

January 22, 2021

#### VIA ELECTRONIC FILING

Utah Public Service Commission Heber M. Wells Building, 4<sup>th</sup> Floor 160 East 300 South Salt Lake City, UT 84114

Attention: Gary Widerburg

Commission Administrator

RE: Docket No. 21-035-03

In the Matter of the Application of Rocky Mountain Power for Approval of Agreement with Beaver City and Amendment of Certificate of Public Convenience and Necessity

PacifiCorp, d. b. a. Rocky Mountain Power ("the Company") hereby submits for filing an Application to approve an agreement with the city of Beaver to amend the Company's service territory.

Rocky Mountain Power respectfully requests that all formal correspondence and requests for additional information regarding this filing be addressed to the following:

By E-mail (preferred): <u>datarequest@pacificorp.com</u>

jana.saba@pacificorp.com

john.hutchings@pacificorp.com

By regular mail: Data Request Response Center

PacifiCorp

825 NE Multnomah, Suite 2000

Portland, OR 97232

Informal inquiries may be directed to Jana Saba, Utah Regulatory Manager at (801) 220-2823.

Sincerely,

Joelle Steward

Vice President, Regulation

Enclosures

CC: Service List

John Hutchings (14514) Rocky Mountain Power 1407 W. North Temple, Suite 320 Salt Lake City, UT 84116 (801) 220-4545 (801) 220-3299 (fax) john.hutchings@pacificorp.com

Attorney for Rocky Mountain Power

#### BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of Rocky Mountain Power for Approval of Agreement with Beaver City and Amendment of Certificate of Public Convenience and Necessity

Docket No. 21-035-03

APPLICATION

PacifiCorp doing business as Rocky Mountain Power ("Rocky Mountain Power" or the "Company"), pursuant to Utah Code Ann. § 54-4-25, respectfully requests that the Commission (1) approve the Agreement to Adjust Service Territory Boundaries ("Agreement") between Rocky Mountain Power and Beaver City ("Beaver") attached as Exhibit A; and (2) amend the Certificate of Public Convenience and Necessity No. 1686 ("Certificate") issued to Rocky Mountain Power to remove certain geographic area in Beaver, Utah, within the boundaries described in this Application and add certain geographic area in Beaver, Utah within the boundaries described in this Application to provide electric service to the customers within that area as described and shown in Exhibit B that accompanies this Application.

#### I. INTRODUCTION

1. PacifiCorp is an Oregon corporation that provides electric service to retail customers through its Rocky Mountain Power division in the states of Utah, Wyoming, and

Idaho, and through its Pacific Power division in the states of Oregon, California, and Washington.

- 2. Rocky Mountain Power is a public utility in the state of Utah and is subject to the Commission's jurisdiction with respect to its prices and terms of electric service to retail customers in Utah. The Company serves approximately 948,000 customers and has approximately 1,900 employees in Utah. Rocky Mountain Power's principal place of business in Utah is 1407 West North Temple, Salt Lake City, Utah 84116.
  - 3. Communications regarding this filing should be addressed to:

Jana Saba
Utah Regulatory Affairs Manager
Rocky Mountain Power
1407 West North Temple, Suite 330
Salt Lake City, Utah 84116
jana.saba@pacificorp.com

John Hutchings
Senior Attorney
Rocky Mountain Power
1407 West North Temple, Suite 320
Salt Lake City, Utah 84116
john.hutchings@pacificorp.com

In addition, Rocky Mountain Power requests that all data requests regarding this filing be sent in Microsoft Word or plain text format to the following:

By email (preferred): <u>datarequest@pacificorp.com</u>

By regular mail: Data Request Response Center

**PacifiCorp** 

825 NE Multnomah, Suite 2000

Portland, Oregon 97232

Informal questions may be directed to Jana Saba, Utah Regulatory Affairs Manager at (801) 220-2823.

#### II. BACKGROUND

4. Beaver City is a municipal corporation organized under the laws of the State of Utah, who owns and operates a local electric utility system that provides electric service to

customers located within the municipal boundaries. Rocky Mountain Power provides service to certain customers located adjacent to Beaver, Utah.

