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Attorney for Garkane Energy Cooperative, Inc.

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

Application of Garkane Energy Cooperative, Inc. to Amend its Certificated Service Area

Docket No. 25-028-04

VERIFIED APPLICATION TO AMEND CERTIFICATED SERVICE AREA

Applicant Garkane Energy Cooperative, Inc. ("Garkane") hereby applies to the Commission for a boundary change to its certificated service area. Garkane is a rural electrical cooperative that provides electric services at retail to its members/owners in the States of Utah and Arizona. Garkane is a cooperative member/owned utility subject to the jurisdiction of this Commission under the laws of the State of Utah.

Garkane's original Certificate of Public Convenience and Necessity ("Garkane CPCN") No. 1664, was granted April 29, 1976 and included a a legal description of Garkane's certificated service territory. The Garkane CPCN was subsequently amended in Docket No. 12-028-01 when the Commission issued its Order Amending Service Area on December 11, 2012. In the Order Amending Service Area, Garkane's certificated service area was expanded to enable Garkane to provide retail electric service to the Zion View Estates Subdivision on Cedar Mountain in Kane

² A copy of the Order Amending Service Area is attached hereto as Exhibit B.

¹ A copy of the Garkane CPCN is attached hereto as Exhibit A.

County, an area that had not previously been included in the service area of any public utility.³ In its application in Docket No. 12-028-01,⁴ Garkane supplied a proposed new legal description for its service territory, which the Commission adopted in its Order Amending Service Area.⁵ Garkane's service territory has not been amended since the order in Docket No. 12-028-01 and, as such, the current legal description is the one approved in that docket.

Garkane hereby requests that the Commission amend its current certificated service territory as set forth herein. Rocky Mountain Power ("RMP") is filing a corresponding application in conjunction with this filing in Docket No. 25-035-35.

Garkane provides retail electric service to Hildale City, Utah pursuant to a 30-year Franchise Agreement executed in 2009.⁶ Hildale City recently annexed an approximately 2,205 acre area adjacent to what had previously been its western boundary ("Annexed Area").⁷ The eastern half of the Annexed Area is within Garkane's certificated service area. The western half of the Annexed Area is within RMP's service area and, at the time of the annexation, RMP served irrigation customers in that portion of the Annexed Area. In connection with the annexation, Hildale City officials approached Garkane to request that it continue to serve all customers in Hildale City, including all customers in the Annexed Area. Garkane approached RMP about this matter and the parties subsequently entered into an Asset Purchase Agreement pursuant to which

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³ *See id.* at 2.

⁴ A copy of Garkane's Application in Docket No. 12-028-01 is attached as Exhibit C.

⁵ See Exhibit B at 3 ("The approved Legal Description of Service Area is 'Attachment 2' to Garkane's application."). This approved Legal Description is also set forth by itself in Exhibit G hereto.

⁶ A copy of the Franchise Agreement is attached as Exhibit D. Garkane provided retail electric service in Hildale City until 1994, when Hildale City purchased the Garkane distribution network and operated its own municipal electric utility until 2009, when Garkane purchased the distribution facilities and resumed service pursuant to the Franchise Agreement. *See* Docket Nos. 09-028-01 & -03.

⁷ Documents depicting the annexed area are attached as Exhibit E.

RMP sold its distribution assets providing service to customers in the western half of the Annexed Area to Garkane.⁸ Garkane has paid to RMP the full costs associated with the transfer of assets at issue in the Asset Purchase Agreement.

This Application requests that the Commission amend Garkane's certificated service territory to include the western portions of the Annexed Area. A legal description of Garkane's current certificated service area is attached hereto as Exhibit G. Exhibit H identifies the revised legal description for which Garkane seeks approval in this docket, including a redline showing the modifications to the existing legal description and a clean version that incorporates the proposed modification.

The amendment requested herein is necessary to align Garkane's certificated service area with its Franchise Agreement to serve within the municipal boundaries of Hildale City. RMP does not object to the amendment. The amendment is in the public interest and adoption of the new legal description for Garkane's service territory as set forth in Exhibit H is just and reasonable in result.

Informal Adjudication

Garkane Energy anticipates and represents that this matter is expected to be unopposed and uncontested. Pursuant to Rule R746-110-1 of the Utah Administrative Code, Garkane Energy 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. Pursuant to R746-110-2, and for good cause shown, Garkane Energy respectfully requests entry of a final Commission order approving the amendment.

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⁸ A copy of the Asset Purchase Agreement between RMP and Garkane is attached as Exhibit F.

Conclusion

Based on the foregoing, Garkane respectfully requests that the Commission adjudicate this matter informally and approve the amendment to Garkane's certificated service area described herein.

DATED this 22nd day of May 2025.

Respectfully submitted,

By: Phillip J. Russell

JAMES DODGE RUSSELL & STEPHENS, P.C.

Prince Dursell

Attorney for Garkane Energy Cooperative, Inc

VERIFICATION

STATE OF UTAH)
	:SS
COUNTY OF Kane)

The undersigned, Gerrys, HoyT, being first duly sworn upon oath, deposes and states that he is the Society concerns Mayof Garkane Energy Cooperative, Inc., 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, and that, to the best of his knowledge, information and belief, the statements therein are all true and accurate.

1st Day 2. 74/

Subscribed and sworn to before me this 20th day of ______ 2025.

[Seal]



/s Junion James Notary Public

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Application was served by email this 22nd day of May 2025 upon the following:

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/s/ Phillip J. Russell