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December 13, 2010

Utah Public Service Commission  
Heber M. Wells Building  
160 East 300 South, 4<sup>th</sup> Floor  
Salt Lake City, Utah 84111

Re: **Request to Withdraw Formal Complaint and Terminate Proceedings**

*In the Matter of the Complaint of Uranium One Ticaboo, Inc., Against  
the Ticaboo Electric Improvement District - Docket No.: 10-2508-01*

Dear Commissioners:

Ticaboo Electric Improvement District (the "District") has adopted a new rate schedule, to become effective January 1, 2011. Uranium One Ticaboo, Inc. ("Uranium One") has decided to disconnect its facilities from the District's electric power system and shut down its commercial facilities within the Ticaboo Electric Improvement District. Consequently, the issues raised by Uranium One in the above referenced Complaint have become moot. Therefore, Uranium One, hereby withdraws its Formal Complaint filed with the Commission in this matter and the Parties jointly request that the Commission enter its order terminating these proceedings.

#### **BACKGROUND**

As of December 31, 2009, Uranium One conveyed all of its power assets to the District. As of January 1, 2010, the District began supplying electric power to all electric power customers located within the Ticaboo Improvement District. A billing and rate dispute subsequently arose between Uranium One and the District. Uranium One claimed that the District began billing amounts in excess of actual and historical uses and imposed new rates without complying with statutory and regulatory requirements. The District responded that it had appropriately charged Uranium One and revised its rates in accordance with applicable requirements.

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Uranium One notified the Division of Public Utilities (the "Division") of the dispute on June 14, 2010, and requested an Informal Review of the matter by the Division. The next day the Division advised Uranium One that, in reviewing the information provided, it did not find the District to be in violation of the Division's, or the Public Service Commission's, statutes or rules. In a further effort to resolve the dispute and to maintain electric power for its commercial facilities, on June 24, 2010, Uranium One filed its Formal Complaint with the Commission pursuant to Utah Code Ann. § 63G-4-201 and UT Admin. Code R745-100-3, seeking Commission review and resolution of the dispute.

#### **MEDIATION**

On August 16, 2010, the Commission convened a scheduling conference before Ruben H. Arredondo, Administrative Law Judge. At the scheduling conference, representatives of the Division offered their services to mediate the dispute and help the Parties reach a mutually acceptable rate structure. The Parties accepted the Division's offer to mediate.

On September 22, 2010, representatives of Uranium One and the District met at the Division in mediation. The Division was represented by its Director, Phil Powlick, as the head mediator; Utility Analyst, Shauna Benvegna-Springer; Customer Service Mediator, Rea Peterson; Energy Manager, Artie Powell; Utility Technical Consultant, Abdinasir Abdulle, and Legal Counsel, Patricia Schmid.

At the close of the day, through the efforts of the Division, the Parties and the Division believed that a settlement in principal had been reached between Uranium One and the District. However, the devil was in the details and the Parties were subsequently unable to fully resolve their competing concerns and reduce a mediated settlement agreement to writing.

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The District subsequently adopted a new rate schedule to become effective January 1, 2011. Instead of disputing the District's new rate schedule, Uranium One has decided to terminate its connection to the District's power system and shut down its commercial facilities. As a result, Uranium One does not dispute the District's new rate schedule, as it will not affect Uranium One's disconnected commercial facilities. Accordingly, the issues presented in Uranium One's Formal Complaint are now moot.

The Parties wish to thank the Division, and especially Shauna Benvegna-Springer, for their help in narrowing the issues at the mediation and their continued efforts over the ensuing two months to work with the Parties in an attempt to work out a rate schedule acceptable to both Parties and consistent with the Commission's statutes and rules.

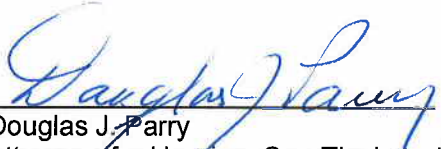
**WITHDRAWAL OF FORMAL COMPLAINT AND JOINT  
REQUEST FOR ORDER TERMINATING PROCEEDINGS**


Based on the foregoing, the Parties desire now to terminate the matter pending before the Commission. Therefore, Uranium One hereby withdraws its Formal Complaint and the Parties request that the Commission enter an order terminating the proceedings in this docket.

Sincerely,

DORSEY & WHITNEY LLP

SMITH HARTVIGSEN, PLLC

  
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Improvement District

cc: Phil Powlick  
Patricia Schmid