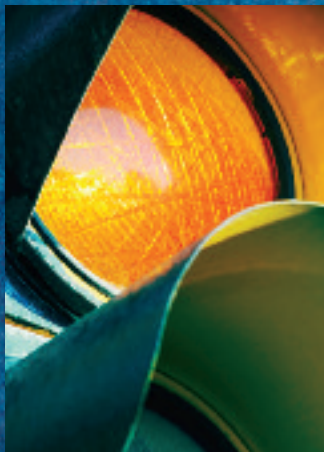


PUBLIC SERVICE COMMISSION OF UTAH

2009 Annual Report

for the period July 1, 2008, through June 30, 2009

Electricity Natural Gas Telecommunications Water
Water Electricity Natural Gas Telecommunications
Telecommunications Water Electricity Natural Gas
Natural Gas Telecommunications Water Electricity
Electricity Natural Gas Telecommunications Water
Water Electricity Natural Gas Telecommunications



Water
Telecommunications

Natural Gas
Electricity

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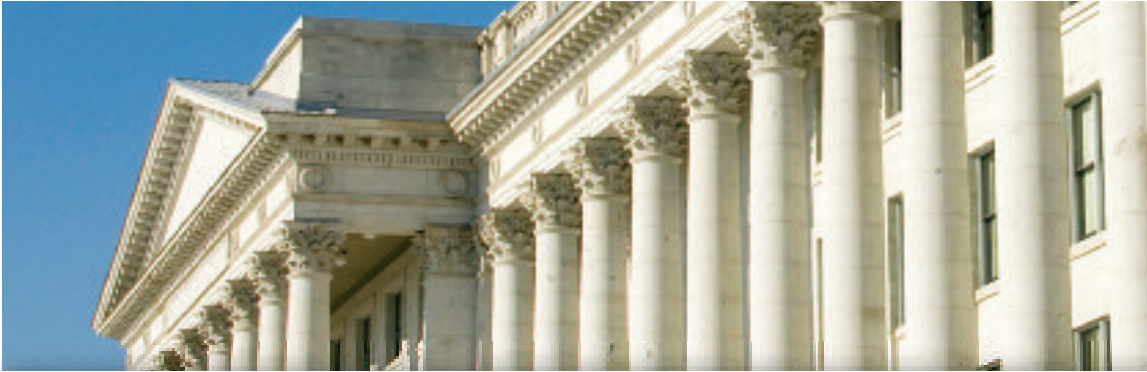
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State of Utah

GARY HERBERT,
Governor

GREG BELL
Lieutenant Governor

Public Service Commission

TED BOYER
Chairman

RIC CAMPBELL
Commissioner

RON ALLEN
Commissioner

November 15, 2009

Honorable Gary Herbert
Governor, State of Utah
Honorable Members of the Senate
Honorable Members of the House of Representatives

It is a pleasure to present you the Annual Report for fiscal year 2009 of the Public Service Commission of Utah. This report has been prepared in accordance with Utah Code § 54-1-10, which requires the Commission submit to you a report of its activities during the fiscal year ending June 30, 2009.

This annual report highlights the issues and activities the Commission has focused on during the year.

We look forward to your continued support as we serve the citizens of Utah.

Respectfully submitted,

Ted Boyer, Commission Chairman

Ric Campbell, Commissioner

Ron Allen, Commissioner

Herbert M Wells Building, 160 East 300 South, Box 45585, Salt Lake City, UT 84145-0585
telephone (801) 530-6716 • facsimile (801) 530-6796 • www.psc.state.ut.us



P S C PUBLIC SERVICE COMMISSION

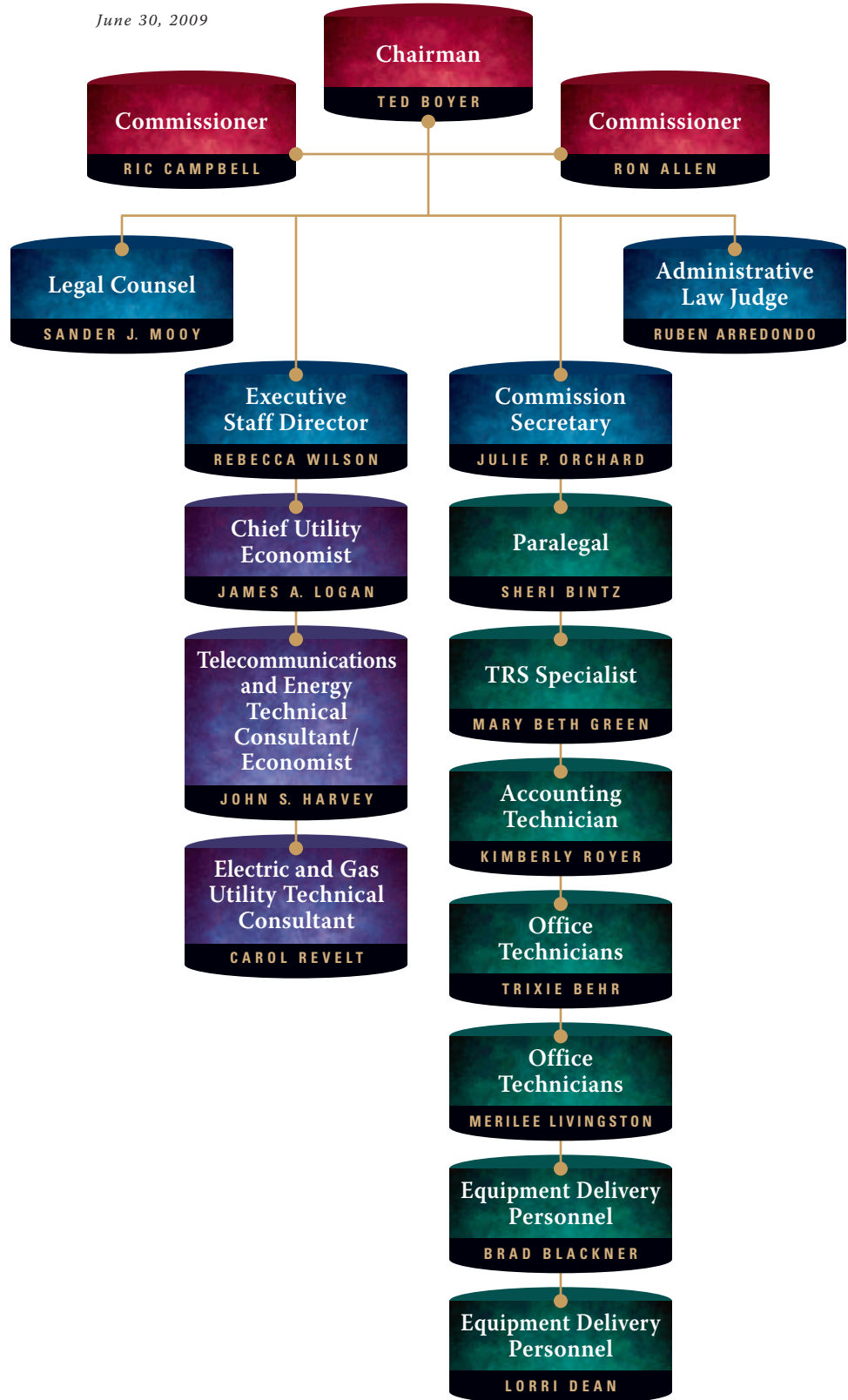
Personnel

June 30, 2009

- Chairman
Ted Boyer
- Commissioner
Ric Campbell
- Commissioner
Ron Allen
- Commission Secretary
Julie P. Orchard
- Executive Staff Director
Rebecca Wilson
- Legal Counsel
Sander J. Mooy
- Administrative Law Judge
Ruben Arredondo
- Chief Utility Economist
James A. Logan
- Telecommunications and Energy Technical Consultant/Economist
John S. Harvey
- Electric and Gas Utility Technical Consultant
Carol Revelt
- Paralegal
Sheri Bintz
- TRS Specialist
Mary Beth Green
- Accounting Technician
Kimberly Royer
- Office Technician
Trixie Behr
- Office Technician
Merilee Livingston
- Equipment Delivery Personnel
Brad Blackner
- Equipment Delivery Personnel
Lorri Dean

Organization Chart

June 30, 2009



COMMISSIONERS

2 0 0 9



Commission Chair
Ted Boyer

Original Term:
June 20, 2003 - March 1, 2009
Reappointed:
March 27, 2009

Ted Boyer was appointed as a commissioner of the Public Service Commission on June 20, 2003 and as Chair on May 2, 2007.

Commissioner Boyer is a member of the National Association of Regulatory Utility Commissioners (NARUC) and serves on the Energy, Resources and the Environment Committee and International Committee, the Regional Oversight Committee, the Utah Privatization Policy Board, the Utah Telecommunications Advisory Council, the Steering Committee of the Western Renewable Energy Zones Project of the Western Governor's Association, a member of the Advisory Council for the Center for Public Utilities at New Mexico State University, a member of the Utility Facility Review Board, a member of the Public Interest Advisory Committee of the Gas Technology Institute, and is a past president of the Western Conference of Public Service Commissioners.

Prior to his appointment, Commissioner Boyer served as Executive Director of the Utah Department of Commerce and before that as Director of the Utah Real Estate Division. After receiving his BS and MS degrees from Brigham Young University, he earned his J. D. from the University of Utah and practiced law in Salt Lake City for over 20 years. He has also worked in the steel industry, row-crop farming and taught at Murray State University.



Commissioner
Ric Campbell

Original Term:
June 20, 2003 - March 1, 2009
Reappointed:
March 1, 2007 - March 1, 2013

Ric Campbell was appointed to the Public Service Commission on March 1, 2001, and was reappointed on March 1, 2007, for an additional six year term.

