

May 15, 2012

Mr. Marlin Barrow
UTAH DIVISION OF PUBLIC UTILITIES
Heber M. Wells Building
160 East 300 South – 4th Floor
P.O. Box 146751
Salt Lake City, UT 84114-6751

RE: Your telephone call today

Dear Marlin:

Pursuant to your telephone call today, please find enclosed a revision to Garkane's Rules & Regulations, Page 12, Paragraph 63. This change would be effective July 1, 2012.

Should you need further information, please contact us.

Thank you.

Respectfully,

GARKANE ENERGY COOPERATIVE, INC.

Carl R. Albrecht
CEO

sl

Enclosure

satisfactory credit standing. This demonstration will be shown by a letter of satisfactory credit from the last electric utility company from which the new Customer has taken service.

63. INTEREST – All cash deposits made by Customer to secure payment of bills will draw interest at the rate of 3% per annum or any other rate that may be set by the Public Service Commission of the State of Utah. Interest due at date of discontinuance of service will be credited on final bills of Customer or included with the amount refunded.

64. HOUSEHOLD – A minimum deposit of approximately \$170.00 or an estimated three months power bill shall be required for all Household Customer connects.

65. REFUNDS – Deposits shall be refunded upon Consumer’s request after a satisfactory payment history of twelve months. Interest will be earned in accordance with Paragraph 63. The original deposit and interest will be applied as credits toward the Consumer’s power bill. Consumers not requesting a refund within three years will automatically receive their deposit plus interest earned as credits provided they have maintained a satisfactory credit history. The Corporation presently refunds all deposits on a three-year rotation cycle for all deposits on the books of the Corporation. (Deposits paid in 1981 will be refunded in 1985, etc.)

66. SPECIAL CIRCUMSTANCES

(a) There shall be a waiver of security deposit requirements for all persons granted relief from winter termination under the Commission’s period of moratorium as established in Commission Case No 82-999-17.

(b) Any Customer who qualifies for assistance under the “HEAT” program shall be entitled to a waiver of security deposit requirements. The utility shall have the right to challenge such a waiver in specific cases where circumstances indicate that the Customer has obtained service by means of theft or engaged in other similar conduct. Any such case will be decided by the Commission.

(c) Monies received by the utility from third-party sources to assist the Customer (for example, monies provided by A.I.D., Garkane’s contribution-by-donation program administered by the Red Cross, or similar programs) in the payment of home energy billings shall not be applied by Garkane to payment of a security deposit, but shall be applied to reduce the cost of home energy service.

APPLICATION OF AND CHANGES AND ADDITIONS TO SERVICE

REGULATIONS AND RATE SCHEDULES – CONFLICTS

67. APPLICATION OF RULES & REGULATIONS AND RATE SCHEDULES – All Service Agreements at present in effect or that may be

NOTE: Paragraph 63 – Revised & Implemented July 1, 2012

Approved by Garkane Energy Cooperative’s Board of Directors on 3/26/2012.