



SPENCER J. COX
Governor

DEIDRE M. HENDERSON
Lieutenant Governor

UTAH DEPARTMENT OF COMMERCE

Division of Public Utilities

MARGARET W. BUSSE
Executive Director

CHRIS PARKER
Division Director

Action Request Response

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director
Artie Powell, Manager
Doug Wheelwright, Utility Technical Consultant Supervisor
Eric Orton, Utility Technical Consultant

Date: September 29, 2022

Re: **Docket No. 22-030-04**, In the Matter of the Application of Moon Lake Electric Association, Inc. for Authority to Revise Rate Tariff Schedules and Regulations

Recommendation (Acknowledge)

The Division of Public Utilities (Division) recommends that the Public Service Commission of Utah (Commission) acknowledge Moon Lake Electric Association, Inc. (Moon Lake)'s filing.

Issue

Moon Lake is applying to the Commission "pursuant to Utah Code Ann. § 54-7-12 for an Order authorizing Moon Lake to: (i) revise all of its rate tariff schedules and regulations...and (ii) that the Commission find good cause exists to acknowledge the revised rate tariff schedules and revised regulations." Also, Moon Lake requests that the Commission allow an Informal Adjudication of this Application. And that "that no additional public notice of this proceeding is required under R746-110-2".

Moon Lake requests a final Commission order "approving the revised rate tariff schedules and regulations as soon as practicable, and within 30 days if feasible, in order for Moon

Division of Public Utilities

Heber M. Wells Building • 160 East 300 South • P.O. Box 146751 Salt Lake City, UT 84114-6741
www.dpu.utah.gov • telephone (801) 530-7622 • toll-free in Utah (877) 874-0904 • fax (801) 530-6512

Lake to meet its outstanding financial obligations.” Moon Lake’s board approved “the revised rate tariff schedules and regulations at a special telephonic and in person meeting held on September 7, 2022.”

The Division notes that the Commission is not the body authorized to approve electric cooperatives rates. Rather rate approval is governed by the cooperative’s board of directors. Nonetheless, the Commission has other jurisdiction relating to electric cooperatives, including acknowledging Moon Lake’s tariff after verifying its compliance with statutes and rules.

Background

On September 22, 2022, Moon Lake sent its Verified Application for Approval to Revise Rate Tariff Schedules and Regulations with a requested effective date of November 1, 2022. Also on September 22, 2022, the Commission issued its Action Request to the Division directing it to review the application and make recommendations with a due date of October 6, 2022. This is the Division’s response to the Commission.

Discussion

The Division has been critical of Moon Lake’s filings in the past for failing to meet certain requirements that are necessary for adhering to statute and rules which have resulted in the Commission not acknowledging some of its previous filings. This application is substantially different from previous Moon Lake filings and provides the required information.

The current Application is very detailed and thorough and includes the following:

- Sworn statements concerning the validity of the application.

- Detailed descriptions of the public meetings.

- Jurisdiction admission of the Commission’s authority.

- Statements from the Board supporting the need for the rate changes.

- The date when the Board voted on the proposed change.

- Regular meeting minutes.

Current and proposed rate tariff schedules and regulations

Dates, notes, and locations of public meetings.

Local newspaper publications to notify Moon Lake's membership of the public hearings.

Evidence of the required lead time for the public meetings.

A letter from the CEO mailed to all members of Moon Lake as well as a notification on its web page of the upcoming public hearings.

The agenda of the public meetings.

Evidence that members attended the meetings and provided input, feedback and questions to the Board. In one instance, the Board altered a rate based on member input.

In short, Moon Lake has provided substantial evidence of all that is required.

The filing also contains statements from the Board that the revised rate tariff schedules and revised regulations are "in the best interests of Moon Lake and its members in order to meet its ongoing and new financial obligations that have arisen in the fiscal year 2022." The statement went on to say that its objective is "to ensure the financial stability and health of Moon Lake and its obligation to provide its members with safe, affordable and reliable utility services, now and in the future", and that it "is compatible with the public interest, is necessary or appropriate for or consistent with the proper performance by Moon Lake of its services as a public utility and will not impair Moon Lake's ability to provide or perform those services."

Conclusion

The Division affirms that Moon Lake has complied with the statutes and recommends that the Commission acknowledge the filing as compliant.

Additionally, the Division commends Moon Lake for the completeness of this application in fulfilling all its requirements in an exemplary manner and notes the remarkable change Moon Lake has taken in fulfilling these requirements.

cc: Dean D. Sellers, Moon Lake Electric Association, Inc.
Jeff Peterson, Utah Rural Electric Cooperative Association.