Ric Campbell is a member of the National Association of Regulatory Utility Commissioners (NARUC) and serves on the Committee on Electricity as well as on the board of Directors. He also serves on the board of Directors of the Western Electricity Coordinating Council.

Prior to his appointment, he was the director of the Utah Division of Public Utilities. While at the Division, Ric also served as a member of the Utah Telecommunications Advisory Council and on the Utah Rural Telecommunications Task Force.

Before joining the Division, Ric was the Executive Director of the Utah Health Policy Commission. Prior to Ric's public service in state government, he worked for Shell Oil Company. Ric has a B.S. degree in Accounting from Brigham Young University and a M.S. degree in Economics from the University of Utah.



Commissioner
Ron Allen

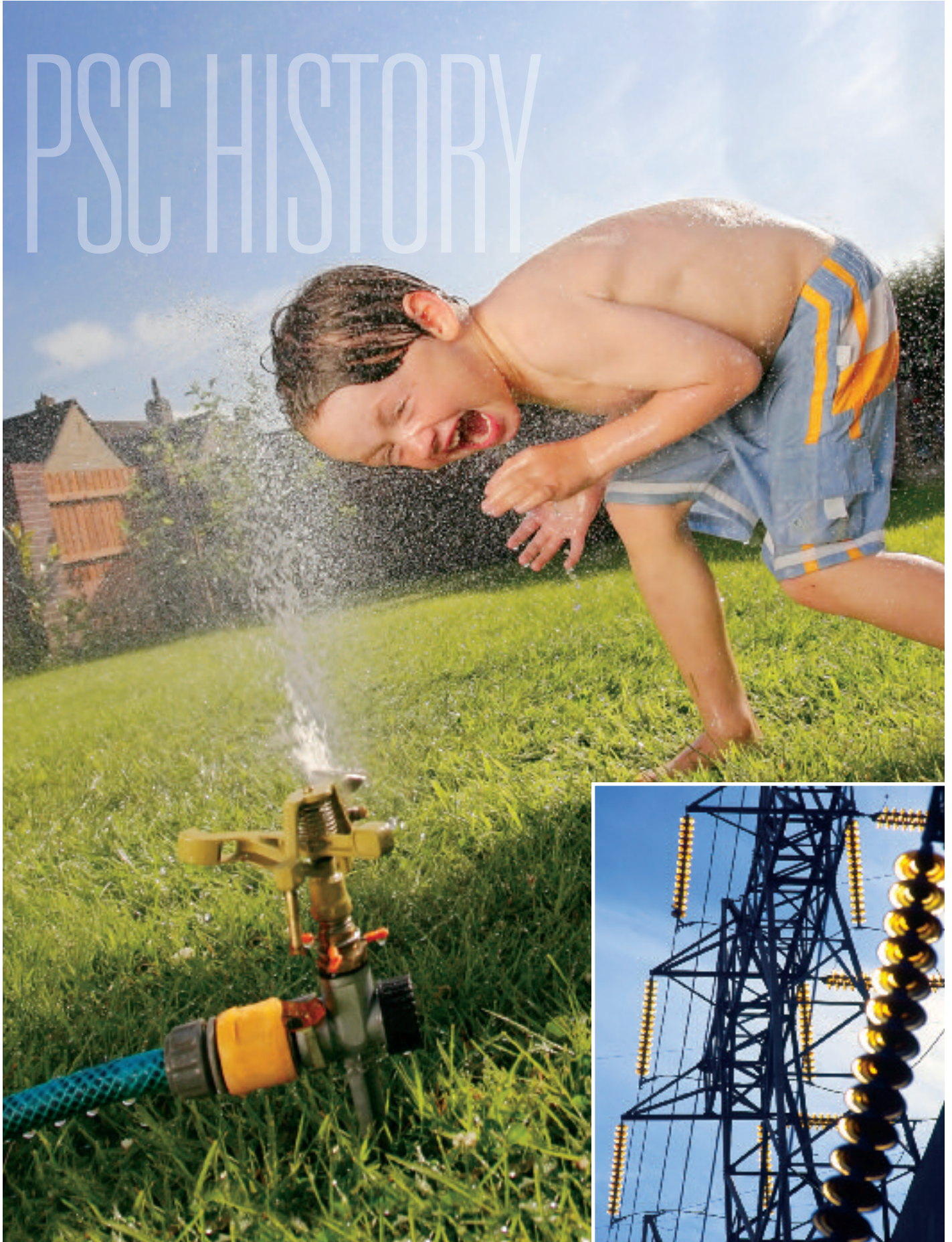
Original Term:
March 18, 2005 - March 1, 2011

Ron Allen was appointed to his first term as a Commissioner of the Utah Public Service Commission by Governor Jon M. Huntsman on March 18, 2005. His term expires March 1, 2011.

Prior to his appointment he served as a Utah State Senator representing Magna, West Valley and Stansbury Park. While in the Utah senate he served as Minority Whip and on the Executive Appropriations and Executive Management Committees. Ron also served on the Utah Tax Review Commission and on the Privatization Review Board. In addition, he served on the Energy and Electric Utilities Committee for the National Conference of State Legislatures. Ron currently serves on the Gas Committee with the National Association of Regulatory Commissioners.

Ron is formerly a self-employed business and technology consultant and has owned and operated several Utah businesses, making the list of Utah's 100 fastest growing firms several times. Ron has a B.S. degree in Accounting and an M.A. degree in Art History from the University of Utah.

PSC HISTORY



Origins on the Public Service Commission of Utah

Since its origin in the Public Utilities Act of 1917, the Commission has served the citizens of Utah through technical and economic regulation of the state’s public utility companies. These privately owned but government-regulated companies provide the telecommunications, electricity, natural gas, water, and sewerage systems through which important services are delivered to Utah households and businesses.

Utility systems are key structural elements of Utah’s economy. Collectively, all such structural elements, whether provided by public authorities or regulated private companies, are known as “infrastructure.” Roads, railways and other modes of transportation, and communications and other network-based services like electricity, natural gas and water, facilitate the flow of goods and services between buyers and sellers, making this infrastructure a prerequisite for economic growth.

Utility companies are certificated monopolies. With recent exceptions primarily in the telecommunications industry, each utility is the sole provider of utility service in

a designated geographic area of the State called “certificated service territory.”

Because there is no competition, federal and state law obligates the Commission to promote and protect the public interest by ensuring that public utility service is adequate in quality and reliability, and is available to everyone at just and reasonable prices. This is the Commission’s goal. The prices, terms and conditions of utility service affect the quality of the State’s infrastructure.

Organization of the Regulatory Function in Utah Today

Since 1983, when the legislature last reorganized Utah’s public utility regulatory function, the Commission has been an independent entity with a small clerical, legal, and technical advisory staff. The Office of the Commission consists of a three-member commission, each commissioner appointed by the Governor to a six-year term; an administrative secretary and clerical staff; an executive staff director and technical staff; a legal counsel and paralegal staff; and an administrative law judge. Currently the Commission employs 17 persons.

The Division of Public Utilities, within the Utah Department of Commerce, performs public utility audits and investigations, helps resolve customer complaints, and enforces Commission Orders. Since the 1983 reorganization, the Division has been empowered to represent an impartially determined, broad public interest before the Commission. The Division employs a Director and a clerical and technical staff of approximately 30 people and

Federal and state law obligates the Commission to promote and protect the public interest by ensuring that public utility service is adequate in quality and reliability, and is available to everyone at just and reasonable prices.

PSC Commissioners

<i>Yrs. of Service</i>	<i>Name</i>	<i>Home Town</i>
1917-21	Henry H. Blood	Kaysville
1917-23	Joshua Greenwood	Nephi
1917-25	Warren Stoutner	Salt Lake City
1921-23	Abbot R. Heywood	Ogden
1923-37	Elmer E. Corfman	Salt Lake City
1923-37	Thomas E. McKay	Huntsville
1925-33	George F. McGonagle	Salt Lake City
1933-35	Thomas H. Humphreys	Logan
1935-37	Joseph S. Snow	St. George
1937-41	Ward C. Holbrook	Clearfield
1937-41	Otto A. Wiesley	Salt Lake City
1937-40	Walter K. Granger	Cedar City
1941-43	George S. Ballif	Provo
1941-49	Oscar W. Carlson	Salt Lake City
1941-51	Donald Hacking	Price
1943-52	W. R. McEntire	Huntsville
1949-73	Hal S. Bennett	Salt Lake City
1951-56	Stewart M. Hanson	Salt Lake City
1952-72	Donald Hacking	Price
1956-57	Rue L. Clegg	Salt Lake City
1957-63	Jesse R. Budge	Salt Lake City
1963-65	Raymond W. Gee	Salt Lake City
1965-67	D. Frank Wilkins	Salt Lake City
1967-69	Donald T. Adams	Monticello
1969-72	John T. Vernieu	Richfield
1972-75	Eugene S. Lambert	Salt Lake City
1972-76	Frank S. Warner	Ogden
1973-79	Olof E. Zundel	Brigham City
1975-76	James N. Kimball	Salt Lake City
1976-77	Joseph C. Folley	Ogden
1976-82	Milly O. Bernard	Salt Lake City
1977-80	Kenneth Rigtrup	Salt Lake City
1979-85	David R. Irvine	Bountiful
1980-89	Brent H. Cameron	Salt Lake City
1982-95	James M. Byrne	Salt Lake City
1985-92	Brian T. Stewart	Farmington
1989-91	Stephen F. Mecham	Salt Lake City
1991-92	Stephen C. Hewlett*	Salt Lake City
1992-95	Stephen C. Hewlett	Salt Lake City
1992-2003	Stephen F. Mecham	Salt Lake City
1995-2005	Constance B. White	Salt Lake City
1995-2001	Clark D. Jones	Salt Lake City
2001-Present	Richard M. Campbell	Riverton
2003-Present	Theodore Boyer	Salt Lake City
2005-Present	Ronald Allen	West Valley City

