



State of Utah
Department of Commerce
Division of Public Utilities

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ACTION REQUEST RESPONSE

To: Public Service Commission
From: Division of Public Utilities
Chris Parker, Director
Energy Section
Artie Powell, Manager
Jeff Einfeldt, Utility Analyst

Date: March 2, 2018

Subject: Mt. Wheeler Power, Inc. revised tariff sheets.
Docket No. 18-031-T01

RECOMMENDATION

The Utah Division of Public Utilities (“Division”) recommends the Utah Public Service Commission (“Commission”) acknowledge Mt. Wheeler Power, Inc.’s (“Mt. Wheeler”) changes to its Retail Electric Rate tariff, and make them available for public inspection.

BACKGROUND

Mt. Wheeler is a cooperative providing power to Ely, Nevada and surrounding areas including extreme western parts of Utah. It currently has approximately 8,000 members in total with approximately 415 members in Utah. Mt. Wheeler has not increased rates for approximately 25 years.

Mt. Wheeler’s board of directors held an open meeting on February 13, 2018 to discuss and make changes to its tariffs. The board notified the Commission of the proposed changes pursuant to a letter dated February 21, 2018. The Commission issued an action request to the Division on February 22, 2018 to investigate the proposed tariff changes. Mt. Wheeler

desires an effective date for the proposed changes of April 1, 2018. This is the Division's response to that action request.

ISSUE AND DISCUSSION

This current filing notifies the Commission of a change in the name of the current monthly charge entitled Customer Charge to the new title of Energy Delivery Charge. The monthly charge is also being increased from \$9 to \$16 per month for residential customers, from \$12 to \$20 per month for small commercial customers, and from \$45 to \$105 per month for large general service and commercial customers. Irrigation demand charges are also increasing. Pursuant to Mt. Wheeler management, this represents the first rate increase for its members in approximately 25 years. The proposed changes will assist Mt. Wheeler in educating its members regarding the cost of providing service and allow it to better balance revenues between energy costs and costs to provide energy.

Mt. Wheeler held a board meeting in January and February 2018 that was open to the public where rate increases were discussed and proposed. Another board meeting is scheduled for March. Members will continue to be notified of the proposed rate changes through mailings, website listings and other social media outlets, and through the Ruralite magazine as specified in Utah Code 54-3-3 and 54-4-1.1. Likewise, the Commission was notified at least 30 days prior to the proposed effective rate change as required by Commission Rule (R 746-405-2-E.2) and Utah Code 54-3-3.

The rate increase discussed herein is an effort to remain financially viable going forward and mitigate the increase in costs absorbed by Mt. Wheeler over the last 25 years.

CONCLUSION

The Division recommends the Commission acknowledge the revised tariff sheets with an effective date of April 1, 2018 and make them available for public inspection.

Cc: Randy Ewell CEO, Mt. Wheeler Power Co.
Maria Wright, DPU Customer Service
Michele Beck, Office of Consumer Services
Jeff Peterson, Director, Utah REA