Bridges National Monument.

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The Ticaboo and Bullfrog/Halls Crossing areas are remote areas not connected to any regional electrical utility power lines. The only electricity available to the areas is from diesel fueled generators located in Ticaboo and Bullfrog. The current cost for electricity in the area is approximately 36¢ per kwh which is approximately three times the cost of surrounding areas that are served by Rocky Mountain Power or Garkane Electrical Cooperative. As the price of diesel increases so will the cost of electricity generated with diesel.

Ticaboo is located on private and State Trust Land but is surrounded by federal lands. Bullfrog and Halls Crossing Marinas are located within the Glen Canyon National Recreation Area (commonly known as Lake Powell) and operated by a concessionaire of the National Park Service which administers the National Recreation Area. Any power development within Federal Lands will entail specific permits. While Garfield County may participate in the acquisition of necessary Federal permits, the successful Proposer will ultimately be responsible for ensuring that all Federal permits are acquired in a timely manner. In addition, Rocky Mountain Power has indicated that it believes that the Ticaboo area falls within its service territory. However, Rocky Mountain Power is not providing any electrical service in the Ticaboo or Bullfrog/Halls Crossing areas. If necessary, Garfield County will pursue legislation on the State level and/or Public Service Commission approval necessary for the entity that is chosen to provide electrical service to the public to be so authorized under Utah law.

1.2.1. Current Electrical System

The current Ticaboo electric distribution system is comprised of a 480Y/277GND volt electric generating facility. The generating facility contains: (a) two generators with continuous ratings of 455 kW (569 kVA at an 80% power factor); and (b) one generator with a 447 kW (559 kVA at an 80% power factor).

The output voltage is increased from 480 volts AC to 25,000 volts AC (25kV) through two step-up transformer banks. The first step increases the output voltage of the generators from 480 VAC to 4,160Y/2,400GND volts through a three-phase generator step-up transformer bank comprised of three single-phase 250 kVA pole type distribution transformers (750 kVA total).

The second step increases the output voltage of the first transformer bank from 4,160Y/2,400GND VAC to 24,940Y/14,400GND through another three-phase step-up transformer bank comprised of three single-phase 100kVA pole type distribution transformers (300 kVA total). Both step-up transformer banks are installed at ground level on concrete pads within a secured enclosure. The output of the step-up transformer bank is distributed to the electrical loads at Ticaboo via a 24,940Y/14,400GND volt underground electric distribution system.

The underground distribution system includes 21 padmount transformers and nearly three miles of 25 kV concentric neutral URD primary cables with #1/0 AWG aluminum conductors. Most of the primary (25kV) distribution cable was replaced approximately 11 years ago.

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Distribution transformers decrease the 24,940Y/14,400GND volt distribution system voltage to the required utilization voltages. Utilization voltages at Ticaboo include 120/240 volts single-phase padmounted transformers and single and three phase pole type transformer banks installed in transformer enclosures. These transformers/transformer banks have kVA capacities ranging from 167 kVA single-phase to 500 kVA three-phase.

1.2.2. Generator Facility

The existing generator facility for the Ticaboo area has three Caterpillar diesel generators. Generators #1 and #3 are relatively new generators and have been well maintained, serviced, or have recently been re-built. Generator #2 is an old generator that is not currently in service. It is in poor condition with old controls and needs to be replaced or rebuilt. It has been left in place as a spare emergency back-up in the event of a failure of both generators #1 and #3.

The generators are manually started and stopped local to each generator. The generators are manually cycled with respect to service hours to ensure that the hours put on each generator are rotated equally. When the load is transferred from one generator to the other, the non-operating generator is started, warmed-up, and ready-to-load. The operating generator is then shut down, isolated, and the load is tied to the other generator, which causes an interruption in service to complete the switch over.

Because the generators are not operating as standby units, the continuous ratings apply to the Ticaboo electric generating facility. They may be operated at the standby rating if the total duration of the loading in excess of the continuous rating does not exceed two hours per day. The average three-phase load measured at the facility was 160.50 kW or 200.6kVA.

1.2.3. Underground Electric Distribution System

The primary (high voltage) cable system at Ticaboo is generally comprised of 25 kV rated (100 and 133 percent insulation) #1/0 AWG aluminum concentric neutral URD cable, with an overall jacket. The cable system is a radial system with very limited in line and tap over current protection. When a fault occurs in the present cable system most, if not all, of the electric loads will experience an outage, which will persist until the faulted cable can be located and repaired.