*Commissioner Pro Tempore

Appointment Dates of Commissioners

● Appointment Years
 D — Democrat R — Republican I — Independent

<i>Year</i>	<i>Commissioner 1</i>	<i>Commissioner 2</i>	<i>Commissioner 3</i>
1973	● Bennett - R (49-73) Zundel - R (73-79)	Warner - D (72-76)	Lambert - D (72-75)
1974			
1975		●	Kimball - D (75-76)
1976		Bernard - D (76-82)	Folley - D (76-77)
1977			● Rigtrup - I (77-80)
1978			
1979	● Irvine - R (79-85)		
1980			Cameron - D (80-89)
1981		●	
1982		Byrne - D (82-95)	
1983			●
1984			
1985	● Stewart - R (85-92)		
1986			
1987		●	
1988			
1989			● Mecham - R (89-91)
1990			
1991	●		Hewlett - R (91-95)
1992	Mecham - R (92-03)		
1993		●	
1994			
1995		White - I (95-05)	● Jones - R (95-01)
1996			
1997	●		
1998			
1999		●	
2000			
2001			● Campbell - R (01-)
2002			
2003	● Boyer - R (03-)		
2004			
2005		● Allen - D (05-)	
2006			
2007			●
2008			
2009	●		
2010			
2011		●	
2012			
2013			●

receives legal assistance from the Office of the Attorney General. Also functioning within the Department of Commerce is the Office of Consumer Services (formerly the Committee of Consumer Services), the state agency advocate before the Commission for the interests of residential, small commercial and agricultural customers. The Office, established by the legislature in 1977, consists of six citizens appointed by the Governor. It employs a director and a five-member clerical and technical staff including legal assistance provided by the Office of the Attorney General.



In cases where tens of millions of dollars may be at stake, or important issues of regulatory policy arise, a number of other interveners, representing interests as diverse as low-income customers, environmental groups, and large industrial customers, may also participate. They too will employ expert witnesses and attorneys. They will want to be involved because regulatory decisions distribute outcomes as gains or losses to

particular parties. Cases raise issues of law, economics, accounting, finance, engineering, and service quality.

Reaching decisions, which balance the often-competing interests of concerned parties, in pursuit of outcomes, which protect and promote the overall public interest, is the Commission's task. These decisions, reviewed by the Utah Supreme Court, must be drawn directly from the evidentiary record created in open public hearings or filed on the public record.

During fiscal year 2009, 328 cases were open and docketed and 205 orders were sent out. Of these, 56 were resolved by written Commission order, following hearing and deliberation on the evidentiary record. Many of the remaining cases were handled informally. The more important cases, whether for regulatory policy or financial implications, are highlighted in the following discussions of electricity, natural gas, telecommunications, and water. In Fiscal Year 2009 the Public Service Commission regulated 162 utility companies to include gas, electric, telephone, water, sewer, and railways with gross intrastate revenues of \$ 3.1 billion.

How the Commission Works

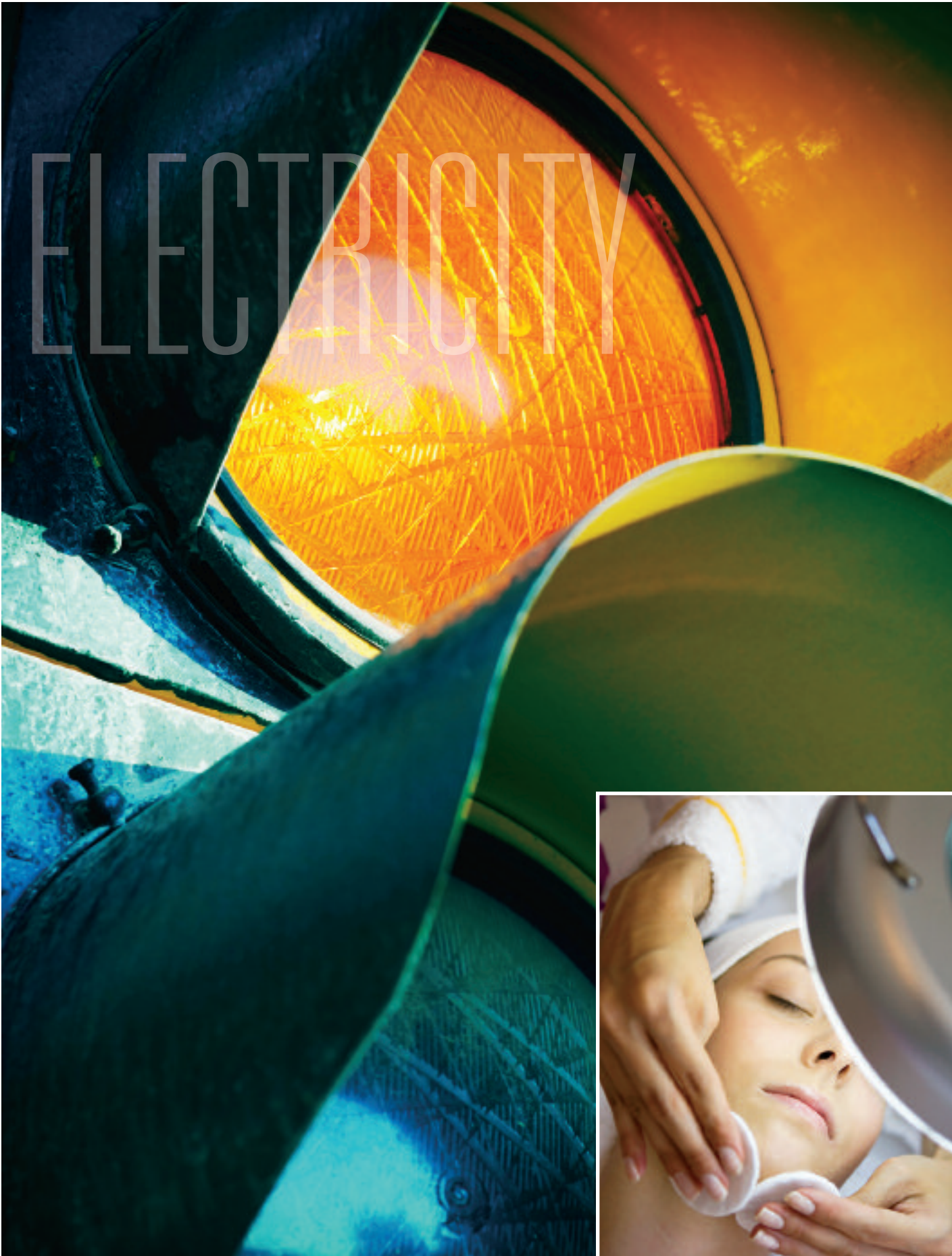
As a regulatory decision making body, the Commission exercises a delegated legislative power. Each regulatory decision is reached quasi-judicially — that is to say, the decision must be based on evidence of record gathered in open public hearings in docketed proceedings. All dockets are closely scheduled, but the due process rights of parties, carefully observed by the Commission, mainly govern their timing.

In the course of a hearing, parties participating may include the subject public utility, the Division of Public Utilities, and the Office of Consumer Services. Parties present the sworn testimony and evidence of expert witnesses on matters at issue and witnesses are cross-examined by the attorneys assisting each party.

PSC Secretaries

<i>Yrs. of Service</i>	<i>Name</i>	<i>Home Town</i>	<i>Yrs. of Service</i>	<i>Name</i>	<i>Home Town</i>
1917–23	Thomas E. Banning	Salt Lake City	1959–60	Frank A. Yeamans	Salt Lake City
1923–35	Frank L. Ostler	Salt Lake City	1960–70	C.R. Openshaw, Jr.	Salt Lake City
1935–36	Theodore E. Thain	Logan	1970–71	Maurice P. Greffoz*	Salt Lake City
1936–38	Wendell D. Larson	Salt Lake City	1971–72	Eugene S. Lambert	Salt Lake City
1938–40	J. Allan Crockett	Salt Lake City	1972–77	Ronald E. Casper	Salt Lake City
1941–43	Charles A. Esser	Salt Lake City	1977–79	Victor N. Gibb	Orem
1943–44	Theodore E. Thain	Logan	1979–81	David L. Stott	Salt Lake City
1945–48	Royal Whitlock	Gunnison	1981–83	Jean Mowrey	Salt Lake City
1949–49	C.J. Stringham	Salt Lake City	1983–86	Georgia Peterson	Salt Lake City
1949–56	Frank A. Yeamans	Salt Lake City	1986–91	Stephen C. Hewlett	Salt Lake City
1956–59	C.R. Openshaw, Jr.	Salt Lake City	1991–Present	Julie Orchard	Bountiful

*Acting Secretary



Overview of Electric Utilities

The principal electric utility regulated by the Commission is PacifiCorp, an investor-owned utility serving approximately 810,000 residential, commercial and industrial customers in Utah and doing business in the state as Rocky Mountain Power. PacifiCorp also serves retail customers in five other western states and wholesale customers throughout the west. PacifiCorp provides approximately 80 percent of the electricity to Utah homes and businesses. Other Utah customers are served either by municipal utilities, which are not regulated by the Commission, or by rural electric cooperatives, which are subject to minimal state regulation. Thus, most of the Commission's work in the electric industry arises from regulation of PacifiCorp.

Rate Changes

Under Utah Code 54-4-4, the Commission is responsible for determining just and reasonable rates for PacifiCorp. During fiscal year 2009 the Commission was involved in several cases filed by PacifiCorp to increase rates.

In October 2008, as part of PacifiCorp's 2007 General Rate Case, the Commission approved a \$36.16 million dollar increase in annual revenue requirement for PacifiCorp based on a forecasted 2008 test period and an allowed rate of return on equity of 10.25 percent. Shortly thereafter the Commission approved a stipulated agreement by the parties resulting in a uniform 2.72 percent increase for all customer classes.

