



State of Utah
Department of Commerce
Division of Public Utilities

FRANCINE GIANI
Executive Director

THOMAS BRADY
Deputy Director

CHRIS PARKER
Director, Division of Public Utilities

GARY HERBERT.
Governor
SPENCER J. COX
Lieutenant Governor

ACTION REQUEST RESPONSE

To: Public Service Commission

From: Division of Public Utilities
Chris Parker, Director
Energy Section
Artie Powell, Manager
Doug Wheelwright, Technical Consultant
Eric Orton, Utility Analyst

Date: March 11, 2014

Subject: Garkane Energy Cooperative, Inc. Docket No. 14-028-T01

ISSUE:

On February 22, 2014, Garkane Energy Cooperative, Inc. (Garkane) filed with the Utah Public Service Commission (Commission) notification of approved changes to its in its Utah tariff Schedules 27, UT027, SC, 33 and 34. On February 27, 2014, the Commission issued an Action Request to the Division of Public Utilities (Division) to investigate the notification. This is the Division's response to that Action Request.

RECOMMEND ACKNOWLEDGEMENT:

With the exception of the schedules Schedules 33 and 34, and with the replacement of the attached Schedule SC, the Division recommends the Commission acknowledge Garkane's changes to the schedules listed with an effective date of April 1, 2014, and make them available for public inspection.

DISCUSSION:

On January 8, 2014 Garkane sent a notice of the proposed changes to its customers. On January 28, 2014) Garkane Energy' Board of Directors approved the proposed changes. None of these changes alter the energy rates of Garkane's customers.

Schedules 27 and UT 27

These two changes are applicable to Overhead Street and Security Lighting. The changes add LED Lights to the current tariff. The current schedule included only Sodium Vapor. Now both LED and Sodium Vapor are included in reference to street lights. Also, included in the new schedule is a mention that an additional charge may apply to customers in an area with Dark Sky ordinance. No other changes were made to these two schedules.

Schedules 33 and 34

These two changes are applicable to Net Metering Service. Schedule 33 is for residential customers while Schedule 34 is for general service. The cover letter to Mr. Widerburg from Garkane stated that these two changes added two paragraphs to the current rate schedule. The first new paragraph, entitled "Minimum", addresses the minimum charge. The second new paragraph, entitled "Wholesale Power Cost Adjustment," specifies that rates are based on Garkane's cost of purchased power.

Upon comparing this filing with the current tariff sheets the Division discovered that the two paragraphs for Schedules 33 and 34 are already contained in the 2013 version of these schedules, which are on file with the Commission. This was discussed with Mr. Lewis of Garkane. He stated that these two changes were included in the letter to Mr. Widerburg inadvertently, were not intended to be filed, and are not applicable to this filing. He instructed the Division that Garkane has chosen to withdraw these two schedules sheets at this time.

Schedules SC

This change lowered the minimum impact fee for small services from \$1,000 down to \$576 for those customers requesting service up to 60 amperes. The impact fee for those customers requesting service from 60 amperes to 100 amperes will remain unchanged at \$1,000. Also, while investigating this filing, the Division discussed the details of this schedule with Mr. Lewis who clarified the intention of the new fee changes and provided a new schedule sheet explaining more precisely the cut-off level for the new fee. Garkane provided a new SC Schedule sheet, which is attached. This lower fee was implemented to lessen the financial impact on smaller customers.

These schedules provide updated information regarding the inclusion of LED in the street lamp schedule and lowers the impact fee for small customers. The rates charged for service under each schedule did not change from the customer's current electricity rates. The Division recommends the Commission acknowledge Garkane's changes to the schedules listed with an effective date of April 1, 2014, and make them available for public inspection.

Cc: Carl Albrecht, Garkane Energy Cooperative, Inc.
Marialie Martinez, Division of Public Utilities Customer Service
Michele Beck, Office of Consumer Services
Mike Peterson, Utah REA