The underground cable is a Doubleseal model manufactured by Pirelli Cable Corporation. The cable is aluminum, URD, EPR with an overall insulating jacket, 260 mils Rating #1/0 AWG, 25kV. Most of the high voltage cables are direct buried, so it can be difficult and time consuming to locate and repair faults. To facilitate fault location and cable fault repair, and to reduce the number of customers affected by outages and outage times, Garfield County desires to install a primary cable system to create a looped distribution system. Installation of in-line and tap-over current protection should be incorporated to reduce the number of electric customer/loads affected by primary cable system faults. Cable fault indicators should also be installed

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in various locations on the system to reduce outage time to load in the event of cable or equipment failure.

1.2.4 Projected Electrical Needs in Project Area

Garfield County desires to have electrical service from a more cost competitive source provided to the Ticaboo area to better accommodate the anticipated growth. Currently the total peak load for the areas is 11.8 MWh. Garfield County anticipates, however, that the peak loads will increase significantly with the anticipated growth and will ultimately be as follows:

Total Peak: 31.6 MW

Off Peak: 16 MW

Avg. 24 hour: 26 MW

It is expected that Construction Proposals will meet the aforementioned projected load requirements.

It is anticipated that Construction Proposals will either be to extend electrical service to the Project Area from existing service areas or develop a local and more cost effective and/or environmentally friendly (i.e., renewable energy source) power supply in the Ticaboo area.

It is anticipated that the successful Construction Proposal will provide power competitively priced to meet the projected load. If necessary, the cost of new transmission infrastructure should be reflected in the proposal, as well as the cost to generate power. Additionally, each Construction Proposal should identify the projected source of power for the relevant area, whether the power will be purchased from the wholesale market of WECC or whether new generation will be constructed. Finally, those submitting Construction Proposals may elect to also submit an Operation Proposal, either as a Joint Proposal or two separate Proposals.

1.3. Garfield County's Purpose In Issuing The RFP

"The purpose of this RFP is to solicit proposals from qualified entities to (A) create a reliable electrical infrastructure that will provide a more cost effective electrical power supply that will provide long term power for the Ticaboo area, with options to also serve the Bullfrog/Halls Crossing areas, and/or (B) to operate, manage and maintain retail electrical service in the Ticaboo area of Garfield County, with options to include the Bullfrog and Halls Crossing Marinas."

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1.4. Garfield County's Role

Garfield County will negotiate with one or more entities which submit Development and Construction Proposals, Operation Proposals or Joint Proposals to select an entity or entities to construct and operate the Electrical Transmission/Generation facility and Distribution facilities in Ticaboo. The successful Operation Proposer will take ownership and control of existing generation, transmission, and distribution facilities in the Ticaboo area and become responsible to operate the newly constructed and existing facilities to provide retail electrical power service in the Ticaboo area. Garfield County does not anticipate it will become the entity which provides electrical service to the public. The County anticipates that the successful Operating Entity providing electrical service to the public in the Project Areas will be: (1) an investor-owned public utility; (2) a cooperative entity; (3) a county improvement district; (4) a municipality; or (5) private, for-profit entity.

The County is prepared to take legislative steps necessary to create either a County Improvement District or Municipal Electrical Power entity. As noted earlier, the County will also pursue legislation and administrative action on the State level and/or Public Service Commission approval necessary for the entity that is chosen to serve electricity to the public. Also, while it is anticipated that some Proposers may be willing and have the capacity to finance the Construction Project, the County is willing to provide substantial financial assistance. Financial assistance to the successful Construction Proposer in funding the construction of Generation/Transmission/Distribution facilities will be made available by the County as available to the County. Such assistance will include, tax-exempt bond funding, funding guarantees and assistance from the owners of the two uranium mines in the Ticaboo area, and seeking grants and low interest loans from federal and state agencies. It is anticipated that ratepayers in the Ticaboo area will, over time, repay all cost and indebtedness incurred to construct the Generation/Transmission/Distribution System. The County will take reasonable steps to assist the successful Construction Proposer to acquire the land upon which to build the facility.

1.5. Project Start

Garfield County anticipates that the project will start on January 1, 2009.

1.6. Contract Period

The following schedule and deadlines applies to this solicitation:

Release of RFP:	August 4, 2008
Proposals Due:	October 1, 2008
Short List Determination:	October 20, 2008
Begin Negotiations with Short	

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List Proposers:	October 20, 2008
Final Selection:	December 15, 2008
Project Kickoff:	January 1, 2009

Garfield County reserves the right to modify this schedule, if in its sole opinion, such modifications are deemed necessary.

Garfield County intends to contact both successful and unsuccessful Proposers according to the dates set forth above.