In July 2008 PacifiCorp filed an application requesting

approval to increase revenues by \$160.6 million. Subsequent to the Commission's test period determination and the final outcome of PacifiCorp's 2007 General Rate Case, parties reached stipulated agreements on capital structure and return on equity, revenue requirement, the allocation of rates among the various customer classes, and rate design which the Commission approved. These stipulations resulted in an increase in PacifiCorp's annual revenue requirement by \$45.0 million, or 3.34 percent, effective on May 8, 2009, based on an allowed rate of return on equity of 10.61 percent.

In April 2009 PacifiCorp filed a Notice of Intent to File General Rate Case and Request for Approval of Test Period. The test period in this case was agreed to by parties as represented in a stipulation which the Commission approved on June 1, 2009. In June 2009 PacifiCorp filed an application requesting approval of an increase in its retail electric utility service rates in Utah by \$66.9 million, effective February 18, 2010. This case is currently underway and hearings addressing the amount of the rate increase are scheduled for December 2009.

Most of the Commission's work in the electric industry arises from regulation of PacifiCorp, the provider of 80 percent of the electricity to Utah homes and business.

Large Electric Power Plant Procurement

The Commission implements state law, specifically Utah Code 54-17 "Energy Resource Procurement Act," governing the procurement and approval of the purchase of PacifiCorp's

large electric generating plants, otherwise known as significant energy resources. During the past year PacifiCorp has been engaged in several activities pertaining to new resource acquisitions.

In April 2008, under the provisions of Utah Code 54-17 “Waiver of Energy Resource Procurement Requirements,” PacifiCorp filed a request for waiver of the solicitation process required for a significant energy resource and for approval to acquire a recently constructed approximately 500 megawatt natural-gas fired generating station located in Chehalis, Washington. The Commission approved PacifiCorp’s request for waiver in August 2008 and the plant purchase was finalized shortly thereafter.

Pursuant to the results of PacifiCorp’s Commission-approved solicitation for a flexible base load resource, in December 2008 PacifiCorp requested Commission approval of a significant energy resource decision to construct a 607 megawatt combined cycle combustion turbine at the existing Lakeside power plant located in Utah County. In February 2009, however, due to the global economic downturn and the resulting reduction of customer loads, reduction in price of commodities, potential reduction of future construction costs and other changes in economic and market conditions, PacifiCorp decided to further explore resource alternatives and delivered a formal written termination notice to the selected contractor. At the request of several parties, the Commission required PacifiCorp to file all data, information, analyses and all supporting documentation used in its decision to terminate the Agreement.

In September 2008 the Commission approved PacifiCorp’s 2008 All-Source Request for Proposal (RFP). However, again due to the dramatic global economic downturn and the resulting reduction of customer loads, reduction in price of commodities, potential reduction of future construction costs and other changes in economic and market conditions, in early 2009 PacifiCorp determined it was not in the best interests of its customers to continue with the All Source RFP and in February 2009 requested Commission approval to suspend the All Source RFP. In April 2009 the Commission approved with conditions PacifiCorp’s request.



Planning for Least Cost and Reliable Power Supply

The Commission requires PacifiCorp to file an integrated resource plan (“IRP”) describing how it will meet future electric power needs in its six-state service territory. In May 2009 PacifiCorp filed its 2008 IRP which concluded that additional supply is needed in order to meet PacifiCorp’s projected average annual

system energy growth rate of 2.1 percent and Utah energy growth of 2.5 percent through 2018.

To meet this need on a system-wide basis, PacifiCorp proposes a mix of resources to provide a least cost portfolio of supply considering operational and reliability constraints, projected energy prices and known or potential changes to environmental regulatory policy. Specifically, through 2018, PacifiCorp proposes to acquire or achieve 831 megawatts of natural gas-fired resources, 1,313 megawatts of wind or other renewable resources, 35 megawatts of geothermal resources, 170 megawatts resulting from thermal generation upgrades, 75 megawatts resulting from hydro generation upgrades, 46 megawatts from combined heat and power sources, 205 megawatts from Utah’s successful “Cool Keeper” program, up to 120 megawatts from other load management DSM programs, 904 megawatts from energy efficiency programs, 50 megawatts from distributed standby generation, and 50 to 1,382 megawatts of annual unspecified market purchases. These amounts are in addition to PacifiCorp’s currently underway transmission expansion program. The Commission solicited comments on the 2008 IRP to which numerous parties responded and which are currently under consideration by the Commission.

Renewable Energy Acquisition and Net Metering

In line with the carbon emissions reduction requirements specified in Utah Code 54-17, PacifiCorp has been actively pursuing the acquisition of renewable energy resources. As of 2008 PacifiCorp acquired approximately 1,109 megawatts of wind capacity through self-owned wind resources (794 megawatts) or wind power purchase agreements (415 megawatts) with an additional 263 megawatts planned through 2010.

In October 2008 PacifiCorp issued its RFP 2008R-1 for up to 100 megawatts of renewable resources in 2009, up to 300 megawatts in 2010, and up to 200 megawatts of renewable resources in 2011. As required by Utah Code 54-17-502, the Commission engaged a consultant to monitor the RFP and associated bidder evaluations and contract negotiations. Final bidder selection and contract negotiations for the 2008R-1 RFP are anticipated to be complete in August 2009. In April 2009, PacifiCorp notified the Commission it would be issuing another RFP for renewable resources in the second quarter of 2009.

In 2008 the Commission undertook an evaluation of Rocky Mountain Power's Schedule No. 135, "Net Metering Service" to identify barriers to the implementation of net metering. As a result of this evaluation and input received from parties, the Commission set Rocky Mountain Power's cap for net metering cumulative generating capacity at 20 percent of 2007 peak demand and determined Rocky Mountain Power's residential/small commercial net metering customers will be credited for net excess generation based on a kilowatt-hour credit method and its other commercial and industrial net metering customers will be credited for net excess generation based on either an avoided cost or average energy price calculation. In addition, the Commission determined net metering customers will be subject to the minimum bill provision and renewable energy certificates are owned by the net metering customer or as otherwise agreed to or designated by the net metering customer.

Transmission Expansion — Certificates of Convenience and Necessity

Pursuant to Utah Code 54-4-25, prior to construction or operation of a transmission line, an electric corporation must obtain from the Commission a certificate that present or future public convenience and necessity does or will require construction. During the 2009 fiscal year the Commission issued two certificates of public convenience and necessity ("certificate") for electrical transmission projects in Utah and was informed of a pending third project. The Commission does not have direct authority over transmission siting.

In October 2008, the Commission granted the request of



Milford Wind Corridor Phase I, LLC and Milford Wind Corridor Phase II, LLC for a Certificate for the Milford Wind project transmission line. This project consists of an approximately 90-mile 345kV line and associated facilities required to transport electricity from the Milford Wind project wind farm to the point of interconnection at the Intermountain Power Project.

In September 2008, the Commission granted PacifiCorp's request for a Certificate to construct a new 345 kV transmission line between its existing Terminal Substation, located southwest of the Salt Lake International Airport, and a new 345 kV substation, named the Populus Substation, to be located at Downey, Idaho. Construction of this transmission line commenced in 2009 and the line is estimated to be in service by December 2010.

In June 2009, PacifiCorp filed with the Commission a letter of intent to file a formal application for a certificate of public convenience and necessity authorizing the construction of a 500 kV transmission line, known as the Mona - Oquirrh Transmission Line, located in Juab, Utah, Tooele, and Salt Lake Counties.

In addition, the Commission and PacifiCorp are actively involved in transmission planning activities through the Western Electric Coordinating Council and participation in the Northern Tier Transmission Group.

Electric Energy Conservation

A Commission-approved energy efficiency program surcharge of approximately 2 to 3 percent is applied to the bills of Rocky Mountain Power's Utah customers. The revenues collected are used to implement Commission-approved demand-side management (DSM) programs. Annually, approximately \$25 to \$30 million is generated by the surcharge to cover expenditures for the approximately 15 energy efficiency and demand side management programs offered by Rocky Mountain Power. These funds are used to improve energy efficiency in new buildings and existing buildings, encourage the purchase of energy-efficient appliances and for the direct control of air conditioners and irrigation systems. During 2008, approximately 102 megawatts of power and over 190,000 megawatt hours of energy were offset through these programs.

One energy efficiency program, Schedule No. 111 Home Energy Savings Incentive Program, posed a significant challenge to Rocky Mountain Power in early 2009, resulting from changes which occurred within the Utah insulation market. Not only did the cost to customers to install insulation decline due to both market forces and the availability of insulation rebates from both Questar and Rocky Mountain Power, but simultaneously additional contractors entered the market (many from the depressed construction industry) who used the Rocky Mountain Power incentive program in conjunction with Questar's insulation incentive program as a marketing tool. These factors resulted in a dramatic increase in the number of applications for insulation rebates from the previous year and in excess of that planned for the year. In order to resolve this issue the Commission approved reductions to the roof, wall and floor insulation rebates offered by Rocky Mountain Power.

In June 2009, PacifiCorp proposed to increase the DSM surcharge to an average of 6.16 percent. A decision on this issue is anticipated in August 2009.

Service Territory Dispute

In 2007 Rocky Mountain Power filed a complaint with the Commission alleging Heber Light and Power is providing non-surplus retail electrical service to customers outside the municipal boundaries of its member cities in violation of Rocky Mountain's Certificate and Utah law. While initially the parties attempted to resolve the issue, Heber Light and Power maintains the Commission does not have jurisdiction over this matter. In November 2008 the Commission issued a Report and Order asserting its jurisdiction over Heber Light and Power and denying its motion to dismiss for lack of jurisdiction.

