

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

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In the Matter of the Application of Bridger )  
Valley Electric Association, Inc. for Authority ) DOCKET NO. 14-022-01  
to Borrow up to \$8,000,000.00 from the ) ORDER  
National Rural Utilities Cooperative Finance )  
Corporation )  
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ISSUED: August 7, 2014

On June 30, 2014, Bridger Valley Electric Association, Inc. (“Bridger”), filed a petition (“Petition”) with the Public Service Commission of Utah (“Commission”) pursuant to Utah Code Ann. § 54-4-31 for authority to enter into a loan agreement with the National Rural Utilities Cooperative Finance Corporation (“CFC”). The loan agreement would allow Bridger to borrow up to \$8,000,000.00 from CFC. As Bridger explained in the Petition, the loan agreement would be used to fund construction of new electric transmission and distribution facilities needed to provide reliable and adequate electric service to Bridger’s customers. The loan agreement would require Bridger to execute a promissory note in the amount of \$8,000,000.00 to be secured by a restated mortgage and security agreement.

Pursuant to the Commission’s July 1, 2014, notice of filing and comment period, the Division of Public Utilities (“Division”) filed its action request response on July 30, 2014. The Division explains the lending commitment provides for a draw or advance period of five years. As capital projects are identified, Bridger may make formal requests to CFC to issue individual notes under the commitment amount. Individual notes may be structured with repayment terms appropriate to the specific project and may have a maturity date of up to 40 years. Each new note or draw reduces the amount available under the commitment.

DOCKET NO. 14-022-01

- 2 -

As part of its analysis, the Division reviewed the Petition along with the audited financial statements for Bridger for years ended December 31, 2009, through December 31, 2013. Based on the historical financial information, the Division prepared a forecast income statement, balance sheet and ratio analysis for 2014 through 2018. In addition to the five forecast years, the Division also included two years of historical information in the income and balance sheet for comparison. Based on the assumptions for future years, the Division states the forecast indicates Bridger will be able to meet its proposed financial obligations under the loan agreement. Based on this analysis, the Division recommends approval of the Petition.

No party opposes the Petition and we find its approval to be in the public interest because it will allow Bridger to provide public utility service to present and future customers.

ORDER

Based on the Application, the Division's recommendation for approval, and the previous findings, the Commission approves the Petition.

DATED at Salt Lake City, Utah this 7<sup>th</sup> day of August, 2014.

/s/ Ron Allen, Chairman

/s/ David R. Clark, Commissioner

/s/ Thad LeVar, Commissioner

Attest:

/s/ Gary L. Widerburg  
Commission Secretary  
DW#259587

DOCKET NO. 14-022-01

- 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. 14-022-01

- 4 -

CERTIFICATE OF SERVICE

I CERTIFY that on the 7<sup>th</sup> day of August, 2014, a true and correct copy of the foregoing was delivered upon the following as indicated below:

By Electronic-Mail:

Dennis W. Lancaster ([dwl@silverstar.com](mailto:dwl@silverstar.com))  
Attorney for Bridger Valley Electric Association, Inc.

By Hand-Delivery:

Division of Public Utilities  
160 East 300 South, 4<sup>th</sup> Floor  
Salt Lake City, UT 84111

Office of Consumer Services  
160 East 300 South, 2<sup>nd</sup> Floor  
Salt Lake City, UT 84111

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Administrative Assistant