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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Rulemaking for Complete Filings for Rate Case and Major Plant Addition Applications.

COMMENTS OF THE UTAH INDUSTRIAL ENERGY CONSUMERS TO PROPOSED RULE r746-700

DAR File No. 32866
State Admin. Rule Filing Key 148738
PSC Docket No. 09-999-08

The intervention group identified in this docket as the Utah Industrial Energy Consumers (“UIEC”), through its counsel, and pursuant to a provision at Utah Code Ann. § 63G-3-301 (11), and Utah Administrative Code R746-100-14, hereby submit the following comments to proposed Rule on Complete Filings for General Rate Case and Major Plant Addition Applications (“Rule”).

The UIEC submitted preliminary comments in this matter during the period of time that the Public Service Commission (“PSC”) or (“Commission”) was developing the Rule. The UIEC appreciate the opportunity to have made such comments and commends the Commission for having solicited and considered the comments of interested parties. These comments on the

proposed Rule incorporate some of the UIEC's preliminary comments, but focus specifically on the following two provisions in the proposed Rule.

R746-700-21. This section of the Rule requires the applicant to file cost of service and rate design information with a general rate case application. It states that the applicant must file "a Utah Class Cost of Service Study *based on the test period* with supporting documentation including the development of allocation factors." R746-700-21(A) (emphasis added). The language is ambiguous, however, as it relates to the "test period" on which the cost of service study must be based. Proposed Rule 746-700-10 requires that an applicant using a future test period must file information relating to adjustments of that test period and, in addition, must file the same information "for the 12-month period ending on the last day of June or December, whichever is closest, following the filing date of the application if this alternative period does not have an end date beyond the test date used in the general rate case application." R746-700-10(A)(2). Even though the Rule provides that the utility must file an alternative test period, R746-700-21 requires only a Utah Class Cost of Service Study based on "the test period."

The Rule should require that, if a utility is required to file an alternate test period, a cost of service study must be submitted for both the utility's preferred period and the alternative test period. The UIEC suggests that Rule 746-700-21(A) be revised to read as follows:

1. Utah Class Cost of Service Studies based on the test period used in the application and upon any alternative test period for which information must be filed pursuant to R746-700-10(A)(2), along with supporting documentation including the development of allocation factors.

Unless cost of service studies for both the preferred test year and the alternative test year are filed, the Commission and the parties will not be able to evaluate and compare effect of using one test period instead of the other.

Comment on R746-700-721. The UIEC also recommend that the Commission consider again the UIEC's preliminary comment that the utility should be required to file tariff sheets showing changes in the rates and charges resulting from the utility's application. Under the current version of proposed R746-700-721(D), the applicant is required to file proposed tariff sheets for all tariff provisions for which it proposes changes, except that the applicant "need not include proposed tariff sheets for changes to tariff pages showing rates, charges or fees, if these proposed changes are provided in a readily identifiable form elsewhere in the application." R746-700-21(D).

The provision at Utah Code Ann. § 54-7-12 provides that a utility proposing to increase rates "shall file appropriate schedules with the Commission setting forth the proposed rate increase or decrease." It is commonly understood that these schedules are the statement of rates and charges contained in the tariff sheets. By requiring the proposed change in rates and charges to be filed in the "appropriate schedules," the statute ensures that customers of the utility can readily ascertain the impact of the proposed rate increase on their rates and charges.

The Rule seems to circumvent the statute to the extent it does not require the changes to the rates and charges to be submitted in a tariff sheet. Although the proposed Rule requires that they must be set out "in a readily identifiable form," there is no guarantee that what is "readily identifiable" to the utility would be identifiable by its customers. In light of the intention of section 54-7-12, the very short time the parties have to protest the completeness of the filing, and

the relative burden on the utility and its customers, the UIEC recommend that the Commission require the utility to set forth the price changes in the form of tariff sheets when filing its application.

Mandatory Two-Year Review. Finally, the UIEC reiterate their recommendation that the Commission add a provision requiring mandatory review of these rules two years after the Rule becomes effective. Because the rule is new, it may not be safe to presume that all of the relevant information required in a rate case filing has been enumerated in the rule. A mandatory two-year review of the rule would help to ensure that the new rule does not result in a less “complete” filing than a utility was required to make before the rule was promulgated.

DATED this 15th day of September, 2009.

/s/ William J. Evans

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CERTIFICATE OF SERVICE

I hereby certify that on this _15th____ day of September 2009, I caused to be e-mailed, a true and correct copy of the foregoing **COMMENTS OF THE UTAH INDUSTRIAL ENERGY**

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