In April 2009 Heber Light and Power filed a Motion to Stay these proceedings pending resolution of its appeal of the Commission's November 2008 Order to the Utah Supreme Court. In June 2009, the Commission issued an order granting Heber Light and Power's Motion to Stay and denying Rocky Mountain Power's Motion to Set Schedule. Further action by the Commission in this case will be contingent upon the outcome of Heber Light and Power's appeal which will be heard before the Utah Supreme Court in September 2009.



Legislative Changes and Federal Standards

During the 2009 Utah legislative session three bills were passed which amended Utah Code Title 54 — Public Utilities. Senate Bill 41 — Siting of High Voltage Power Line Act amended Utah Code 54-14 “Utility Facility Review Board Act” and added a new section Utah Code 54-18 “Siting of High Voltage Power Line

Act.” Among other things, this bill requires a public utility to notify an affected entity and affected landowner when applying for a land use permit to construct a high voltage power line; requires a public utility to conduct public workshops and distribute information to the public on the proposed high voltage power line; and authorizes a public utility or local government to appeal a high voltage power line route to the Utility Facility Review Board.

Senate Bill 69 — Public Utility Easement Amendments amended Utah Code 54-3-27 “Public Utility Easement” by defining “protected utility easement,” and by specifying that a person may not acquire an interest in a public utility easement or protected utility easement that is adverse to or interferes with the public utility's full use of the easement and that a gas corporation's, electric corporation's, or telephone corporation's failure to possess, occupy, or use a protected utility easement does not diminish or extinguish the corporation's rights under the easement.

Senate Bill 75 — Utility Amendments amended Utah Code 54-4 “Authority of Commission over Public Utilities” and Utah Code 54-7 “Hearings, Practice and Procedure,” specifically the rate-setting process for a public utility. The bill, among other things, authorizes a public utility's complete filing with the Public Service Commission to initiate a 240-day time period for rate case decisions; authorizes the Commission to approve or deny an electrical corporation's or a gas corporation's application for cost recovery of a major plant addition; allows the Commission to authorize an electrical corporation or a gas corporation energy balancing account; and authorizes the Commission to approve a bill payment assistance program for low-income residential customers of an electrical corporation or a gas corporation. The bill also required the Commission to create and finalize rules concerning the minimum requirements to be met for an application to be considered a complete filing. Rule develop-

ment was initiated as required.

In addition to these bills, the Utah Legislature passed House Joint Resolution 9 (H.J.R. 9) urging state and local governments, electrical corporations, natural gas utility corporations, rural electric cooperatives, and municipal utilities to work together to recognize energy efficiency as a priority resource, to promote and encourage all available cost-effective energy efficiency and conservation, and to participate in existing cost-effective energy efficiency programs. H.J.R. 9 also expresses support for regulatory mechanisms intended to help remove utility disincentives and create incentives to increase efficiency and conservation as long as these mechanisms are found to be in the public interest. Specifically pertaining to PacifiCorp, H.J.R. 9 expresses support for cost-effective energy efficiency and load management programs by customers of PacifiCorp, and the setting of a natural gas savings goal of not less than 1 percent



of PacifiCorp's annual retail sales through a regulatory process. So long as a good faith effort is made, this process should not penalize PacifiCorp if it fails to meet the savings goals.

In accordance with the requirements of the U.S. Energy Independence and Security Act of 2007, the Commission commenced consideration and determination of four new electricity standards added to the federal Public Utility Regulatory Policies Act ("PURPA"). The standards are: Integrated Resource Planning, Rate Design Modifications to Promote Energy Efficiency Investments, Consideration of Smart Grid Investments and Smart Grid Information. The Commission hosted several technical conferences and work group meetings to facilitate discussion of the issues presented by these standards and will complete its deliberation on the standards by mid-December 2009.

Electric Utility Dockets

5-035-47

In the Matter of the Application of PacifiCorp for Approval of a 2009 Request for Proposals for Flexible Resource:

Order issued May 7, 2009. The Commission orders PacifiCorp to file, within 30 days from the date of the order, all data, information, analyses and all supporting documentation used in its decision to terminate the Master Development, Engineering, Procurement and Construction Agreement in Docket No. 08-035-95.

06-035-19

In the Matter of the Formal Complaint of Complainant vs. Utah Power and Light (n.k.a. Rocky Mountain Power):

Order of Dismissal issued May 21, 2009. The Commission dismisses with prejudice the formal complaint.

06-035-148

In the Matter of the Formal Complaint of Complainant against Rocky Mountain Power:

Report and Order issued October 20, 2008. The Commission determines Complainant failed to demonstrate a violation by Rocky Mountain Power (RMP) of any statute, Commission rule, or tariff provision relating to the quality of power supplied by RMP to Complainant. RMP's determination and offer of available additional capacity to Complainant resolved his complaint for additional power. The Commission concludes RMP's refusal to provide additional power to Complainant while approving, or acquiescing to, the addition of load by similarly situated customers requires an informational report from RMP explaining how it plans for and prepares to provide adequate service.

07-035-22

In the Matter of the Complaint of Rocky Mountain Power, a division of PacifiCorp, against Heber Light & Power Regarding Unauthorized Service by Heber Light & Power in Areas Certificated to Rocky Mountain Power:

Report and Order issued November 3, 2008. The Commission denies Heber Light & Power's (HLP) Motion to dismiss Rocky Mountain Power's (RMP) complaint.

Report and Order issued February 25, 2009. The Commission strikes the December 22, 2008 Scheduling Order, except for the Status and Scheduling Conference set for March 26, 2009.

Order on Motion to Stay and Order on Motion to Set Schedule issued June 9, 2009. The Commission grants HLP's Motion for Stay and denies RMP's Motion to Set Schedule.

07-035-93

In the Matter of the Application of Rocky Mountain Power for Authority to Increase its Retail Electric Utility Service Rates in Utah and for Approval of its Proposed Electric Service Schedules and Electric Service Regulations, Consisting of a General Rate Increase of Approximately \$161.2 Million Per Year, and for Approval of a New Large Load Surcharge:

Report and Order on Revenue Requirement issued August 11, 2008. The Commission increases Rocky Mountain Power's annual revenue requirement by \$33.378 million, based on a forecasted 2008 test period and an allowed rate of return on equity of 10.25 percent. The Commission approves a uniform percentage increase to be applied to all tariff customers' bills as a line item for service prior to the Commission's determination of costs of service, rate spread and rate design in Phase II of this docket.

Electric Utility Dockets (Cont.)

Erratum Report and Order on Revenue Requirement issued August 21, 2008. The Commission corrects a calculation error contained in the August 11, 2008, Report and Order relating to the Generation Overhaul adjustment.

Order Granting Request for Reconsideration issued September 22, 2008. The Commission grants reconsideration of its August 11, 2008, Report and Order on Revenue Requirement.

Order on Reconsideration issued October 13, 2008. The Commission changes and provides clarification of its decision on the imputation of revenues to the Sacramento Municipal Utility District wholesale sale contract and orders an increase in Utah jurisdictional revenue requirement of \$3,207,810. The Commission provides additional discussion on property tax expense and the displacement of Energy Trust of Oregon funding of the Goodnoe Hills wind project.

Report and Order on Cost of Service and Rate Design issued November 6, 2008. The Commission approves the Stipulation in Cost of Service, Rate Spread and Rate Design — Phase II.

07-035-94

In the Matter of the Application of PacifiCorp, by and through its Rocky Mountain Power Division, for Approval of a Solicitation Process for a Flexible Resource for the 2012-2017 Time Period, and for Approval of a Significant Energy Resource Decision:

Order Denying Petition for Reconsideration, Review or Rehearing issued July 3, 2008. The Commission affirms its suggestions to strike the language limiting consideration of coal resource bids and that the PacifiCorp consider state regulatory constraints after completing the full analysis of the costs, risks and uncertainties of available alternatives.

Approval of Request for Proposals issued September 25, 2008. The Commission approves PacifiCorp's All Source Request for Proposals for Resources in the 2012 to 2016 time period filed August 5, 2008, subject to editing changes.

Order Approving Suspension of Request for Proposals issued April 6, 2009. The Commission approves, with conditions, PacifiCorp's request to suspend its All Source Request for Proposals for Resources in the 2012 to 2016 time period.

**08-035-35**

In the Matter of the Request of Rocky Mountain Power for a Waiver of the Solicitation Process and for Approval of Significant Energy Resource Decision:

Report and Order issued August 1, 2008. The Commission approves Rocky Mountain Power's significant energy resource decision to acquire Chehalis Power Generating, LLC (Chehalis), sets the total projected costs for the acquisition of Chehalis, and denies without prejudice, Rocky Mountain Power's April 11, 2008, Motion for an Accounting Order Establishing a Regulatory Asset and Acquisition Premium.

08-035-38

In the Matter of the Application of Rocky Mountain Power for Authority to Increase its Retail Electric Utility Service Rates in Utah and for Approval of its Proposed Electric Service Schedules and Electric Service Regulations:

Order on Motions to Dismiss or Address 240-Day Time Period issued on September 23, 2008. The Commission determines Rocky Mountain Power is permitted to amend its July 17, 2008, Application only if Utah Code §54-7-12(3)'s 240-day time period is applied and commences with the filing date of the latter amendments, September 10, 2008.

Order on Motion for Approval of Test Period issued October 30, 2008. The Commission orders: the use of a January through December, 2009, test period, using average test period rate base, in the determination of Rocky Mountain Power (RMP)'s revenue requirement; RMP to provide revised base case and test year information to reflect the test year selection and to file corresponding revisions to its application submission with the Commission, and serve the same upon all parties, on or before December 1, 2008; and that in future RMP rate case applications, the procedural process describe in this order will be followed to select the appropriate test year.