1.7. Statement of Needs

Garfield County desires to obtain Construction and/or Operation Proposals to provide electrical power at competitive rates for the Project area. Garfield County is most interested in the creation of a Transmission/Generation/Distribution network or infrastructure of electrical power ending the dependence on diesel generators as the sole power supply by January 2013. Fundamentally, Garfield County seeks proposals that will identify how the Proposer will provide the energy and what that energy will cost. Garfield County seeks a prospective supplier and/or operator to address the following requirements:

- ☐ Develop and construct a power transmission/generation/distribution infrastructure sufficient to meet the anticipated energy demands of the area in a more cost effective and environmentally responsible manner than the current diesel generator method.
- ☐ Operate, manage, and maintain retail electrical service in the Project Area.
- ☐ "Turn-key Operation." Garfield County requires that the facility be entirely completed, tested and ready to operate.

Garfield County also requires an electrical energy transmission or generation facility for the Project area that will efficiently meet the projected unit capacity and energy needs of the area. The proposed electrical energy transmission or producing facility must also be designed to:

- ☐ Meet all mandatory governmental approvals on time and within budget
- ☐ Deliver future development needs (over time) in an economical and reliable manner, as required.
- ☐ Develop an integrated electrical utility to serve municipal, governmental, residential, commercial and retail projects.

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Garfield County will consider a diversified power supply portfolio with varying types of electrical resources if such proposals prove to be more beneficial to the County. Each proposal should include the strategy to develop the infrastructure for providing the electrical power and should clarify whether the proposed solution(s) will involve the provision of products and services from either a single party or a group/consortium of bidders.

Accordingly, Garfield County welcomes proposals from all potential providers for the Ticaboo area's power requirements, including but not limited to: investor-owned utilities (e.g., Rocky Mountain Power); electrical cooperatives (e.g., Garkane Energy, Cooperative); interlocal entities (e.g., UAMPS and UMPA); energy service companies, independent power producers, alternative/renewable resource developers, and power marketers.

In addition, each proposal should indicate the cost to construct the necessary infrastructure for providing electrical power and the anticipated costs to generate power on a per kWh basis.

Proposals will be evaluated in accordance with the criteria set out in **Section 5**. Garfield County will categorize and evaluate all proposals under one of the following three tracks:

- a) Development and Construction Only: Entities that will only construct the power generation/transmission facility and related infrastructure.
- b) Management and Operation Only: Entities that will only manage and operate the developed power generation/transmission facility.
- c) Construction & Operation: Entities that will both construct and operate/manage the power generation/transmission facility and related infrastructure.

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2. SPECIFICATION OF REQUIREMENTS.

2.1. General Requirements

RFP Response: To be considered for selection, Proposers must submit a complete response to this RFP. One original and three copies (including one copy in Electronic Format) of each Proposal must be submitted to Justin Fischer at the address listed in Section 1 herein. Alternatively, the Proposals may be submitted by e-mail. However, the Proposer must accept any risk of non-delivery of the e-mail.

2.2. Proposal Preparation

Proposals shall be signed by an authorized representative of the Proposer. All information requested should be submitted. Failure to submit all information requested may result in Garfield County requiring prompt submission of missing information and/or giving a lowered evaluation of the proposal. Proposals which are substantially incomplete or lack key information may be rejected by Garfield County at its discretion. Mandatory requirements are those required by law or regulation or are such that they cannot be waived and are not subject to negotiation.

Proposals should be prepared simply and economically providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of content.

Proposals should be organized in the order in which the requirements are presented herein. All pages of the proposals should be numbered. The proposal should contain a table of contents which cross references the RFP requirements. Information which the Proposer desires to present that does not fall within any of the requirements of the RFP should be inserted at an appropriate place or be attached at the end of the proposal and designated as additional material. Proposals that are not organized in this manner risk elimination from consideration if the evaluators are unable to find where the RFP requirements are specifically addressed.

2.3. Specific Requirements

Proposals should be as thorough and detailed as possible so that Garfield County may properly evaluate your capabilities to provide the required services. Proposers are required to submit the following information/items as a complete proposal:

a. Management Summary

Each Proposer must provide Garfield County with general information regarding its operations, for example name of company, address, type of business, large or small, federal tax payer information, contact information, etc. The management summary

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must also contain the name of a project manager, an individual with authority for this project.

b. Qualifications and Experience

The Proposer must provide sufficient evidence of financial and operational capability to provide the services outlined in the proposal during the contract term.

c. Proposed Solution Providing Services

Proposals will be judged based on their ability to meet Garfield County's need for economical and reliable power supply to meet their anticipated future needs. Proposers should indicate which track, i.e., (a) Construction only; (b) management/operation only; or (c) management/operation and construction. Each proposal should be categorized pursuant to Section 1.7 herein.

Proposals will be analyzed over a range of scenarios defined by price and non-price variables. Key price variables include, but are not limited to, provisions for load growth and projected resource availability factors.