- 5. During 2020, Rocky Mountain Power received a request from Beaver City to better define a very small segment of service territory with shared boundaries with Rocky Mountain Power. The requested realignment is mutual advantageous in that it provides for a more straightforward delineation of service territories on the northwest side of the city boundary with Rocky Mountain Power, allowing for better crew and equipment access for working on and maintaining facilities for both entities.
- 6. The Agreement, attached to this application as Exhibit A, provides for a straight-line boundary, in this case being the 650 West unpaved road, on the west side of I-15 in Beaver, Utah, be the new boundary line of delineation. Exhibit B provides maps of the proposed area of service boundary territory adjustment, showing existing facilities of both entities and the existing and proposed new service territory boundary line.
- 7. The impact of this minor service territory adjustment is proportionately minimal. Rocky Mountain Power will gain two meters in the proposed adjustment, a farm and associated pump load. The cost for Rocky Mountain Power to serve the two new meters west of 650 West currently being served by Beaver City would be around \$15,000, requiring two transformers, one pole to be set, some guying installed and aerial taps with fusing added.
- 8. Under the Agreement, Rocky Mountain Power will relinquish service territory to Beaver City that is currently vacant land and does not contain any electric customers. The property layout, location and access makes it less than desirable for any future development, thereby diminishing any future potential loss of customers/revenue to Rocky Mountain Power as a result of the adjustment.

- 9. Under the Agreement, Beaver City will relinquish the certain assets to Rocky Mountain Power that are currently being used to serve the two meters in the service territory the Company will serve. The total net book value of these asset is approximately \$2,000. A map of these assets is provided as Exhibit B.
  - a. The distribution line on 650 West, starting with pole #FF 0293
  - b. Pole #FF 0294 and #FF 0295.
  - c. On pole #FF 0296 there is a 15 kVa transformer that feeds a single 100 amp service.
  - d. Pole # FF0297 and #FF 0298.
  - e. Pole #FF 299 has a 10 kVa transformer that feeds the house with a single phase 200 amp service and that is the end of the line.
- 10. The Agreement does not provide for any exchange of funds or monetary consideration for any aspect of the Agreement.

#### III. PUBLIC INTEREST

- 11. Approval of the Agreement is in the public interest for a number of reasons, including:
  - a. Historically, the current service territory boundary arrangement has led to confusion of both Rocky Mountain Power, Beaver City and the electric service customers of both entities. This provides clarity as to who serves current and future electric customers in this area.
  - b. The road being suggested as the line of delineation makes it much easier for the line crews of both entities to identify their facilities and to better serve customers, by quickly being able to identify and inform future customers as to who will serve their electric needs.

- c. Additionally in an outage event, Rocky Mountain Power and Beaver City restoration crews will be able to quickly determine the proper ownership of the facility, so that notifications can be made and repairs started in a more efficient manner.
- d. This change will not only minimize the "one off" electric service amendment requests by customers and Beaver City in the future to serve any customers in the Company's service territory but will also clearly define what entity will provide service.

#### IV. RELIEF REQUESTED

For the reasons set forth herein, Rocky Mountain Power respectfully requests that the Commission:

1. Grant this Application to (1) approve the Agreement to Adjust Service Territory Boundaries ("Agreement") between Rocky Mountain Power and Beaver City ("Beaver") attached as Exhibit A; and (2) amend the Certificate of Public Convenience and Necessity No. 1686 ("Certificate") issued to Rocky Mountain Power to remove certain geographic area in Beaver, Utah, within the boundaries described in this Application and add certain geographic area in Beaver, Utah within the boundaries described in this Application to provide electric service to the customers within that area as described herein. Grant any further relief necessary for Rocky Mountain Power to complete the transaction with Beaver City and as may be just and reasonable.

#### DATED: January 22, 2021

Respectfully submitted,

John Hutchings

Rocky Mountain Power

Attorney for Rocky Mountain Power

# Exhibit A

### AGREEMENT TO ADJUST SERICE TERRITORY BOUNDARIES

This Agreement to Adjust Service Territory Boundries ("Agreement") is made and entered into between <u>BEAVER CITY</u>, a municipal corporation organized under the laws of the state of Utah (the "Municipality"), and PacifiCorp, an Oregon corporation doing business in Utah as Rocky Mountain Power ("Rocky Mountain Power"). The Municipality and Rocky Mountain Power each may be referred to as a "Party" or collectively as the "Parties."

