



State of Utah
Department of Commerce
Division of Public Utilities

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ACTION REQUEST RESPONSE

To: Utah Public Service Commission

From: Utah Division of Public Utilities

Chris Parker, Director

Artie Powell, Energy Section Manager

Doug Wheelwright, Technical Consultant

Jeff Einfeldt, Utility Analyst

Date: May 11, 2017

Re: **Acknowledgment**

Docket No. 17-2508-T01, Ticaboo Utility Improvement District Tariff Filing

RECOMMENDATION- ACKNOWLEDGE REVISED TARIFF SHEETS

The Division has reviewed the changes to the Ticaboo Utility Improvement District (District) tariff sheets, along with the board meeting minutes and public notice requirements. The Utah Division of Public Utilities (Division) recommends that the Public Service Commission (Commission) acknowledge the revised tariff sheets as submitted and make them available for public inspection.

ISSUE

On May 1, 2017, the District filed revisions to its tariff sheets and rate schedules. On May 1, 2017, the Commission issued an Action Request to the Division to investigate the tariff and schedule filing. This memo is the Division response to that Action Request.

DISCUSSION

The Ticaboo Utility Improvement District provides electric service, water, waste water and solid waste management to the residents of Ticaboo, Utah and is governed by the Improvement District Act §17B-2a-406.¹ The District is faced with the unique and challenging requirement to provide reliable electric and other service to a very small and isolated customer base. Due to the remote location of the district, electricity is generated primarily from diesel powered generators with some solar facilities for water pumps. The proposed Tariff changes were approved by the board on April 28, 2017 and a public meeting was also held on April 28, 2017 to address the changes to the District's Tariff. The proposed changes have an effective date of June 1, 2017.

For a small improvement district, there have been several items that have come before the Commission for review and consideration in the last few years. The current tariff was filed with the Commission on March 1, 2016 and acknowledged by the Commission on March 31, 2016.

The current filing reduces the energy charge for all residential and small commercial customers from \$.70/kWh to \$.55/kWh with customer service charges, power charges and standby fees remaining unchanged. For Large Commercial Service customers, the monthly customer service charge has been increased from \$11,870 to \$13,350 for single phase (increase of \$1,480 per month), and from \$23,740 to \$26,700 for three phase (increase of \$2,960 per month). The monthly standby fee for Large Commercial Service customers has also been increased correspondingly to \$13,350 for single phase and \$26,700 for three phase. The energy charge for Large Commercial Service customers remains unchanged at \$0.34 per kWh >330,000 kWh's per year. As mentioned in previous memos, customers are required to pay minimum standby fees for all District services in order to receive any service from the District. For example, a District customer that installs solar panels and meets 100% of their electric needs is still required to pay the minimum electric stand-by fee in order to receive water, sewer or garbage service.

¹ Section 17B-2(a)-406(6)(b) exempts the Improvement district from the rate making process found in § 54-7-12 so long as each requirement is satisfied. The Division's review is therefore limited. The Division expresses no opinion on rate design or rates in the revised rate schedules.

CONCLUSION

The Division recommends the Commission acknowledge the District's revised tariff sheets and make them available for public inspection.

CC Chip Shortreed, Ticaboo Utility Improvement District
Michele Beck, Office of Consumer Services
Marialie Wright, DPU Customer Service