The principle criteria to be used by Garfield County in evaluating proposals include:

- Reliability of proposed power supply.
- Reliability of proposed transmission service.
- Total costs to deliver and generate power.
- Financial viability of the Proposer, including its parent or any other guarantor of services under the Proposer's proposal.
- Ability to meet Operational viability of the Proposer.
- Completion date of Project.
- Cost of compliance with environmental protection requirements of any applicable state and federal laws, rules and orders.
- Availability to provide the services required at the time required and within budget.
- Sufficient staff with relevant skills for the project.
- Ability to comply with all State, Federal and Local codes regarding all elements of their proposal and pursuant section 5.27 herein.

d. Costs

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The total cost of power delivered to delivery points in the Project Area, taking into account any additional costs required to install the necessary infrastructure and any additional costs required for Garfield County to utilize the proposed power source, including losses, transmission charges, and the costs of any other services required to be provided by the Proposer or third parties must be competitive with Garfield County's alternatives. Garfield County will consider such factors as:

- Demand charges
- Fuel charges
- Environmental compliance costs
- Need for new facilities
- Engineering costs
- Transmission charges
- Losses
- Ancillary and Control Area Services
- Third party services, if applicable

Each Proposer should clearly explain the pricing and break down the components of capacity and energy in the Proposal so that Garfield County can properly evaluate the total price of power under the terms of the Proposal.

Each Proposer should separately identify and specify any costs included for transmission service and/or interconnection facilities necessary to deliver power and energy to the Project Area. Garfield County will evaluate each proposal to determine if any modifications are necessary to its distribution system to receive delivery of power and energy under the Proposal. Any such additional costs will be included in Garfield County's overall evaluation of the proposal.

e. References

Three recent references for whom the Proposer has provided the type of services described herein. Include the date(s) the services were furnished, the client name, address and the name and phone number of the individual Garfield County has your permission to contact.

Each of these factors is critical to the successful supply of power to Garfield County. Garfield County reserves the right to consider any other factors that Garfield County deems to be relevant to its power supply needs.

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f. Feedback

Proposers are encouraged to provide early feedback on "non-starter" issues. As the County gathers feedback from Proposers to the Request for Proposals, the County will circulate addenda to this Request for Proposals to all Proposers.

2.4. Project Duration

It is anticipated that the construction phase of the project will be completed within a thirty-six to forty-eight month timeframe. Proposers are encouraged to propose staged work programs with multiple deliverables where appropriate.

2.5. Possible Additional Work

Proposers should provide details of further work that may be necessary to complete the proposal but which lies outside of the current project scope. Proposers should also provide suggestions on a work program which might fulfill the requirement for this additional work.

2.6. Collaboration

As this project requires multidisciplinary expertise, Garfield County encourages the formation of joint ventures and partnerships. In the event of a proposal by more than one entity, please provide complete information on each entity in the team.

2.7. Target Groups

Garfield County wishes to reach the following target entities:

- ☐ Investor owned utilities including Rocky Mountain Power
- ☐ Electrical Cooperatives, such as Garkane Energy Cooperative
- ☐ Interlocal entities such as UAMPS and UMPA.
- ☐ Independent Power Producers
- ☐ Electrical Infrastructure Construction Companies
- ☐ Energy Firms
- ☐ Providers of alternative sources of energy such as wind, solar, etc.

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3. SCHEDULE OF COSTS

In the interest of economy of effort and expense, Proposers may prepare a schedule of costs to include those costs necessary to their respective type of proposal, whether A. Development and Construction Proposal; B. Operation Proposal or C. Joint Proposal as contained herein. Garfield County plans to have the project completed by – in accordance with the specifications in this document – by January 1, 2013. Thus, Proposers should indicate their ability to meet this delivery date. Where a Proposer is unable to meet this timeframe, the Proposer should explain the reasons why compliance with the timeframe is unobtainable and propose an alternative timescale.

3.1. Payment Arrangement

Garfield County will accept proposals on the basis of a fixed price. Therefore, proposals should state a total fixed cost for providing all of the required services (including daily rates, where appropriate).

Proposals MUST confirm that quoted cost is valid until December 31, 2008.

3.2. Detailed Costs

State the following in the cost section as applicable to the Proposal that is submitted:

- ☐ Fixed cost for performing all work required to satisfy the requirement specifications.
- ☐ Daily rates and the number of days required for each individual involved in the project; e.g. 50 days for Project Manager at \$_____.
- ☐ Allowances for expenses, travel, subsistence etc. must be quantified and included in the fixed price. These cannot be submitted later.
- ☐ Itemized breakdown of the cost of any options being proposed beyond the minimum specifications, e.g. alternative hardware, or materials.
- ☐ Costs must be in U.S. dollars.
- ☐ Costs shall be exclusive of all taxes. Quote taxes separately where appropriate and at the appropriate rate.
- ☐ Unquantified costs will not be accepted.

