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State of Utah
Department of Commerce
Division of Public Utilities

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ACTION REQUEST RESPONSE

To: Public Service Commission

From: Division of Public Utilities
Chris Parker, Director
Energy Section
Marlin H. Barrow, Technical Consultant
Artie Powell, Manager

Date: February 3, 2012

Subject: Bridger Valley Electric Association Docket No. 12-022-T01

ISSUE:

On January 30, 2012, Bridger Valley Electric Association, (BVEA) filed with the Utah Public Service Commission, (Commission) new Rate Schedules authorizing rate changes for all rate schedules. On January 31, 2012, the Commission issued to the Division of Public Utilities (Division) an Action Request. This is the Division's response to that Action Request.

RECOMMEND ACKNOWLEDGMENT:

The Division recommends the Commission acknowledge BEVA's new rate schedules, with an effective date of February 1, 2012, and make them available for public inspection.

DISCUSSION:

BVEA filed new rate schedules with an effective date of February 1, 2012. The filed rate schedules reflect on average a 6.4% rate increase and are designed to not only

pass on an 8% wholesale power cost increase from Deseret Power but also to move towards elimination of intra-class subsidies.

For an average residential customer using 750 kWh a month, the new rates are expected to increase from \$68.48 to \$74.50. This is the second general rate increase BVEA has implemented since 1989 with their last one being on August 1, 2009.

Pursuant to 54-4-1.1 of the Utah Code, BVEA's Board of Directors approved these new rates at their regularly scheduled board meeting held on December 13, 2011. A public hearing was held on January 12, 2012 in Manila, Utah to discuss the changes to Utah members. BVEA also included a notice in the customer's January bill to remind them of the pending rate increase.

The Division recommends the Commission acknowledge the new Rate Schedules of BVEA, effective February 1, 2012, and make them available for public inspection.

Cc: Danny Eyre, General Manager, Bridger Valley Electric Association
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