

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Application of Mt.)
Wheeler Power, Inc. for Authority to Issue) DOCKET NO. 14-031-01
Securities) ORDER

ISSUED: May 1, 2014

On March 31, 2014, Mt. Wheeler Power, Inc. (“Mt. Wheeler”), filed an application (“Application”) with the Public Service Commission of Utah (“Commission”) pursuant to Utah Code Ann. § 54-4-31, for authority to issue securities in the form of a five-year extension of the period draws may be made under an existing loan agreement with the National Rural Utilities Cooperative Finance Corporation (“CFC”). As noted in the Application, the existing loan agreement provides for a draw period ending May 12, 2014. According to Mt. Wheeler, a draw period extension through May 12, 2019, would not affect any other terms or conditions of the existing loan agreement, including the original loan maturity date of May 12, 2049. Mt. Wheeler further asserts the requested extension “is consistent with the public interest, for a lawful and proper purpose and within Mt. Wheeler’s corporate power, is consistent with sound financial practices, is consistent with the proper performance of Mt. Wheeler’s public service, and will enhance and not impair Mt. Wheeler’s ability to perform its public utility services.”¹

Mt. Wheeler represents the Application is anticipated to be unopposed and uncontested and therefore requests informal adjudication of the Application under Utah Admin. Code R746-110. Pursuant to Utah Admin. Code R746-110-2, Mt. Wheeler requests the

¹ Application at p.1.

DOCKET NO. 14-031-01

- 2 -

Commission waive the 20-day tentative period. The Application includes information, statements and relevant documents to establish the facts pertinent to the Application.

Pursuant to the Commission's April 1, 2014, notices of filing and comment period, the Division of Public Utilities ("Division") filed its action request response addressing the Application on April 30, 2014. As explained by the Division, the current \$25 million commitment with the CFC was approved by the Commission on April 23, 2009, in Docket No. 09-031-01.² The proceeds from this financing arrangement are intended to be used to fund special capital improvement projects. As capital projects are identified, Mt. Wheeler may request the 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 of up to 40 years. Each new note or draw reduces the available amount under the commitment. The Division indicates that as of December 31, 2013, Mt. Wheeler has drawn \$6 million of the original \$25 million commitment.

As part of its analysis of the Application, the Division reviewed the Application along with the audited financial statements of Mt. Wheeler for the years ending December 31, 2008, through December 31, 2013. The Division also had discussions and corresponded with Mt. Wheeler's assistant general manager. Based on its analysis, the Division indicates Mt. Wheeler will be able to meet its financial obligations and will remain in compliance with the covenants in the CFC loan agreement. As such, the Division recommends the Commission approve the Application.

² *In the Matter of the Application of Mt. Wheeler Power, Inc., for Authority to Issue Securities*, Docket No. 09-31-01 (Report and Order; April 23, 2009).

DOCKET NO. 14-031-01

- 3 -

No party opposes the Application and we find its approval to be in the public interest because it will allow Mt. Wheeler 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 orders as follows:

1. This matter is converted to an informal adjudication;
2. Mt. Wheeler's Application is approved;
3. The 20-day tentative period contained in Utah Admin. Code R746-110-2 is waived and this order is final.

DATED at Salt Lake City, Utah this 1st day of May, 2014.

/s/ Ron Allen, Chairman

/s/ David R. Clark, Commissioner

/s/ Thad LeVar, Commissioner

Attest:

/s/ Gary L. Widerburg
Commission Secretary

DW#253923

DOCKET NO. 14-031-01

- 4 -

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. 14-031-01

- 5 -

CERTIFICATE OF SERVICE

I CERTIFY that on the 1st day of May, 2014, a true and correct copy of the foregoing was delivered upon the following as indicated below:

By Electronic-Mail:

James M. Copenhaver (copenhaver@frontiernet.net)
Attorney for Mt. Wheeler Power, Inc.

By Hand-Delivery:

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

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

Administrative Assistant