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- ☐ Proposals shall include any applicable discounts, including completion time and early payment discounts.

The Proposer is responsible for any errors on the calculation of the costs provided in response to this Request for Proposals.

3.3. Fixed Price Costs

In accordance with Garfield County's requirements, each Proposer must provide a fixed price quotation for the development of the proposal as outlined above.

Resources	Composite unit daily rate	Total \$
[X] days	[Cost Per day]	[X]
	Fixed Price Uplift [x]%	
	Final Total	

Table 1 - Fixed Price Costs

The [Proposer's] standard warranty of [X] days for development will apply.

Detailed Costs

Resources	Daily Rate	Total \$
Labor	Cost	Tax
	[Cost Per day]	[X]
	[Cost Per day]	[X]
	[Cost Per day]	[X]
Materials	[Cost Per day]	[X]
	[Cost Per day]	[X]
	[Cost Per day]	[X]
	[Cost Per day]	[X]
Others	Total	
Project Management	[Cost Per day]	[X]
Training	[Cost Per day]	[X]
Services	[Cost Per day]	[X]
Total		

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3.4. Technical Support Costs

Where appropriate, provide technical support costs for the plant at the following annual rate:

[Describe the rate and calculations, e.g. Development and Construction: \$_____ x 10% = IR\$_____]

All charges incurred in respect of communications, e.g. labor, travel and subsistence costs are charged to the customer.

Labor rates and *ad hoc* miscellaneous support are as follows:

Item	Total \$
Item 1	[X]
Item 2	[X]
Item 3	[X]
Total	

Table 2 - Technical Support Costs

3.5. Further Conditions

Additional items purchased by the Issuer from the supplier during the contract will be considered as part of the contract.

Any errors or omissions from the proposal in terms of price, quantity offered or other relevant information shall be the responsibility of the Proposer. Garfield County will not in any circumstances accept requests to amend any item on the proposal once the closing date has elapsed.

To assist in the proposal evaluation process, Garfield County may ask Proposers for clarifications of their proposals.

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4. REQUIRED FORMAT OF PROPOSAL.

A Checklist for the necessary information required for the tender is set out at Appendix A. The response to this RFP must follow the guidelines below.

4.1. Format of Proposal

Proposers must outline how their proposed solution addresses each requirement in the Request for Proposals in the same sequence. Non-compliant proposals may be disqualified.

4.2. Layout of Proposal

Proposers must indicate, pursuant to Section 1.7 herein, under which track its Proposal should be categorized; eg., (a) construction only; (b) management/operation only; (c) management/operation and construction. In addition, proposals must be structured in accordance with the following headings.

- 1 Management Summary
- 2 Qualifications, Experience, & Financial Capability
- 3 Proposed Transmission/Generation Solution (Construction Proposals)
- 4 Proposed Legal Structure to Provide Retail Electrical Service in Ticaboo Area (Operation Proposals)
- 5 Costs
- 6 References

4.3. Management Summary

The management summary must contain the following:

- ☐ General Proposer information (see Section 4.8 below)
- ☐ High-level approach to the proposed solution including an outline plan.
- ☐ Management structure of retail electrical service provider (Operation Proposals.)

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4.4. Qualifications, Experience, & Financial Capability

Proposers must provide evidence of its financial and operational capability to provide the required services to meet the Ticaboo area's needs. In addition, Proposers must demonstrate the financial and operational viability of any third parties they are relying for construction of Transmission/Generation and Distribution facilities. The Proposer, its parent, and any other guarantor of services under the Proposer's proposal, should provide audited financial statements from the previous three years to demonstrate financial viability. If the Proposer's guarantor has a creditor rating, the most recent ratings reports must be provided also. Information submitted to demonstrate operational capability must include identification of the proposed transmission path and identification of proposed interconnection path and identification of proposed interconnection points with any and all transmission providers. Any cost of deferring feasibility of connection and integration of the Ticaboo system into neighboring transmission systems will be bore by Proposer.

4.5. Proposed Transmission/Generation Solution (A. Development and Construction Proposals)

If the Transmission Solution is chosen, explanation of whether one or more Transmission lines will be constructed to wheel electrical power from the existing power grid to the Project Area. If the Generation Solution is chosen, the type and method of the generation facility or facilities to be constructed in the Ticaboo area. (Note: Transmission and Generation Solutions are not mutually exclusive and a Proposal may include a combination of Transmission and Generation Solutions.)

