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State of Utah
Department of Commerce
Division of Public Utilities

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CHRIS PARKER
Director, Division of Public Utilities

ACTION REQUEST RESPONSE

REDACTED

To: Public Service Commission

From: Division of Public Utilities

Chris Parker, Director
Artie Powell, Energy Section Manager
Charles Peterson, Technical Consultant
Justin Christensen, Utility Analyst

Date: May 5, 2014

Subject: Docket No. 14-035-51: In the Matter of the Application of Rocky Mountain Power for Approval of its Agreement for Electric Service to Additional Customers with Nephi City, Utah.

RECOMMENDATION: (Approve)

The Utah Division of Public Utilities (Division) recommends that the Public Service Commission of Utah (Commission) approve the Customer Service Agreement between Rocky Mountain Power and Nephi City.

ISSUE

In an application dated April 22th, 2014, Rocky Mountain Power (RMP or the Company) requests that the Commission approve its agreement with Nephi City (City), whereby the

Company and City agree pursuant to Utah Code Annotated § 63G-4-201, 203 and Utah Admin. Code R746-100-3, that Nephi City will provide electric service to specified customers [REDACTED] (Customers), which is located outside the municipal boundaries of the City.

DISCUSSION

The recently passed Senate Bill 180 (SB 180) provides a framework for the transfer of customers between an electric corporation and a municipality. SB 180 passed in the 2013 legislative session and effective May 14, 2013, provides a framework for transfer of customers between a municipality that provides electric service and an electric corporation. Specifically, this statute provides a framework for new customers who request service after June 15, 2013.

Contracts under this statute are approved by the Commission.

According to the City [REDACTED] meter is located about 100 feet from the nearest Nephi City distribution facilities and about 2600 feet from the nearest Rocky Mountain Power distribution facilities [REDACTED] meter is located about 900 feet from the nearest Nephi City distribution facilities and about 1500 feet from the nearest Rocky Mountain Power distribution facilities. The Customers are not currently receiving electric service from either the Company or the City. This agreement will not affect any other current Rocky Mountain Power Customers.

The agreement between the Company and the City, is dated April 22th, 2014.¹ The petition is provided as a convenience to the Customer and is based upon the unique circumstances and conditions associated with the location of the Customer; i.e. that it is presently uneconomic for the Company to provide electric service to the Customer, but it is relatively convenient and economical for the City to provide electric service. Pursuant to Utah Administrative Code Section 10-8-14, the parties have petitioned the Commission for approval of the Agreement.

¹ April 22, 2014 is the date of the most recent signature on the document.

Conclusion

Given these factors, the Division recommends Commission approval of RMP's agreement with Nephi City.

CC David Taylor, Rocky Mountain Power
Michele Beck, Office of Consumer Services
Cheryl Murray, Office of Consumer Services
Service List