



GARY HERBERT.  
*Governor*  
SPENCER J. COX  
*Lieutenant Governor*

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*

## 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: April 11, 2016

Subject: Action Request in Docket 16-031-T01, Mt Wheeler Power, Inc.

---

### RECOMMENDATION

The Division of Public Utilities (Division) recommends that the Public Service Commission of Utah (Commission) acknowledge the change to the Mt. Wheeler Power Inc. (Mt. Wheeler) tariff with an effective date of March 8, 2016 for the Large General Service – Industrial Transmission (LGS-IT) tariff and July 1, 2016 for the Large General Service – Industrial (LGS-I) tariff.

### BACKGROUND

On March 8, 2016, the Mt. Wheeler board approved and made effective a new LGS-IT tariff. This new tariff is an alternative for members who would normally have a contractual arrangement with Mt. Wheeler. However, after being contacted by a new company coming to Mt. Wheeler's service territory (which would rather have a tariffed rate than be contractually bound) Mt. Wheeler accommodated the new company by offering this tariff rate. The second

tariff change is increasing the rate for the LGS–I members this coming July. Mt. Wheeler’s board approved both the new rate and the rate increase in the same meeting. On March 8, 2016, Mt. Wheeler submitted the tariff change to the Commission for acknowledgement. On March 28, 2016, the Commission issued an Action Request to the Division directing it to perform an investigation. This is the Division’s response to that Action Request.

## **ISSUE**

Mt. Wheeler is adding one tariff section for a new member moving into its service territory and is increasing the rate for two other current members. There are only three potential customers who would qualify for either of these tariffs. All three customers are located in Nevada. No other changes to Mt. Wheeler’s tariff have been made.

## **DISCUSSION**

The Division has reviewed Mt Wheeler’s filing, attached tariff sheets and has spoken with a Mt. Wheeler representative. The rates were approved by Mt Wheeler’s board the same day that the Commission was notified and the same day the new rates became effective for the transmission tariff. According to Utah Code (54-3-3) and Commission Rule (R 746-405-2-E.2) the effective date of tariff changes should be no sooner than 30 days after the date that notice is filed with the Commission. The proposed changes should have been filed with the Commission no sooner than 30 days before the effective date on the tariff. This did not happen for the new tariff. However, since no Utah members are affected by either tariff this requirement may be moot.

## **CONCLUSION**

The Division discussed with the Mt. Wheeler representative the proper time to notify the Commission prior to implementing tariff changes. He committed to begin an internal initiative that will examine its processes so that in the future the Commission can receive the 30 day notification prior to effective date as it should. However, since none of the effected customers reside in Utah, the Division recommends the Commission acknowledge the change to Mt.

Wheeler's Tariff with effective dates of March 8, 2016 and July 1, 2016 and make them available for public inspection.

CC: Randy Ewell, General Manager, Mt. Wheeler Power Co.

Maria Wright, Division of Public Utilities

Mike Peterson, Director Utah Rural Electric Association

Michele Beck, Office of Consumer Services