4.6. Proposed Legal Structure to Provide Retail Electrical Service In Ticaboo Area (B. Operation Proposals)

A description of the type of entity which will deliver the electrical service to residential, industrial, commercial and governmental customers. Structures familiar to Garfield County include, Investor Owned Utilities (i.e. Rocky Mountain Power), Cooperates (i.e. Garkane Energy), County Districts and Municipalities.

4.7. Costs

In the costs section, note the following guidelines:

- ☐ Quote the fixed price costs in U.S. dollars
- ☐ Quote for optional Bullfrog/Halls Crossing Marinas separately
- ☐ Provide an overall fixed price. This must be the Proposer's best and final cost estimate.

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The bidder must confirm that the proposal, including all costs, holds good until December 31, 2008.

4.8. Proposer's General Information

The following information, in this format, is required by each proposal submitted:

Name, address, telephone, e-mail and fax number of Proposer.

- ☐ Contact person dealing with the proposal.
- ☐ Description of role, or element of contract, to be fulfilled by any consortium/ third-party.
- ☐ Identification of party who will carry overall responsibility for the contract.
- ☐ Confirmation of acceptance by the Proposer and any third parties of the terms and conditions of proposal.
- ☐ Confirmation of acceptance by the Proposer and any third parties regarding overall responsibility for successful delivery.

4.8.1. Proposer's Profile

The following information, in this format, is required by each Proposer when submitting its proposal:

- ☐ Length of time in existence.
- ☐ Number of employees.
- ☐ Brief description of the company's principal areas of activity.
- ☐ Any additional information in support of this proposal.

Provide a brief profile of the key personnel who will be delegated to this project.

- ☐ Identity the key personnel responsible for carrying out each service/task.
- ☐ Technical knowledge of the personnel responsible for each service/task.

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- ☐ Qualifications of the personnel responsible for each service/task.

Provide a brief description of the role to be fulfilled by any consortium or third-party.

4.8.2. Third Party / Consortium Profile

The following information, presented in this format, is required for any third-party or consortium bidding for this proposal:

- ☐ Name, address, e-mail, telephone, and fax number of third-party or consortium.
- ☐ Contact person dealing with the proposal.
- ☐ Description of role, or element of contract, to be fulfilled by this consortium/ third-party.
- ☐ Person within third party business dealing with matter.

4.8.3. Customer Base

Proposers shall provide details of relevant customers from its existing customer base including the percentage of revenues obtained from the different service types.

4.8.4. Financial Details

Bidders shall provide a financial profile for the last three financial years including independently audited certified accounts. In the absence of said accounts, sufficient data should be supplied to enable the Issuer to determine the bidder's financial stability.

4.8.5. Technical Capability

Proposers shall provide sufficient evidence of competence and experience of providing similar services in accordance with the Specification of Requirements.

4.8.6. Quality Certification

Proposers with formal quality certification may provide details of the said certification.

4.8.7. Relevant Services

Proposers shall provide details of all principal relevant services, provided in the last five years, including:

- ☐ Name of organization.

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☐ Services provided.

☐ Value of contract.

4.8.8. Specific Skills and Experience

Proposers shall provide details of the following skills and experience in respect of the Request for Proposals:

☐ Experience in the successful delivery of similar services.

☐ Experience of working in this industry sector.

4.9. Details of Management and Key Personnel

Proposers shall provide profiles of the key personnel who will be involved in the project, including the following information:

☐ Identity of the key personnel who will be responsible for the Project or for Operation Proposals who will manage the system.

Proposers should also outline the proposed arrangements to manage this Project with details of the proposed reporting and liaison arrangements.

Proposers shall provide details, including curriculum vitae, of all personnel who will be engaged in the management of the services required by this Request for Proposals.

4.10. Format and Number of Proposals

Each Proposer must submit the following number of copies with each proposal:

☐ Provide 3 copies of the proposal in hardback and 2 copies in OpenOffice Writer or pdf format on a CD-ROM.

☐ Additional copies may be submitted in OpenOffice Writer or pdf format on a CD-ROM.

☐ All proposals must be typed and double-spaced, one-inch (1") margins, on standard 8 1/2" x 11" paper and bound appropriately.

☐ Large paper is permissible for charts, such as maps.

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4.11. Reference Projects

Provide details of 3 reference projects at which the Proposer has provided similar services as per the proposed specifications.

The following information is required for each reference site:

- ☐ Name of Company
- ☐ Contact name
- ☐ Telephone number and/or email address

Short summary of technical architecture, development, construction etc. and other information that Bidder feels is appropriate to this Request for Proposals.

These references may be contacted to verify the ability of the Proposer to implement the activities as described in this Request for Proposals.

