



State of Utah

Department of Commerce
Division of Public Utilities

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Action Request Response

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director

Artie Powell, Manager

Brenda Salter, Utility Technical Consultant Supervisor

Justin Christensen, Utility Analyst

Date: February 4, 2021

Re: **Docket No. 21-035-03**, RMP Application for ESA and Amendment to CPCN with Beaver City.

Recommendation (Approve)

The Division of Public Utilities (Division) recommends that the Public Service Commission (Commission) approve the Agreement to Adjust Service Territory Boundaries (Agreement) between Rocky Mountain Power (RMP) and Beaver City, as well as the Amendment to Certificate of Public Convenience and Necessity (CPCN) No. 1686. The Division finds the filing as just, reasonable, in public interest, and beneficial for both RMP and Beaver City.

Issue

On January 22, 2021, RMP filed an Application with the Commission for Approval of an Agreement with Beaver City and Amendment to CPCN. Also on January 22, 2021, the Commission issued an Action Request for the Division to review the application and make recommendations with a due date of February 10, 2021. On January 27, 2021, the Commission filed a notice stating that any party may submit comments by February 25, 2021, and may submit

reply comments by March 12, 2021. This memorandum is in response to the Commission's Action Request.

Discussion

In 2020, Beaver City sent a request to RMP to better define a small segment of service territory with shared boundaries between the two. The requested realignment provides a straight-line boundary on the northwest side of the city boundary with RMP. The impact of the service territory adjustment is minimal as RMP will gain two meters. The cost for RMP to service the two new meters as stated by RMP will be around \$15,000. RMP will relinquish service territory that is vacant land and has no electric customers to Beaver City. RMP's potential future loss of customers/revenue will be minimal to none due to the property layout, location, and access that is less than desirable for any future development.

The Agreement between RMP and Beaver City is in the public interest for a number a reasons including:

- a. The current boundary line has led to confusion for electric service customers, RMP, and Beaver City. The new boundary line provides clarity as to who serves current and future customers.
- b. The road being suggested as the line of delineation makes it clearer for the line crews of both RMP and Beaver City to identify their facilities and to quickly identify and inform future customers as to who will serve their electric needs.
- c. In an outage event, RMP and Beaver City restoration crews can quickly determine proper ownership of facilities, so that notifications can be made and repairs started in a more efficient manner.

Conclusion

For reasons stated above, the Division recommends the Commission to approve RMP's Application for ESA and Amendment to CPCN with Beaver City.

Cc: Jana Saba, Rocky Mountain Power
John Hutchings, Rocky Mountain Power
Michele Beck, Office of Consumer Services