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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of Deseret Generation and Transmission Co-Operative, Bridger Valley Electric Association, Dixie-Escalante Rural Electric Association, Garkane Power Association, Moon Lake Electi-ic Association, and Mount Wheeler Power, Inc. for Authority to Issue Secemities Related to Installation of the Bonanza SCR	Docket No. 24-506-02 24-022-02 24-066-01 24-028-01 24-030-01 24-031-01
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**VERIFIED APPLICATION FOR AUTHORITY TO ISSUE SECURITIES
RELATED TO THE INSTALLATION OF THE
BONANZASCRPROJECT**

This Verified Application for Approval to Issue Securities (Bonanza SCR) is submitted by Deseret Generation & Transmission Co-operative ("Deseret"), Bridger Valley Electi-ic Association ("BVEA"), Dixie-Escalante Rural Electric Association ("Dixie"), Garkane Power Association ("Garkane"), Moon Lake Electi-ic Association ("MLEA"), and Mount Wheeler Power, Inc. ("MWP") (BVEA, Dixie, Garkane, MLEA, and MWP are refen-ed to collectively as the "Members" and Deseret, together with the Members are refen-ed to collectively as the "Applicants").

As set forth more fully below, Applicants hereby apply to the Commission pursuant to Utah Code Ann. § 54-4-31 for an Order approving and authorizing the issuance of securities in the form of the following: (i) a Loan Agreement (the "Bonanza SCR Agreement") between Deseret

and the National Rural Utilities Cooperative Finance Corporation (“CFC”) in substantially the form attached as Confidential Exhibit A; (ii) a Secured Promissory Note from Deseret to CFC in an amount not to exceed [REDACTED] in substantially the form attached as Confidential Exhibit B; and (iii) one or more Joint and Several Guaranty(ees) of Deseret’s payment obligations under the Bonanza SCR Agreement and related Promissory Note to be executed by each of the Distribution Members in substantially the form attached as Confidential Exhibit C.

Deseret anticipates and represents by sworn statement that this matter is expected to be unopposed and uncontested. Pursuant to R746-110-1, Utah Administrative Code (“Rules”), Deseret hereby requests Informal Adjudication of this Application. This Application is supported by the sworn statements in this Verified Application and true and correct copies of the documents attached hereto, which documents are sufficient to establish the facts pertinent to this Application.

Pursuant to R746-110-2 of the Rules, and for good cause shown, Deseret respectfully requests entry of a final Commission order approving the Loans as soon as practicable, and within 30 days if feasible, in order to meet CFC and project timing requirements. In light of its Board’s approval of the Loan at a duly noticed public meeting, Deseret further asks the Commission to determine that no additional public notice of this proceeding is required under R746-110-2 of the Rules.

In support of this Application, Deseret represents as follows:

Background

1. Deseret is a Utah not-for-profit corporation organized and operating as a wholesale electric generation and transmission cooperative. Deseret supplies and transmits electric power and energy for the benefit of its member-consumers and non-member contract

patrons. Much of the electric service provided by Deseret is transmitted for use in primarily rural, agricultural areas in the State of Utah and surrounding states.

2. Communications regarding this Application should be directed to:

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Jeff Peterson
Vice President & General Counsel
Deseret Power
10714 South Jordan Gateway
South Jordan, Utah 84095
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3. As a rural electric generation transmission cooperative, Deseret has no stock, shareholders, or Investors. It is governed by democratically selected directors elected from among its electric consumers. Deseret is regulated as a public utility by the relevant rate-making and administrative agencies under Utah and federal law.

Bonanza SCR Loan Agreement

4. Deseret has already, prior to this Application, filed an application for a Certificate of Public Convenience and Necessity (“CPCN”) for the acquisition and construction of the Bonanza SCR Project (“Project”). That CPCN application is pending before this Commission in Docket No. 24-506-01 (“CPCN Docket”).

5. Deseret and CFC have negotiated the terms of the Loan Agreement whereby CFC will provide the financial capital to Deseret to finance a portion of the cost for Deseret’s acquisition of the Bonanza SCR Project. The aggregate CFC loan commitment is in an amount not to exceed [REDACTED] and will be available to draw once the loan documents are signed, but no later than [REDACTED] to meet project timelines.

6. Under the terms of the Bonanza SCR Loan Agreement, Deseret will repay any draws under the Loan Agreement as follows:

[Redacted]

I [Redacted]

I [Redacted]

I [Redacted]

[Redacted]

[Redacted]

Public Interest

12. The Bonanza SCR Loan Agreement was negotiated and structured to avoid any adverse impact on the positions, rights, remedies, and risks of Deseret and/or Deseret's Members under Deseret's long-term debt restructuring and the debt recapitalization agreements, amendments, and arrangements between Deseret and CFC.

13. The representatives of all five Deseret Members on Deseret's Board of Trustees have actively participated in the development of, and the Board of Trustees has approved the terms of, the Bonanza SCR Loan Agreement.

14. The Member Guarantees have been or are in the process of being approved by each of the Members' governing boards.

15. Deseret has determined that the financing transaction will add an increased level of certainty and stability to Deseret's Bonanza Unit 1.

16. The Bonanza SCR Loan Agreements and related documents are for lawful objects within Deseret's proper corporate purposes, are compatible with the public interest, are necessary or appropriate for or consistent with proper performance by Deseret of its services as a public utility and will not impair Deseret's ability to provide or perform those services.

Requested Timing of Approval

17. Deseret requests expedited and informal consideration of this Application on the grounds that the terms and conditions of the Loan Agreement have previously been reviewed by and approved by Deseret's governing board which represents all five (5) of Deseret's members.

18. Deseret desires to access Advances under the Bonanza SCR Loan Agreement beginning as early as [REDACTED]. Accordingly, Deseret requests that a Report and Order be

issued no later than [REDACTED], in time for Deseret to draw on loan Advances for the Bonanza SCR Project.

19. Pursuant to R746-110-2, Deseret requests waiver by the Commission of the 20-day tentative period for good cause, as shown above.

Requested Action

Wherefore, Deseret requests the Commission:

A. Issue an order approving and authorizing the issuance of securities by Deseret in the form of the Bonanza SCR Loan Agreement to CFC for the purposes specified herein;

B. Enter an order as expeditiously as possible approving Deseret's Bonanza SCR Loan Agreement, Promissory Note, and Member Guarantees; and

C. Pursuant to Commission Rules R746-110 and R746-1-104(1)(a), and because the matter is anticipated to be unopposed and uncontested, handle the application request by Informal Adjudication.

DATED this 23rd day of May 2024.

Respectfully submitted



By:

Phillip J. Russell
JAMES DODGE RUSSELL & STEPHENS, P.C.

*Attorneys for Deseret Generation &
Transmission Co-Operative*

VERIFICATION

STATE OF UTAH)

:SS

COUNTY OF SALT LAKE)

The undersigned, Gregory Humphreys, being first duly sworn upon oath, deposes and states that he is the Chief Financial Officer of Deseret Generation & Transmission Co-operative, the Applicant in this proceeding, that he has read the foregoing Application and is familiar with the transactions referred to herein and the documents attached hereto, that the matter is anticipated to be unopposed and uncontested, and that, to the best of his knowledge, information and belief, the statements therein are all true and accurate.

Isl _____
Gr eys

Subscribed and sworn to before me this _____ day of May 2024.

[Seal]



Isl _____
Notary Public

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Verified Application was served by email this 23rd day of May, 2024, upon the following:

Division of Public Utilities:

Chris Parker	chrisparker@utah.gov
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Phillip J. Russell