#### RECITALS

- A. The Municipality owns and operates a local electric utility system that provides electric service to customers located within its municipal boundary and desires to adjust it service territory boundary as agree to in the Agreement.
- B. Rocky Mountain Power is a public utility and an electrical corporation in the state of Utah authorized by a certificate of public convenience and necessity issued by the Public Service Commission of Utah ("Commission") and desires to adjust it service territory boundary as agree to in the Agreement.
- C. The Parties enter into this Agreement, subject to the Commission's approval, in compliance with Utah Code Ann. §§ 10-8-14 and 54-4-40 to provide terms and conditions for the Rocky Mountain Power and the Minicipality to amend their service territory boundaries.

#### **TERMS AND CONDITIONS**

In consideration of the following agreements and conditions, the Parties agree as follows:

- 1. **Adjustment of Service Territoy Boundaries.** The Parties agree to adjust their service territory boundaries as depicted on Exhibit A attached and incorporated herein.
- 2. **Assets to be Reliquished by Municipality.** To facilitate the adjustment of service territories agree to by this Agreement, Municipality agrees to transfer, right, title, and ownership of the following facilities to Rocky Mountain Power:
  - The distribution line on 650 west, starting with pole # ff 0293 that will need a dead end and down guy installed;
  - Poles # ff 0294, # ff 0295, # ff 0297, # ff 0298;
  - 15 kVa transformer that feeds a single 100 amp service on pole # ff 0296; and
  - A 10 kVa transformer that feeds the house with a single phase 200 amp service and that is the end of the line on pole # ff 0299.

#### 3. **Term.** Unless otherwise agreed by the Parties in writing:

- a. This Agreement shall commence as of the date of approval of this Agreement by the Commission (the "Effective Date").
- b. Upon the Effective Date, or as soon as reasonably practicable, Municipality shall transfer the assets in Section 2 above to Rocky Mountain Power.

#### 4. Application; Effective Date.

- a. Within 45 days of execution of this Agreement or such longer time as the Parties may mutually agree, Rocky Mountain Power shall file an application ("Application") with the Commission pursuant to Utah Code Ann. § 54-4-40 seeking the Commission's approval of this Agreement. Municipality shall, and upon request by Rocky Mountain Power, support approval of the Application before the Commission, including responding to discovery requests, providing written and oral testimony and other evidence, and providing written and oral argument. Neither Party shall directly or indirectly oppose the Application or support any petition for review, rehearing or reconsideration in the Commission of an order of the Commission approving the Application ("Order") or any petition for review in court of the Order.
- b. This Agreement shall be effective from and after the date the Commission approves the Application (the "Effective Date"). In the event, however, that the Commission issues an order disapproving the Application, this Agreement shall terminate and be of no further force or effect.
- 5. **Cooperation.** In providing material written information to any third party or government entity or in obtaining any approval of any government entity in connection with this Agreement, the Parties agree to mutually support each other in obtaining regulatory approvals of the Agreement and in gaining any required franchise, providing information to regulators and parties in regulatory proceedings and to other government entities required to issue franchises, and cooperating in responding to parties that may oppose approval of the Agreement or issuance of any required franchises. Notwithstanding the foregoing, neither Party shall be required to disclose to the other Party information that is privileged or is competitively sensitive and confidential, including internal analyses, even if the Party is required to disclose the information subject to the terms of a protective order or rule to another government entity or third party.

#### 6. Miscellaneous.

a. **General Representations and Warranties.** Each of the Parties represents and warrants to the other Party that the Party has the power and authority to enter into this Agreement and to perform its obligations under this Agreement and that the execution and delivery of this Agreement and the consummation of the transactions contemplated by this Agreement have been duly authorized by the governing body of the Party, and no other actions or proceedings on the part of the Party are necessary to authorize this Agreement and the transactions contemplated by this Agreement.

- b. Each Party to Bear Own Expenses. Except as otherwise expressly provided in this Agreement, all expenses incurred by or on behalf of the Parties in connection with the authorization, preparation, execution and consummation of this Agreement, including, without limitation, all fees and expenses of agents, representatives, counsel, and accountants employed by the Parties, shall be borne solely by the Party that incurred the expenses.
- c. Waiver of Jury Trial and Limitation on Damages. THE PARTIES EXPRESSLY WAIVE THEIR RIGHT TO TRIAL BY JURY ON ANY CLAIM ARISING UNDER THIS AGREEMENT AND AGREE THAT ANY SUCH CLAIM MAY NOT BE JOINED OR CONSOLIDATED IN ANOTHER ACTION BEING TRIED TO A JURY. IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, PROVIDED BY STATUTE, OR IN TORT OR CONTRACT.