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5. EVALUATION AND AWARD CRITERIA.

This section describes the evaluation criteria, award criteria, and other areas related to the qualification process such as submitting multiple proposals etc.

5.1. Qualification Process

Proposers should note that only those proposals that meet all of the qualifying criteria will be eligible for inclusion in the award process.

5.2. Evaluation Process

All proposals shall be categorized according to one of the three evaluation tracks identified in Section 1.7 herein. Each proposal shall be evaluated under the criteria identified in this section and compared to other proposals within the same track for which it has been designated.

Garfield County reserves the right to select a proposal from any of the three identified tracks, or a combination of proposals from different tracks if such proposals will be most beneficial to the County.

5.3. Evaluation Criteria

Proposals from all tracks will be evaluated on the following criteria:

- ☐ Proven track record in providing required services.
- ☐ Financial viability.
- ☐ Technical ability.
- ☐ Understanding of requirements.
- ☐ Appropriateness of the proposed solution.
- ☐ Approach to standards issues, e.g. interoperability.
- ☐ Project Management.
- ☐ Quality of customer support, after sales service, and technical assistance.

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- ☐ Ability to meet project timeframes.
- ☐ Cost, including daily rates, payment schedule, and non-financial incentives e.g. using existing relationships.
- ☐ Impact on local economy.

5.4. Confidentiality of Evaluation

Information relating to the examination, clarification, evaluation, and comparison of proposals will not be disclosed to Proposers or other external individuals.

Confidential information shall not be disclosed at any time unless required under Government Records Management Act.

5.5. Determination of Responsiveness

After the official opening of the proposal, Garfield County will determine whether each proposal is substantially responsive to the Request for Proposals' requirements.

5.6. Correction of Errors

Those Proposers determined to be substantially responsive will be checked for any material errors in computation such as:

- ☐ Discrepancy between fixed cost price in figure and words. In this case, the amount in words will govern.
- ☐ The amount stated will be adjusted by Garfield County in accordance with the above procedure for the correction of errors and, with the Proposer's agreement, shall be considered as binding.

Proposers who do not accept the correction or errors will have their proposal rejected.

5.7. Clarification of Proposals

To assist in the examination process, Garfield County may request points of clarification as regards their proposals, e.g. details of the proposed solution.

5.8. Interference

Any effort by the Proposer to influence Garfield County during the examination, clarification, evaluation of proposals, and during the award of contract, shall result in disqualification.

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If any Proposer attempts to give gifts, inducements, or rewards to secure the contract, Garfield County shall be entitled to reject the proposal or cancel the contract.

5.9. Site Visits

It is anticipated that some Proposers may request a visit to the Project Area to perform a more detailed analysis of the existing electrical distribution system and to better understand the available options for bringing a more cost-efficient power supply to the Project Area. Informal visits require no notice or authorization. However, if the Proposer would like a formal site visit, please contact Garfield County.

To schedule a formal site visit, contact Justin Fischer at (435) 676-1157 or via e-mail at jfischer@fcaog.state.ut.us. Upon receipt of the request, Garfield County will schedule an available date and time for the visit.

5.10. Award Criteria

The contract will be awarded from the qualifying proposals on the basis of the most economically advantageous proposal applying the following award criteria:

- ☐ Proven track record of successful projects, i.e., range of previous relevant experience.
- ☐ Demonstrated understanding of the needs of Garfield County.
- ☐ Cost effectiveness of the proposal.
- ☐ Ability to meet the minimum requirements.
- ☐ Ability to meet the project timetable
- ☐ Education and Training.
- ☐ Environmental considerations.
- ☐ Expertise of the specific proposed individuals.
- ☐ Financial capacity.
- ☐ Supplier technical ability.

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☐ Technical merit.

5.11. Most Economically Advantageous Proposal

Garfield County reserves the right to reject any proposal. Proposers may quote for all or part of this proposal; however preference may be given a single source solution.

The contract will NOT be awarded solely on the basis of the most economically advantageous proposal.

5.12. Split Selections

Garfield County reserves the right to divide (i.e. split) the Project between several Proposers.

5.13. Contract Termination

Garfield County shall terminate the contract in the event of the Proposer (i.e. Contractor) failing to comply with any of the contract's terms and conditions and shall be entitled to recover from the Contractor any loss resulting from such termination.

5.14. Request for Additional Information from Proposers

Garfield County reserves the right to request additional information from the Proposers after the closing date. If necessary a short-list of contractor(s) may be invited to attend for interview and make a presentation of 60 minutes maximum duration based on the proposal and to answer any questions arising.

The nominated support personnel should be among those making the presentation.

5.15. Cost of preparation of proposal

The Proposer shall bear all costs associated with the preparation and submission of their proposals.

