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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

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| IN THE MATTER OF THE FORMAL) | DOCKET NO. 14-035-52 |
| COMPLAINT OF ROD STEPHENS) | |
| AGAINST ROCKY MOUNTAIN POWER) | ROCKY MOUNTAIN POWER'S |
|) | ANSWER AND MOTION TO |
|) | DISMISS |
|) | |

Rocky Mountain Power, a division of PacifiCorp (the “Company”), pursuant to Utah Code Ann. §§ 63G-4-204(1) and Utah Admin. Code R746-100-3 and -4, provides its Answer to the Complaint filed by Rod Stephens (“Mr. Stephens” or “Complainant”). In addition, the Company moves that the Complaint be dismissed in its entirety, with prejudice, because Rocky Mountain Power has not violated any provision of law, Commission order or rule, or Company tariff.

I. PRELIMINARY MATTERS

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ANSWER

1. Rocky Mountain Power denies each of the claims set forth in the Complaint filed by Mr. Stephens. The Company has not violated any provision of Utah law or Commission Rule, and has provided electric service to Mr. Stephens in accordance with its tariffs. As described below, Mr. Stephens does not understand the application of the Company tariffs, and is responsible for the cost of \$5,468.00 to provide electric service to his home.

II. BACKGROUND

2. Mr. Stephens made a request to Rocky Mountain Power to provide new electric service to a new home being built at [REDACTED]. The property located at [REDACTED] is a portion of a parcel that had been divided into three separate lots for individual sale. The owner of the original parcel did not contact the Company to install electric service to the original parcel; nor had the original owner contracted with the Company to install an electrical infrastructure to provide service to each newly divided lot. The lots were sold without power.

3. The lot in question is bordered by a road paralleled by an existing distribution line on the same side of the road as the three lots referred to above. As part of

that existing distribution line, a pole located in the right of way with a 10 kVA transformer mounted on it, served an existing home on the other side of the road.

4. On November 1, 2013, the Company installed a temporary service and meter so construction could begin on Mr. Stephens' home.

5. On February 7, 2014, the Company issued a contract to Complainant to provide permanent electric service at a cost \$7,540.00 for his new home. Mr. Stephens questioned the amount of the contract. A Company Distribution Manager reviewed the original job design and was able to modify the job design in order to complete the work at a lower cost. A new contract was drafted with a cost of \$5,468.00 and provided to Complainant.

6. Mr. Stephens contacted the Company and indicated he believed under the Company's Regulation No. 12, Section 2(e) Transformation Facilities, that the Company should treat this installation of new service as a system improvement under Rule No. 12, and that he believes there should be no cost to him because an existing 10 kVA transformer was located adjacent to his lot.

7. The Company's Distribution Manager advised Complainant the provision did not apply because he was not building on property in an area with a subdivision distribution system installed. The Company's Rule 12, Section 2(e) states:

2. RESIDENTIAL EXTENSIONS

(e) Transformation Facilities

When an existing residential Customer adds load, or a new residential Customer builds **in a subdivision where secondary service is available at the lot line** either by means of a transformer or a secondary junction box and the existing transformation facilities or service conductors are unable to serve the increased residential load:

1) the facilities upgrade shall be treated as a standard line extension if Customer's demand exceeds the capacity of the existing facilities;

2) the facilities upgrade shall be treated as a system improvement and not be charged to the Customer if the Customer's demand does not exceed the capacity of the existing facilities. (Emphasis added.)

8. The subdivision distribution system refers to the design of an electrical system with service to each lot, installed and funded by the developer, less the developer's extension allowance. A subdivision distribution system was never installed, so no subdivision exists for the purposes of application of the tariff and as such, Regulation 12, Section 2(e) is not applicable.

9. Mr. Stephens' request for power is a line extension for a new permanent single service for his home to a property with no power. A line extension is defined in the Company's Regulation 12, Section 1(d):

Extension or Line Extension – A branch from, or a continuation of, a Company owned transmission or distribution line. An extension may be single-phase, three-phase, a conversion of single-phase line to a three-phase line or the provision of additional capacity in existing lines or facilities. The Company will own, operate and maintain all extensions made under Regulation 12.

Mr. Stephens is responsible to pay the cost to bring power to his lot in accordance with the Company's Regulation 12, Section 2(a), which reads as follows:

2. RESIDENTIAL EXTENSIONS

(a) Extension Allowances The Extension Allowance for **permanent single residential applications** is \$1100. The Extension Allowance for a residential application in a planned development where secondary voltage service is available at the lot line is \$350. The Applicant must advance the costs exceeding the Extension Allowance prior to the start of construction. (Emphasis added.)