#### d. Notices.

i. **Permitted Methods of Notice.** Any notice, or other communication required under this Agreement shall be in writing, shall be delivered as per the contact information provided below, and shall be deemed properly given: (1) upon delivery if delivered in person; (2) three days after deposit in the mail, if sent by registered first class United States mail, postage prepaid; or (3) upon delivery if delivered by a commercial courier service

#### ii. Contact Information.

#### Municipality:

Beaver City P.O. Box 271 Beaver, UT 84713 (435) 438-2451

cc:

Dave Martin, Beaver City Electrical Supt. dmartin@beaverutah.net

#### **Rocky Mountain Power:**

Customer & Community Management Rocky Mountain Power Attn.: Jeffrey Barrett 1407 West North Temple, Suite 310 Salt Lake City, UT 84116

#### cc:

Office of the General Counsel Rocky Mountain Power 1407 West North Temple, Suite 320 Salt Lake City, UT 84116

- iii. **Change of Contact Information.** Either Party may change its contact person or address specified above by giving the other Party notice of the change in accordance with subparagraph 6.d.i, above.
- e. **Assignments.** Except as otherwise provided below, neither Party may, without the other Party's prior written consent, which shall not be unreasonably withheld, conditioned or delayed, assign, pledge, or transfer all or any part of this Agreement or any right or obligation under this Agreement, whether voluntarily or by operation of law; provided, however, that either Party may, without the other Party's consent, assign its rights and obligations under this Agreement to an entity with which the Party is merged or consolidated, so long as the assignor consents in writing to be bound by all obligations of the assignee under this Agreement.

- f. **Binding on Successors.** This Agreement shall inure to the benefit of the Parties hereto, their respective successors and permitted assigns, and shall be binding upon the successors and permitted assigns of each.
- g. **Waivers.** Any waiver of a Party's rights with respect to any breach of this Agreement, or with respect to any other matter arising in connection with this Agreement, shall not constitute a waiver with respect to any other breach or matter arising in connection with this Agreement. All waivers must be in writing and signed by an authorized representative of the Party granting the waiver.
- h. **Governing Law.** This Agreement is made under and will be governed by and construed in accordance with the internal laws of the State of Utah.
- i. **Headings and Construction.** The headings and subtitles in this Agreement are for the convenience of the Parties and are not to be used for its construction or interpretation. Any use of the singular in this Agreement also includes the plural, and any use of the plural also includes the singular.
- j. **Not Construed Against Either Party.** This Agreement was entered into by the Parties after consultation with counsel, and shall be considered to have been drafted by both Parties. The language of this Agreement shall be construed as a whole according to its fair meaning, and not strictly for or against either of the Parties.
- k. **Severability.** If any provision of this Agreement or the application thereof is held invalid, the invalidity shall not affect other provisions or applications of the Agreement that can be given effect without the invalid provisions or applications and to this end the provisions of this Agreement are declared to be severable.
- l. **Counterparts.** This Agreement may be executed in counterparts which, taken together, shall constitute one and the same Agreement and shall not be effective unless and until the Commission approves the Application in accordance with the provisions of paragraph 2.
- m. **Entire Agreement.** This Agreement, including the recitals stated above and the appendices attached hereto which are incorporate herein by this reference, constitutes the entire agreement between the Parties with respect to the subject matter of this Agreement and supersedes all prior negotiations and agreements, whether written or oral. This Agreement may not be altered or amended except by an instrument in writing executed by both Parties.

Signature Page Follows

IN WITNESS WHEREOF, the Parties have executed this Agreement on the dates indicated below.