Report and Order on Revenue Requirement issued April 21, 2009. The Commission approves the Stipulation Regarding Cost of Capital and the Stipulation Regarding Revenue Requirement which increase Rocky Mountain Power's annual revenue requirement in Utah by \$45.0 million, or 3.34 percent, based on an allowed rate of return on equity of 10.61 percent and a capital structure with a 51.0 percent common equity component. The revenue increase is effective May 8, 2009, and will be implemented through a tariff rider on a uniform basis on customer bills until a final order is issued in the Cost of Service and Rate Design phase of this case.

Report and Order on Cost of Service and Revenue Spread issued May 7, 2009. The Commission approves the Stipulation in Cost of Service and Rate Spread — Phase II which allocates the \$45 million increase in Rocky Mountain Power's annual revenue requirement approved in Phase I of this proceeding, to the various rate schedules in accordance with Exhibits A and B of the stipulation.

Report and Order on Rate Design issued June 17, 2009. The Commission: approves the Stipulation in Cost of Service, Rate Spread, and Rate Design — Phase II; terminates the tariff rider on customer bills which was approved May 7, 2009; sets rates, effective June 16, 2009, in accordance with Exhibit B of the stipulation; and concludes the rate proceeding.

08-035-42

In the Matter of the Application of Rocky Mountain Power for a Certificate of Convenience and Necessity Authorizing Construction of the Populus-to-Terminal 345 kV Transmission Line Project:

Report and Order Granting Certificate and Certificate of Public Need and Necessity issued September 4, 2008. The Commission grants Rocky Mountain Power's (RMP) request for a Certificate of Public Convenience and Necessity for construction and operation of the Terminal-to-Populus transmission line. RMP is required to provide proof of obtaining the remaining consents or permits which were still pending at the time of the August 26, 2008, hearing.

08-035-55

In the Matter of the Service Quality Standards for Rocky Mountain Power: Order issued June 11, 2009.

The Commission approves Rocky Mountain Power's proposed changes to Network Performance Standards 1 and 2, effective April 1, 2008.

*Electric Utility Dockets (Cont.)***08-035-56****In the Matter of the Review of the Report Prepared for PacifiCorp entitled "Assessment of Long-Term System-Wide Potential for Demand-Side and Other Supplemental Resources."**

Report and Order issued April 1, 2009. The Commission orders: the Demand-Side Management (DSM) Potential Report fulfills PacifiCorp's Transaction Commitment No. 44(a) approved in Docket No. 05-035-54; the technical potential included in the report is a reasonable basis for developing supply curves for the integrated resource planning process; PacifiCorp shall evaluate cost-effective DSM and supplemental resources in its next integrated resource plan (IRP) or IRP update using the two approaches for DSM supply curves; and PacifiCorp shall provide sensitivity analysis regarding the cost of solar resources and evaluate the amount of cost-effective solar resource potential using both the total cost and utility program cost perspectives in its next IRP or IRP update.

08-035-71**In the Matter of the Formal Complaint of Complainant against Rocky Mountain Power:**

Order of Dismissal issued June 9, 2009. The Commission dismisses the formal complaint with prejudice finding that despite some power outages, Rocky Mountain Power (RMP) does not have an obligation to guarantee uninterrupted service and it has violated no provision of law, Commission rule or order, or RMP tariff as established in this docket.

08-035-78**In the Matter of the Consideration of Changes to Rocky Mountain Power's Schedule No. 135 - Net Metering Service:**

Report and Order Directing Tariff Modifications issued February 12, 2009. The Commission: sets Rocky Mountain Power's (RMP) cap for net metering cumulative generating capacity at 20 percent of the 2007 peak demand; and determines RMP's residential/small commercial net metering customers shall be credited for net excess generation based on a kilowatt-hour credit method, its other commercial and industrial net metering customers shall be credited for net excess generation based on either an avoided cost or average energy price calculation, its net metering customers will be subject to the minimum bill provision, and renewable energy certificates are deemed owned by the net metering customer or as otherwise agreed to or designated by the net metering customer.

**08-035-82****In the Matter of the Application of Rocky Mountain Power for Approval of a Power Purchase Agreement between PacifiCorp and Tesoro Refining and Marketing Company:**

Report and Order issued December 15, 2008. The Commission approves the Power Purchase Agreement (PPA) between PacifiCorp and Tesoro Refining and Marketing Company and determines approval of the Tesoro PPA sets no precedent for the inclusion of avoided line loss payments for future non-firm QF contracts, nor does it set precedential value as to how potential avoided line losses should be calculated. In addition, the Commission orders: PacifiCorp, when responding to any future requests for indicative price studies, shall identify and include significant changes that have occurred since the most recent avoided cost quarterly compliance filing was submitted that are expected to materially impact avoided cost results; and in the future, if Tesoro enters into a non-firm PPA with PacifiCorp that exceeds one year, or if Tesoro's respective operating performance does not meet expected levels, the appropriateness of an avoided line loss payment should be reexamined.

08-035-83**In the Matter of the Application of Rocky Mountain Power for Approval of a Power Purchase Agreement between PacifiCorp and Kennecott Utah Copper Corporation:**

Report and Order issued December 15, 2008. The Commission approves the Power Purchase Agreement (PPA) between PacifiCorp and Kennecott and determines approval of the Kennecott PPA sets no precedent for the inclusion of avoided line loss payments for future non-firm QF contracts, nor does it set precedential value as to how potential avoided line losses should be calculated. In addition, the Commission orders: PacifiCorp, when responding to any future requests for indicative price studies, shall identify and include significant changes that have occurred since the most recent avoided cost quarterly

compliance filing was submitted that are expected to materially impact avoided cost results; and in the future, if Kennecott enters into a non-firm PPA with PacifiCorp that exceeds one year, or if Kennecott's respective operating performance does not meet expected levels, the appropriateness of an avoided line loss payment should be reexamined.

08-035-84**In the Matter of the Formal Complaint of Complainants against Rocky Mountain Power:**

Report and Order issued January 14, 2009. The Commission finds it has jurisdiction over the complaint, denies Rocky Mountain Power's (RMP) Motion to Dismiss, finds the charges reasonable, and makes other orders relevant to related issues.

Order Granting Request for Review and Reconsideration issued March 16, 2009. The Commission lengthens the time in which RMP may file a request seeking clarification whether a payment plan other than a "Residential Deferred Payment Agreement" under R8746-200-5, meets the intent of the Commission's January 14, 2009, Report and Order; and that Commission did not intend to limit RMP's remedies upon default to termination of electric service to the Complainants. The Commission also concludes it will grant reconsideration.

Report and Order on Request for Review and Reconsideration issued March 30, 2009. The Commission amends paragraph three of the January 14, 2009, Report and Order.

08-035-93**In the Matter of the Application of Rocky Mountain Power for an Accounting Order Regarding Pension Curtailment and Pension Measurement Date Change:**

Report and Order issued February 4, 2009. The Commission approves a Stipulation addressing this matter in its entirety.

08-035-95**In the Matter of the Application of Rocky Mountain Power for Approval of Significant Energy Resource Decision Resulting from 2012 Request for Proposals:**

Order issued May 5, 2009. The Commission orders PacifiCorp to file, within 30 days from the date of the order, all data, information, analyses and all supporting documentation used in its decision to terminate the Agreement in this docket.

*Electric Utility Dockets (Cont.)***08-035-96****In the Matter of the Formal Complaint of Complainant against Rocky Mountain Power:**

Report and Order issued March 11, 2009. The Commission, finding that the work which the Complainant complained as not having been done is now completed, dismisses the complaint.

Report and Order issued April 9, 2009. The Commission denies Complainant's request for damages.

08-035-T04**In the Matter of Approval of Rocky Mountain Power's Tariff P.S.C.U. No. 47, Re: Schedule 135 - Net Metering Service:**

Order Approving Tariff with Certain Conditions issued June 13, 2008. The Commission approves Rocky Mountain Power's proposed revisions to Schedule 135 — Net Metering Service subject to comments and conditions.

08-035-T09**In the Matter of Propose Modifications to the Cool Keeper Program:**

Order Approving Tariff with Certain Modifications and Notice of a Technical Conference issued December 24, 2008. The Commission approves the proposed changes to Schedule 114 — Air-Conditioner Direct Load Control Program related only to the current participants in the program, subject to comments and conditions; orders Rocky Mountain Power (RMP) to work with the Division of Public Utilities, the Committee of Consumer Services (Committee), and other interested parties to address the concerns raised by the Committee and the Order; orders RMP to file revised tariff sheets reflecting the modifications; and schedules a Technical Conference on these matters on Thursday, January 15, 2009.

09-035-17**In the Matter of the Formal Complaint of Complainant against Rocky Mountain Power:**

Report and Order issued June 10, 2009. The Commission dismisses the complaint with prejudice.

09-035-23**In the Matter of the Application of Rocky Mountain Power for Authority to Increase its Retail Electric Utility Service Rates in Utah and for Approval of its Proposed Electric Service Schedules and Electric Service Regulations:**

Report and Order on Test Period Stipulation issued June 1, 2009. The Commission approves the Test Period Stipulation which designates the twelve months ending June 30, 2010, utilizing a 13-month average rate base, as the test period in this case and identifies four invest-



ments which can be addressed in future major plant addition proceedings. Rocky Mountain Power also stipulates it will not file another general rate case prior to January 1, 2011.

09-035-36**In the Matter of the Application of PacifiCorp d/b/a Rocky Mountain Power filing for Approval of a Proposed Strategic Communications and Outreach Program for Demand Side Management:**

Order Approving Program with Conditions issued June 11, 2009. The Commission approves Rocky Mountain Power's proposed Strategic Communications and Outreach Program for Demand Side Management.