As described above, a distribution line parallels the road in the road right of way, and is on the same side of the road as Complainant's lot. The closest pole is located in the right of way and had a 10 kVA transformer. The transformer had been serving one existing customer in the area and was loaded to 80 percent of capacity. Mr. Stephens' electrical load

requirements would exceed the capacity remaining on the transformer and a new transformer would need to be installed to accommodate his requested load.

10. On March 17, 2014, Mr. Stephens escalated his concerns to the Utah Division of Public Utilities (“DPU”). The DPU provided the Company with Mr. Stephens’ informal complaint and the informal complaint was assigned to a Company Regulatory Analyst. In his complaint, Mr. Stephens requested: 1) the Company provide a break-down of the cost estimate; and 2) upgrade the existing transformer located on his lot line at no cost to him.

11. On March 19, 2014, the Company’s Regulatory Analyst provided Mr. Stephens the break down for the cost estimate of \$5,468.00 (attached hereto as Confidential Exhibit A).

12. On March 21, 2014, the Company reaffirmed the lot in question did not have electric service, the request was not for additional electrical load at an site with existing electric service, nor was the site in a subdivision where the Company had already installed electrical service to each lot. As a result, the Company determined, in accordance with Regulation 12, Section 2(a), that Complainant would need to pay to bring electric service to his home from the existing distribution facilities, including an upgrade the existing transformer.

13. On April 14, 2014, at the request of Complainant, the parties met for mediation. An agreement was not reached; however, Mr. Stephens advised he would be moving into his home and would require electricity immediately. Mr. Stephens agreed to pay the installation cost of \$5,468.00 and indicated he would pursue getting the money refunded through the formal complaint process.

14. On April 15, 2014, Mr. Stephens provided the Company with a signed contract and payment in the amount of \$5,468.00 for permanent electric service to his home. Installation of the electric service was completed on April 21, 2014.

III. MOTION TO DISMISS

15. The Company moves under Utah Rules of Civil Procedure, Rule 12(b)(6) for an Order dismissing the Complaint. In support of this motion, the Company states the Complaint fails to establish the Company violated Commission rules, Company tariffs or that its actions are unjust.

16. The Complainant alleges that Regulation No. 12, Section 2(e) allows him to take service without paying to upgrade the existing transformer because he believes his load does not exceed the capacity of the existing transformer, and that he is a new residential customer within a subdivision. This is not the case. The wording in Regulation No. 12, Section 2(e) differentiates between existing customers and new residential customers building within a subdivision. Complainant was not an existing customer, nor is Complainant a new customer within an established subdivision where a developer has provided the electric infrastructure to the lot line.

17. Regulation No. 12, Sections 4(a) and 4(b) addresses the responsibilities of a developer of a residential subdivision development.

4. EXTENSIONS TO PLANNED DEVELOPMENTS

(a) General

Planned developments, including subdivisions and mobile home parks, are areas where groups of buildings or dwellings may be constructed at or about the same time. The Company will install facilities in developments before there are actual Applicants for service under the terms of a written contract.

(b) Allowances and Advances

For nonresidential developments the Developer must pay a non-refundable advance equal to the Company's estimated installed costs

to make primary service available to each lot. For residential developments the Company will provide the Developer a maximum Extension Allowance of \$750 for each lot. The Developer must pay a non-refundable advance for all other costs to make secondary voltage service available to each lot. The Developer may be required to pay a refundable advance equal to the Extension Allowance. For both nonresidential and residential developments the Company may require the Developer to pay for facilities to provide additional service reliability or for future development.

The developer's responsibility is to pay to make secondary voltage service available to each lot. When a developer files a plat and requests the Company to design and provide power to the lots within the development, and pays for that installation, the Company is responsible for designing and installing adequately sized transformers. Customers who build on those lots have a right to that same expectation. However, in this case, the developer has not contracted and paid the Company to provide power to the lots within the development, power has not been made available to the lots within the development, and consequently no subdivision exists for the purpose of application of the tariff for residential transformation facilities.

CONCLUSION

WHEREFORE, based on the foregoing, having fully answered Complainant's complaint, the Company prays for the dismissal of the Complaint with prejudice because it has not violated any provisions of law, Commission Rule or Company tariff.

Dated this 27th day of May 2014.

Respectfully submitted,

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Attorneys for Rocky Mountain Power