

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

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In the Matter of the Application of Dixie- )  
Escalante Rural Electric Association, Inc. for ) DOCKET NO. 13-066-01  
Authority to Issue Securities in the Form of a )  
Revolving Line of Credit Agreement ) ORDER  
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ISSUED: September 3, 2013

By The Commission:

On July 30, 2013, Dixie-Escalante Rural Electric Association, Inc., dba Dixie Power (“Dixie”), filed a request (“Request”) for authorization pursuant to Utah Code Ann. § 54-4-31 to issue securities in the form of a short-term unsecured debt obligation. The proposed obligation is a \$3,000,000 short-term revolving credit facility through CoBank for general operational needs and capital expenditures. The term of the credit facility is June 26, 2013, to August 31, 2014, with a one-year renewal option. The variable rate for the line of credit as of August 2, 2013, was 2.89%.

On August 29, 2013, the Utah Division of Public Utilities (“Division”) filed a response to the Commission’s August 19, 2013 action request, recommending approval. As part of its response, the Division provided an analysis based on audited financial reports for Dixie from 2008 through 2012 and discussions with Dixie’s controller. The Division’s recommendation for approval is based on the following factors:

1. The [Dixie] Board of Directors has approved the proposed transaction during the July 10, 2013 meeting.
2. [Dixie] has the ability to raise customer charges, if necessary, in order to meet its financial obligations.

DOCKET NO. 13-066-01

- 2 -

3. Based upon the financial statements, it appears that Dixie has been financially stable for the past five years and has been able to meet its financial obligations.

Division Response at 4. The Division further notes it “did not attempt[ ] to evaluate the reasonableness of the terms and conditions of the financial transaction[,] however, the terms appear to be in line with current market rates.”

ORDER

Based on Dixie’s Request and the Division’s recommendation for approval, the Request is approved.

DATED at Salt Lake City, Utah this 3<sup>rd</sup> day of September, 2013.

/s/ Ron Allen, Chairman

/s/ David R. Clark, Commissioner

/s/ Thad LeVar, Commissioner

Attest:

/s/ Gary L. Widerburg  
Commission Secretary  
DW#246760

DOCKET NO. 13-066-01

- 3 -

Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this order by filing a request for review or rehearing with the Commission within 30 days after the issuance of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the Commission fails to grant a request for review or rehearing within 20 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the Commission's final agency action may be obtained by filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of Utah Code Ann. §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

DOCKET NO. 13-066-01

- 4 -

CERTIFICATE OF SERVICE

I CERTIFY that on the 3<sup>rd</sup> day of September, 2013, a true and correct copy of the foregoing ORDER, was delivered upon the following as indicated below:

By U.S. Mail:

Chery Hulet, CFO  
Dixie Power  
71 E. Hwy 56  
Beryl, UT 84714-5197

By E-Mail:

Brent Coleman ([brentcoleman@utah.gov](mailto:brentcoleman@utah.gov))  
Patricia Schmid ([pschmid@utah.gov](mailto:pschmid@utah.gov))  
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Assistant Utah Attorneys General

By Hand-Delivery:

Division of Public Utilities  
160 East 300 South, 4th Flr.  
Salt Lake City, UT 84111

Office of Consumer Services  
160 East 300 South, 2nd Flr.  
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Administrative Assistant