**POWER** 

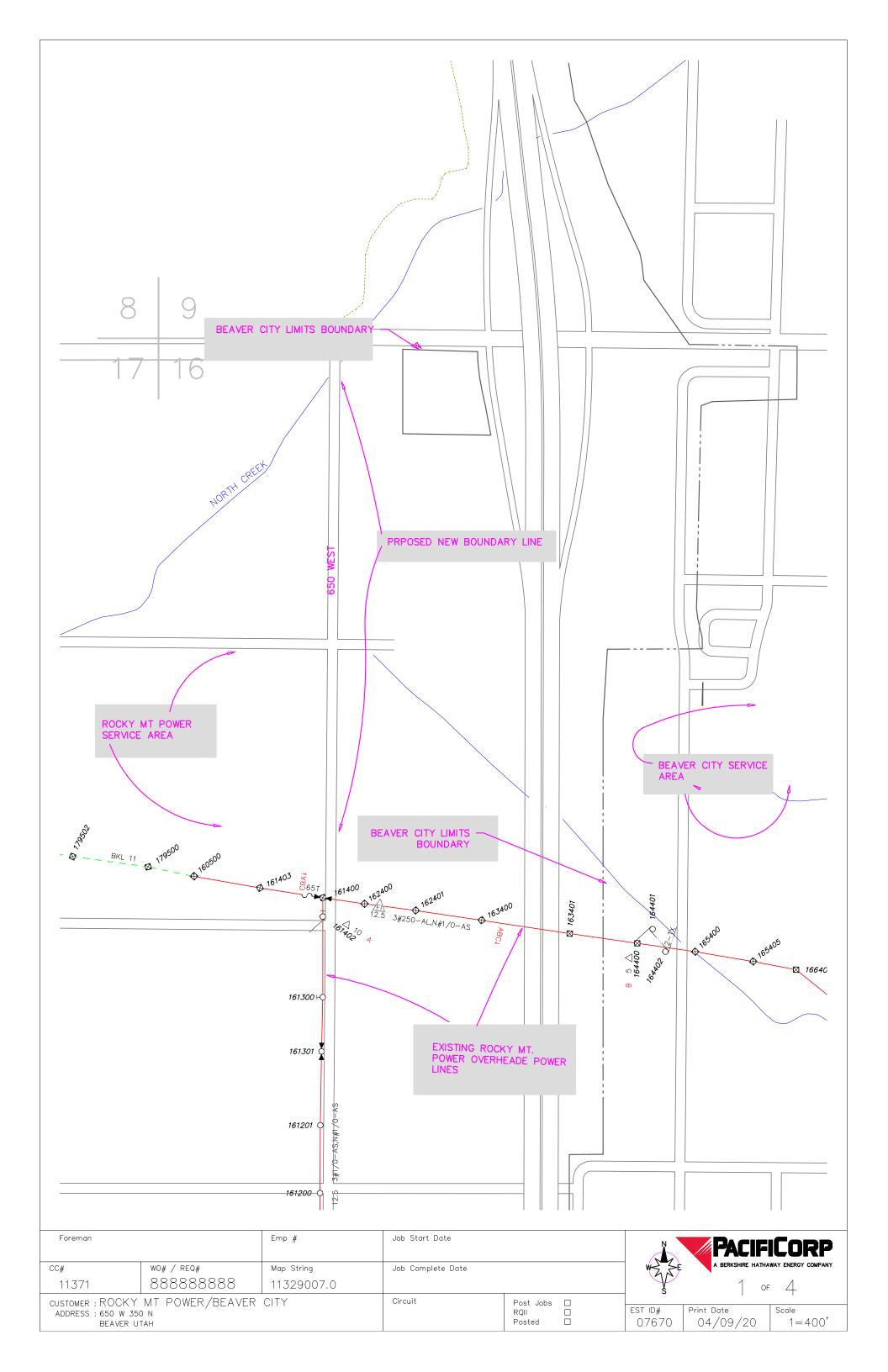
PACIFICORP, an Oregon corporation doing business in Utah as ROCKY MOUNTAIN