09-035-T04**In the Matter of the Application for Changes to Rocky Mountain Power's Home Energy Savings Program:**

Report and Order issued April 27, 2009. The Commission approves insulation incentive levels in Schedule 111, Home Energy Savings Incentive Program, as follows: Attic/Ceiling-install minimum of R-19: \$.20/ft² for electrically cooled residences and \$.30/ft² for electrically heated residences; Floor-install a minimum of R-19: none for electrically cooled residences and \$.25/ft² for electrically heated residences; and Wall-install minimum of R-11: \$.30/ft² for electrically cooled residences and \$.45/ft² for electrically heated residences. The effective date for the above rebate reductions is June 1, 2009, and the deadline for submission of completed rebate applications is July 31, 2009.

09-035-T05**In the Matter of the Advice Filing 09-05 of PacifiCorp d/b/a Rocky Mountain Power for Changes to Schedule 113 — Cool Cash Incentive Program:**

Order Suspending Tariff Modifications issued June 4, 2009. The Commission suspends PacifiCorp d/b/a Rocky Mountain Power tariff changes to Schedule 113 — Cool Cash Incentive Program, submitted April 7, 2009, pending further Order.

Order Approving Tariff Modification issued June 10, 2009. The Commission approves the proposed PacifiCorp d/b/a Rocky Mountain Power tariff changes to Schedule 113 — Cool Cash Incentive Program, filed April 7, 2009, with an effective date of May 7, 2009.

09-035-T07**In the Matter of Advice No. 09-07, Compliance Filing to Implement the Requested Commission Order on the Stipulation in Cost of Service and Rate Spread - Phase II:**

Report and Order on Cost of Service and Revenue Spread issued May 7, 2009. The Commission approves the Stipulation in Cost of Service and Rate Spread - Phase II which allocates the \$45 million increase in Rocky Mountain Power's annual revenue requirement, approved in Phase I of this proceeding, to the various rate schedules in accordance with Exhibits A and B of the stipulation.

08-027-01**In the Matter of the Application of Flowell Electric Association, Inc. for Authority to Issue Securities in the Form of a Revolving Line of Credit Agreement and Related Documents:**

Order issued October 7, 2008. The Commission authorizes Flowell Electric Association, Inc. to: issue securities, in the form of a Revolving Line of Credit Agreement, to the National Rural Utilities Cooperative Finance Corporation (NRUCFC) in an amount up to \$1 million; and enter into and deliver other documents, agreements and arrangements reasonably incident to the Revolving Line of Credit, including a Restated Mortgage and Security Agreement to secure the Revolving Line of Credit and all other amounts owed by Flowell, to the NRUCFC.

09-028-01**In the Matter of the Application of Garkane Energy Cooperative, Inc., for Approval of a CFC Line of Credit:**

Report and Order issued March 30, 2009. The Commission approves the proposed increase in Garkane Energy Cooperative's line of credit with the National Rural Utilities Cooperative Finance Corporation from \$2 million to \$5 million.

09-028-02**In the Matter of the Formal Complaint of Complainant against Garkane Energy:**

Report and Order issued April 30, 2009. The Commission orders Garkane Energy may only back-bill Complainant for the six-month period prior to the discovery of the billing error.

Order Granting Review and Rehearing issued June 17, 2009. The Commission will consider Garkane Energy's request for review and rehearing.

*Electric Utility Dockets (Cont.)***09-028-03****In the Matter of the Notice from Garkane Energy Regarding the Acquisition of the Twin Cities Electrical Distribution Systems:**

Erratum Report and Order issued June 10, 2009. The Commission approves Garkane Energy Cooperative, Inc.'s acquisition of the Twin Cities' electrical distribution system retroactive to June 9, 2009.

09-030-01**In the Matter of the Application of Moon Lake Electric Association for Approval of the Issuance of Long Term Financing:**

Report and Order issued April 23, 2009. The Commission approves Moon Lake Electric Association's application for authorization to obtain long-term financing in the amount of \$11 million.

09-031-01**In the Matter of the Application of Mt. Wheeler Power, Inc., for Authority to Issue Securities:**

Report and Order issued April 23, 2009. The Commission approves Mt. Wheeler Power's application to extend and increase the financing commitment with the National Rural Utilities Cooperative Finance Corporation to a total commitment of \$25 million.

09-506-01**In the Matter of the Application of Deseret Generation & Transmission Co-operative for Authority to Issue Securities in the Form of Secured Promissory Note to National Rural Utilities Cooperative Finance Corporation:**

Report and Order issued June 24, 2009. The Commission approves Deseret Generation & Transmission Cooperative's application to issue securities in the form of a secured promissory note to National Rural Utilities Cooperative Finance Corporation for \$10 million.

08-2490-01**In the Matter of the Application of Milford Wind Corridor Phase I, LLC, and Milford Wind Corridor Phase II, LLC, for Certificates of Convenience and Necessity for the Milford Phase I and Phase II Wind Power Projects:**

Order on Petition for Rehearing issued on July 2, 2008. The Commission rescinds that portion of its May 15 Order concluding that the proposed transmission line is an integral part of the Milford Wind Project such that Milford Wind is exempt from Commission jurisdiction and regulation with respect to the transmission line.

Order on Request for Clarification issued on September 23, 2008. The Commission clarifies it does not consider the Interconnection Agreement as part of the "necessary consents and permits" required to build the facility.

Report and Order issued on October 8, 2008. The Commission grants the request of Milford Wind Corridor Phase I, LLC and Milford Wind Corridor Phase II, LLC (collectively Milford Wind) for a Certificate of Public Convenience and Necessity for the Milford Wind project transmission line, which is the approximately 90-mile 345kV line, associated facilities, and plant required to transport electricity from the Milford Wind project wind farm to the point of interconnection at the Intermountain Power Project.

09-2490-01**In the Matter of the Petition of Milford Wind Corridor Phase I, LLC, for an Expedited Exemption from the Requirement of Obtaining Commission Approval for the Issuance of Securities Under Section 54-4-31:**

Report and Order issued April 8, 2009. The Commission reaffirms the July 2008 Order in Docket No. 08-2490-01 that Milford I and II are exempt from Commission jurisdiction and regulation with respect to the power production facilities associated with the project.

Electric Utility Companies

Operating in the State of Utah under the jurisdiction of the Public Service Commission

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PO Box 339
Mountain View
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Deseret Generation & Transmission Cooperative
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(800) 756-3428
Fax: (801) 619-6599
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Dixie Escalante Rural Electric
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Empire Electric Association
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PO Box Drawer K
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www.empireelectric.org

Flowell Electric Association
495 N. 3200 W.
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Garkane Energy
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Moon Lake Electric Association
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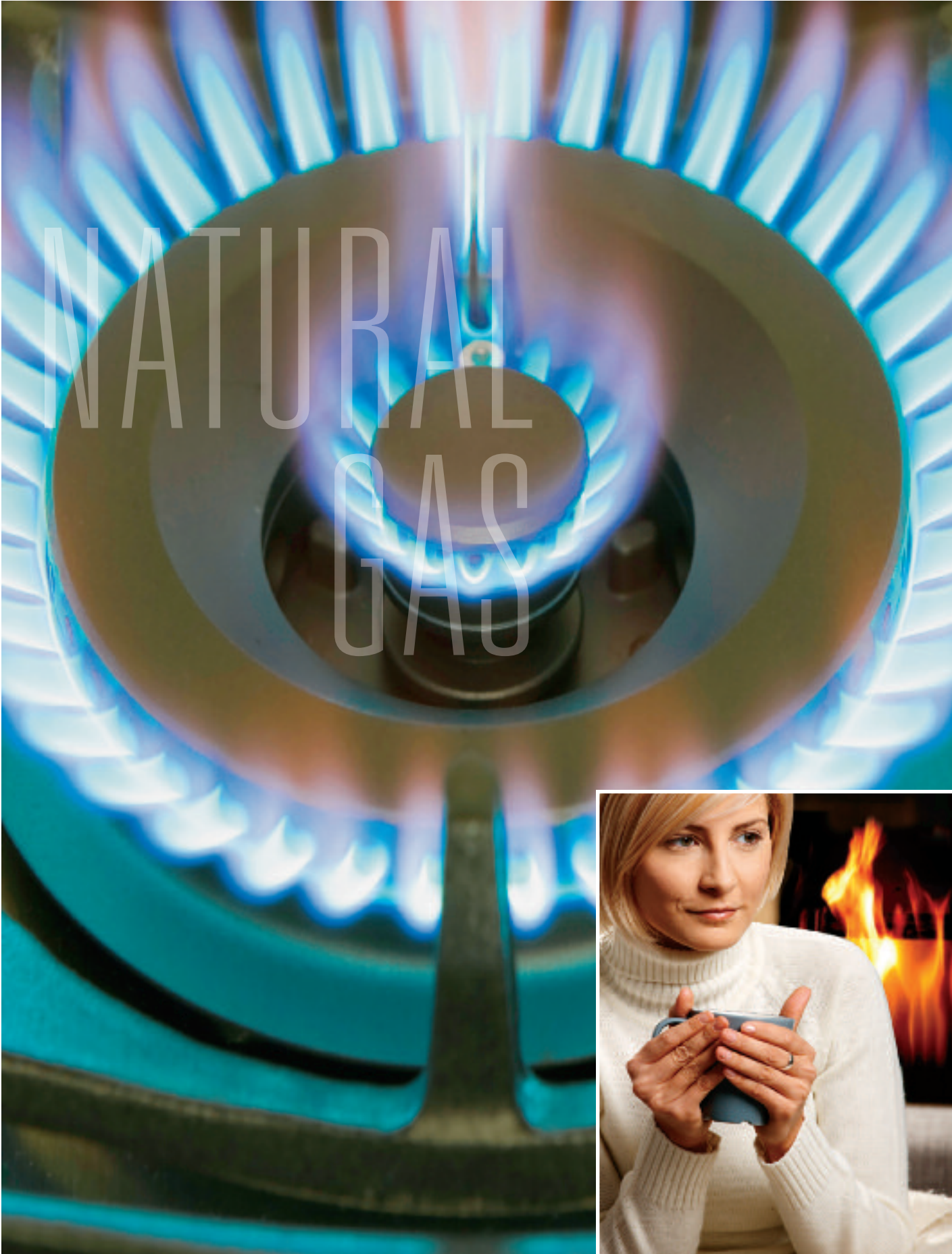
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www.rrelectric.com

South Utah Valley Electric Service District
803 N. 500 E.
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Fax: (801) 465-8017
www.strawberryelectric.com

Wells Rural Electric Company
1451 Humboldt Ave.
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Tel: (775) 752-3328
Fax: (775) 752-3407
www.wellsrec.com



Overview of Natural Gas Utility

Questar Gas Company is the only operating natural gas utility regulated by the Utah Public Service Commission for rate making purposes. Questar Gas currently provides natural gas distribution services to over 860,000 customers in Utah and, unlike other natural gas utilities, also owns natural gas production resources which provide about 40 percent of its supply needs.

