



Ticaboo Utility Improvement District

Hwy 276 MM 28 HC 60 Box 2140

Ticaboo, UT 84533

435-337-2021

admin@ticabooid.com

February 20, 2024

Via e-mail

Utah Public Service Commission

Heber M. Wells Building

160 E 300 South

Salt Lake City, UT 84114

Email: psc@utah.gov

RE: Tarriff No. 1 for the Ticaboo Utility Improvement District ("TUID").

Commission,

Since our last rate change submission in 2017, TUID has gone through quite a few changes. In December of 2022 the district manager moved on to different opportunities and two board members resigned their seats on the board. In January Garfield County appointed Amy Golden and Alexa Wilson to join Michael Morlang, who had been serving a year on the board at that time.

The first task of the board was to arrange for the day-to-day management of the district, which culminated in a management contract with North Lake Powell (NLP), starting in April 2023. NLP is the company that runs the hotel and ancillary businesses in Ticaboo. This arrangement allowed NLP to attract an experienced director of energy resources and for TUID to piggyback on NLP recruitment effort for employees with different levels of expertise and pay, while reducing overall management costs.

Since April NLP has work with CAT technicians to perform deferred maintenance on TUID's generators, upgraded the property maintenance standards, created a simplified budget format that clearly communicates TUID's financial position, established a TUID office, upgraded TUID's record keeping, cleared up the faulty title on a TUID owned mobile home, assisted in the sale of

surplus assets, procured a needed small generator to replace the non-functional one and reduced overall management costs.

Nevertheless, we find that after all cost cutting measures and streamlining of operations, we cannot run the generators with diesel fuel prices above \$3/gallon and maintain a balanced budget. Therefore, we propose a fuel cost surcharge on each kWh sold by TUID for each month that the fuel price is above \$3/gallon. For each \$1 the fuel price is above the \$3 mark we propose a surcharge of 14 cents for each kWh used that month. It takes approximately 1 gallon of diesel fuel to produce 7 kWh, so 14 cents extra for each kWh recoups the additional \$1 per gallon, thus re-establishing a balanced budget.

It is worth noting that this balanced budget does not allow for the significantly past-due rebuilding of two of TUID's main generators. We are pursuing grant opportunities to cover that.

Enclosed with this letter you will find the following:

1. Current tariff
2. Redline version of the proposed tariff
3. Clean version of the proposed tariff
4. Signed copy of the resolution of the TUD Board adopting the new tariff adopted on February 15, 2024
5. Summary of approval and notification process

The TUID board has discussed the fuel surcharge in its meetings on November 29, 2023, December 13, 2023 and January 10, 2024 and held a public hearing on February 7 and formal adoption of the new surcharge on February 15, 2024. We are requesting your review in parallel with this process and hope you can acknowledge the proposed tariff.

You can get in touch with me for more information at 801-538-5177 or with John Motley, the district manager at 435-299-5208

Sincerely,

Alexa Wilson

Alexa Wilson
Board of Trustees TUID

Summary of approval and notification process

- 1) The date the notice of the public meeting on February 7, 2024 was mailed out with the December 2023 and January 2024, billing to all customers.
- 2) A public hearing was held on February 7, 2024
- 3) The board approved the proposed tariff on February 15, 2024
- 4) The ways and dates that the public and customers were notified of the changes:
 - a) All customers were notified of the proposed tariff in their December billing on January 3 and February 3, (on both months billing messages) 2024.
 - b) All customers with an email address on file received an email notice of the rate changes on November 9, 2023, and February 2, 2024.
 - c) A notice of Public Hearing on the fuel surcharge was published in the Garfield and Wayne County Insider (the local newspaper) twice on January 1 - 8, 2024 and January 9 - 15, 2024
 - d) The notice was published on the TUID website (www.ticaboouid.com)
 - e) The rate increase was presented at 3 public board meeting (November 29, 2023, December 13, 2023 and January 10, 2024) prior to the public hearing on February 7, 2024 and adoption on February 15, 2024 and the audio of those meeting posted on the Utah Public Notice site and the video on the TUID YouTube channel (<https://www.youtube.com/@TUID-TV>) immediately following the meetings.
 - f) Notices of the proposed tariff and the public hearing were posted in the TUID office in Ticaboo and by the mailboxes in town .
- 5) The new rates will go into effect on April 1, 2024