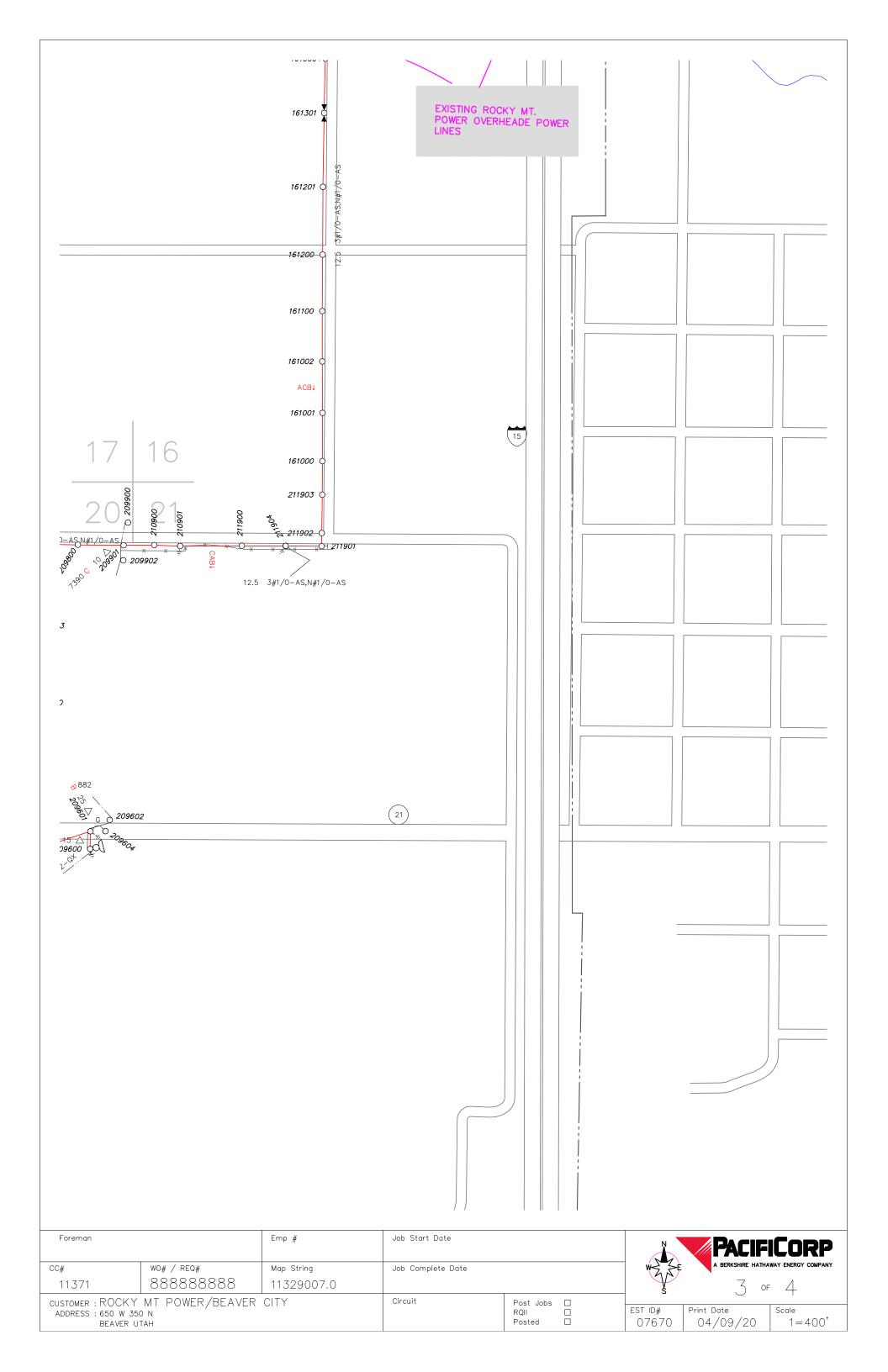
# BEAVER CITY, a municipal corporation organized under the laws of the State of Utah

| Signature: Jann Brown                  | Signature:  |
|--|---|
| Print Name: Jason Brown                | Print Name: William Comeau                              |
| Title:                                 | Title: Vice President, Customer Experience & Innovation |
| Date: 12/9/2020                        | Date:   |
| ATTEST:<br>Signature: Anona S. Yardley | Approved as to form: Signature:                         |
| Print Name: Anona S. Yard Ley          | Print Name: John Hutchings                              |
| Title: Recorder                        | Title: Senior Attorney                                  |
| が (表で) 20 mm                           | Date: 1/22/21   |



## Exhibit B





#### **CERTIFICATE OF SERVICE**

Docket No. 21-035-03

I hereby certify that on January 22, 2021, a true and correct copy of the foregoing was served by electronic mail to the following:

#### **Utah Office of Consumer Services**

Michele Beck <u>mbeck@utah.gov</u>

ocs@utah.gov

#### **Division of Public Utilities**

dpudatarequest@utah.gov

#### **Assistant Attorney General**

Patricia Schmid <a href="mailto:pschmid@agutah.gov">pschmid@agutah.gov</a>
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**Rocky Mountain Power** 

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Katie Savarin

Coordinator, Regulatory Operations

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