5.16. Pre-Proposal Conference

A pre-proposal conference call may be scheduled. Notice will be provided to all who provide contact information to Garfield County.

Proposers are encouraged to prepare written questions in advance of this pre-proposal conference. All written questions will be answered at the pre-proposal conference.

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5.17. Amendments to the Request for Proposals

Any amendment(s) to this Request for Proposals will be e-mailed to all Proposers. The prospective supplier MUST acknowledge receipt of all amendments issued.

5.18. Terms and Conditions of Awards

Where a contract is agreed, it becomes binding only upon the approval of the Garfield County Commission and services cannot be rendered until such time.

The contract amount will be payable upon completion of the services in a manner determined by Garfield County.

5.19. Amended Proposals

The Proposer may submit an amended proposal before the due date. Such amended proposals must be complete replacements for a previously submitted proposal and must be clearly identified as such.

Garfield County will not merge, collate, or assemble any proposal materials.

5.20. Proposers Rights to Withdraw Proposal

The Proposer can withdraw its proposal(s) at any time prior to the deadline for receipt of the proposal. The Proposer must submit a Written Withdrawal Request signed by its authorized representative(s) addressed to Justin Fischer of Garfield County at the address noted in Section 1 herein.

5.21. Termination

Garfield County reserves the right to cancel this Request for Proposals at any time, and to reject any or all proposals submitted, where such action may be in its best interest.

Any contract awarded as a result of this process may be terminated if sufficient authorizations do not exist.

5.22. Legal Review

Garfield County requires that all Proposers agree to be bound by the requirements as outlined in this document. It is recommended that Proposers have these requirements reviewed with its legal counsel.

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5.23. Contract Deviations

Any terms and conditions which may be the subject of negotiation will be discussed between Garfield County and the Proposer. This process will NOT be deemed an opportunity to amend the Proposer's proposal or adjust the fixed price cost.

5.24. Subcontractors

The role of subcontractors must be clarified in the proposal. Identify the major subcontractors by name. The prime contractor will be wholly responsible for all tax withholdings that may be required on behalf of any of the subcontracts.

5.25. Conflict of Interest

The Proposer must agree that it has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner with the performance of services required.

5.26. Governing Law

The laws of the State of Utah will govern this procurement.

5.27. Compliance with the Applicable Law

The Proposer(s) agrees, upon successful contract award, that services will be performed within applicable federal and state laws and applicable regulations of the State of Utah.

5.28. Presentation of proposal

The completed proposal shall be enclosed in a sealed envelope, sample provided, with return address clearly marked on envelope, and shall be delivered not later than 5:00 p.m. MST on the closing date stated in the covering letter.

Late proposals will be destroyed.

5.29. Additional Costs

Garfield County may ask the Proposer to make a presentation of its proposal(s). All costs and expenses associated with such presentations shall be borne by the Proposer.

Where samples are required to determine conformity to product specification, production of such samples will be at the Proposer's expenses.

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6. APPENDIX A — PROPOSAL CHECKLIST.

To ensure that your proposal includes sufficient information complete the following checklist and return it with your proposal:

Item	Checklist
Statement of understanding by the Proposer(s).	<input type="checkbox"/>
General approach and methodology proposed for project.	<input type="checkbox"/>
Personnel allocated to the project with the proposed time input for each individual.	<input type="checkbox"/>
Curriculum Vitae (CVs) with specific reference to project-related expertise.	<input type="checkbox"/>
Outline of Proposer's project-related expertise and experience.	<input type="checkbox"/>
References to similar projects carried out in the previous 5 years.	<input type="checkbox"/>
Fixed cost.	<input type="checkbox"/>
Daily Rates.	<input type="checkbox"/>
Outline of the basis proposed for payment.	<input type="checkbox"/>
Taxes, or cost shown separately.	<input type="checkbox"/>
Third-party name, address, telephone, email address and other relevant contact references. Description of role in project.	<input type="checkbox"/>
Financial statement for previous 3 financial years.	<input type="checkbox"/>
Statement to the effect that information not identified as sensitive may be released to the public domain.	<input type="checkbox"/>
Statement identifying relationship between bidder(s) and other	<input type="checkbox"/>

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suppliers.	
Additional information relevant to the proposal.	<input type="checkbox"/>

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7. Appendix B — Contact Details

Please complete this form with your company details and return to Garfield County so that update information may be sent to you.

1.	Company name				
2.	Address				
3.	Postcode / Zipcode				
4.	Telephone number				
5.	Fax number				
6.	Contact person				
7.	Position in Company				
8.	Email address				
9.	Development (if applicable)				
10.	Number of employees	Full time	_____	Part time	_____