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State of Utah
Department of Commerce
Division of Public Utilities

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ACTION REQUEST RESPONSE

To: Utah Public Service Commission

From: Utah Division of Public Utilities
Chris Parker, Director
Energy Section
Artie Powell, Manager
Abdinasir M. Abdulle

Date: March 22, 2013

Re: **Recommendation – Approval of Proposed Revisions to Regulation 12**
Docket No. 13-035-T04. Advice No. 13-04. Electric Service Regulation
No. 12, Line Extension.

RECOMMENDATION (APPROVAL)

The Division of Public Utilities (“Division”) recommends that the Public Service Commission (“Commission”) approve Rocky Mountain Power’s (“Company”) proposed revision to Electric Service Regulation No. 12 – Line Extension.

ISSUE

On February 28, 2013, the Company filed an application with the Commission requesting approval for its proposed revisions of Sheet Nos. 12R.6 and 12R.8 of Electric Service Regulation No. 12 – Line Extension. The Company requested an effective date of April 1, 2013. On March 1, 2013, the Commission issued an Action Request to the Division requesting an investigation. The Commission also asked the Division to report back its finding and recommendations by March 22, 2013. This memorandum represents the Division’s response to the Commission’s Action Request.

DISCUSSION

On February 28, 2013, the Company filed an application with the Commission requesting approval for its proposed revisions of Sheet Nos. 12R.6 and 12R.8 of Electric Service Regulation No. 12 – Line Extension. The specific proposed revisions were:

1. In Sheet 6, Paragraph 3a, the Company proposed that for customers with delivery at 46,000 volts and above, the reference to a Contract Minimum Billing obligation be substituted with a reference that encompasses more complete extension provisions.
2. In Sheet 8, add a new paragraph (3e), Wheeling Charges, which requires the customer to pay, as part of its line extension obligations, wheeling charges from a transmission provider other than Rocky Mountain Power in lieu of paying the cost of building transmission line extension.

The Division reviewed these proposed revisions and determined that they are reasonable. Since the reference to more complete extension in Paragraph 3a of Sheet 12R.6 still includes the same Contract Minimum Billing obligation as was indicated by the Company in its filing, the Division believes that this proposed language change is reasonable.

According to the Company, there are instances where a customer may request service in an area where the Company does not have any transmission services. In those cases the Company makes arrangement with another provider who has facilities in the area to wheel power from its point of interconnection with the Company to a place close to the customer. In this kind of a case the Company will require the customer to pay the wheeling charges. This is deemed to be less costly than if transmission line extension were built. This division believes that this provision is reasonable.

Therefore, the Division proposes that the Commission approve the Company's proposed revisions.

CC: Dave Taylor, RMP
Michele Beck, OCS