Rate Changes

At least twice annually, as permitted by law, Questar Gas files a “pass-through” application to adjust its rates so as to recover a portion of the cost of producing its own gas, the cost of purchasing gas from others, and the costs associated with gas gathering, storage, and interstate transportation. The remaining non-gas costs are recovered in periodic general rate case proceedings. About 75 percent of the total cost of providing natural gas service to customers in Utah, some \$580 million annually, is recovered by means of these pass-through proceedings. Expedited pass-through proceedings allow timely recovery of gas costs actually incurred. During the proceeding new rates are established on a projected basis. When actual costs vary from those projected, the difference is maintained in a special balancing account and an appropriate rate adjustment is made in the following pass-through proceeding.

*Questar Gas Company
is the only operating natural gas
utility regulated by the Utah
Public Service Commission
for rate making purposes.*

With the approval of the Conservation Enabling Tariff Pilot Program in October 2006 and its two-year continuation in November 2007, Questar was provided a fixed rate per customer to cover the costs of distributing natural gas in exchange for promoting energy efficiency and conservation through demand-side management (DSM) programs. Questar Gas files applications to amortize the conservation enabling tariff balance and the demand-side management program balance with its pass-through application.

During fiscal year 2009, Questar Gas Company’s rates changed five times. On July 1, 2008, the Public Service Commission approved an approximately \$204 million increase in rates as proposed by Questar. This increase in rates was composed of a \$195 million (22.85 percent) increase associated with the gas cost pass-through proceeding, a \$0.4 million (0.38 percent) decrease in rates associated with the amortization of Questar’s conservation enabling tariff, and a \$8.7 million (0.70 percent) increase associated with the amortization of Questar’s Demand Side Management (DSM) deferred account balance.

On August 15, 2008, the Commission approved an \$11.97 million (1.42 percent) increase in rates for distribution non-gas costs as a result of general rate case.

On November 1, 2008, the Commission approved an approximately \$55 million decrease in rates as proposed by Questar. This decrease in rates was composed of a \$68.8 million (5.87 percent) decrease in the gas cost pass-through proceeding, a \$0.44 million (0.01 percent) increase resulting from the amortization of Questar’s conservation enabling tariff balancing account, and a \$13.9 million (0.6 percent) increase resulting from the amortization of the DSM deferred account.

On March 1, 2009, the Commission approved an approximately \$142.7 million decrease in rates as proposed by Questar. This decrease in rates was composed of a \$161.4 million (16.53 percent) decrease in the gas cost pass-through proceeding, a \$0.45 million (0.003 percent) increase resulting from the amortization of Questar's conservation enabling tariff balancing account, and an \$18.3 million (0.62 percent) increase resulting from the amortization of the DSM deferred account.

On April 1, 2009, upon reconsideration of the distribution non-gas general rate case, the Commission approved an \$11.2 million (1.67 percent) increase in rates.

Due to volatile gas prices which varied substantially from Questar's forecasted gas prices, the over-collection balance in 191 Account grew to \$96.1 million. As a result, in April 2009 Questar proposed and the Commission approved a \$50 million refund to customers from the 191 Account. The refund was credited to firm-sales customers' bills during the month of May 2009. A typical residential customer using 80 decatherms per year was granted a refund of approximately \$41.

General Rate Case Issues

As a follow-up to Questar's December 2007 application for a general rate increase and the Commission's June 2008 Report and Order on Revenue Requirement, on December 22, 2008, the Commission issued a Report and Order addressing the allocation of the \$11.97 million revenue increase to the various customer classes and approved pricing within the various customer schedules. The Commission also approved the elimination of the General Service South (GSS) rate schedule, revised the Extension Area Charge (EAC) calculations, and approved in part, the Company's restructuring of rate schedules. The GSS and EAC rates were designed and implemented for providing natural gas service to previously unserved areas.

Shortly thereafter two parties of record filed Petitions for either reconsideration or for reconsideration, review or rehearing and clarification of the Commission's Report and Order on Cost of Service and Rate Design. The disputed included the elimination of the GSS rate schedule, the revision of the EAC charge, the natural gas vehicle (NGV) serv-



ice rate, and that the general service rates established by the Commission would not allow for recovery of the revenue requirement approved by the Commission. In February, the Commission issued a Report and Order on Review, Reconsideration and Rehearing which altered the NGV service rate, modified other distribution non-gas (DNG) rates to account for the change in the NGV service rate, and provided an overall level of DNG revenues from DNG rates that matches the revenue requirement used in this case. The Commission reaffirmed its conclusions and reasoning to eliminate GSS rates and alter EAC rates in the December 22, 2008, Report and Order.

As a follow-up to the many comments received on Questar's NGV service rate during the general rate case proceeding, the Commission opened a new docket to investigate Questar Gas Company's services associated with natural gas vehicles. A technical conference was held to commence discussion of regulatory and public policy associated with natural gas vehicles, to discuss the scope of issues to be considered in the docket and to provide a history of Questar Gas Company's NGV Rate, NGV fuel consumption history and forecast. Based upon input from technical conference participants the Commission will host several additional technical conferences associated with natural gas vehicles in the future.

Resource Planning — Revisions to the Planning Process

As required by the Commission, annually Questar Gas prepares and files an integrated resource plan (IRP) which it uses as a guide in meeting the natural gas requirements of its customers on both a day-to-day and long term basis. The standards and guidelines on which the IRP is based are intended to ensure Questar's present and future customers are provided natural gas energy services at the lowest costs consistent with safe and reliable service, the fiscal requirements of a financially healthy utility and the long-run public interest.

As part of the IRP process, information on natural gas supply and demand, energy efficiency and conservation, system constraints and capabilities, and gas drilling, gathering, transportation and storage, as well as results from a cost-min-

imizing stochastic model, are used to develop a resource acquisition plan and strategy for a 20-year planning horizon, focusing on the immediate future. In the 2009 IRP for plan year May 1, 2009, through April 30, 2010, Questar indicates a balanced portfolio of 72.1 million decatherms of purchased gas and 50.4 million decatherms of Company-owned natural gas will be necessary to meet its annual demand. In addition to projecting gas supply requirements, Questar found that price stabilization measures for purchased gas contracts should be undertaken to mitigate the risk of volatility in the marketplace and that it should continue to identify and implement cost-effective demand-side management measures.

The original IRP Standards and Guidelines applicable to Questar were approved by the Commission in 1994. As contemplated in the Commission's 1994 Order on Standards and Guidelines, in 2008 the Commission commenced a review of and proposed revisions to the standards guidelines. The Commission then solicited input during two technical conferences and written comments on the proposed revisions to the IRP Standards and Guidelines. After deliberation of comments and input, in March 2009 the Commission issued a Report and Order providing the revised 2009 IRP Standards and Guidelines which are more reflective of Questar's resource procurement processes and provide for sufficient information to assess the Company's requirement to pursue the least-cost alternative for the provision of natural gas energy services for its present and future ratepayers which is consistent with safe and reliable service, the fiscal requirements of a financially healthy utility, and the long-run public interest.

Natural Gas Conservation

Since the Commission's approval of Questar's Conservation Enabling Tariff pilot program, Questar, in collaboration with a Commission-established demand-side management advisory group, has actively designed, implemented, evaluated and revised cost-effective programs to encourage residential and commercial customers to conserve energy through education and the utilization of energy-efficiency products and appliances. The programs currently offered by Questar Gas are: ThermWise Appliance Rebate Program, ThermWise Builder Rebates Program, ThermWise Business



Rebates Program, ThermWise Weatherization Rebates Program, ThermWise Home Energy Audit Program, Low Income Weatherization Assistance Program, ThermWise Multi-Family Rebates Program, ThermWise Business Custom Rebates Program, and a comprehensive Market Transformation initiative. These programs offer rebates, fund training and grants, and provide information to Questar Gas Company's customers with the

goal of decreasing energy consumption.

In December 2008 the Commission approved Questar's estimated \$17.8 million 2009 budget for its DSM programs and market transformation initiative, a \$7.3 million increase over the 2008 budget. Questar estimates its 2008 DSM plan will reduce natural gas consumption annually by 398,749 decatherms, which is equivalent to the annual natural gas consumption of approximately 5,000 homes based on an annual average usage of 80 decatherms. Questar also projects approximately 62,000 customers will participate in the program.

One energy efficiency program, the ThermWise Weatherization Rebates Program, posed a significant challenge to Questar in early 2009, resulting from changes which occurred within the Utah insulation market. Not only did the cost to customers to install insulation decline due to both market forces and the availability of insulation rebates from both Questar and Rocky Mountain Power, but simultaneously additional contractors entered the market (many from the depressed construction industry) who used the Questar insulation incentive program in conjunction with Rocky Mountain Power's insulation incentive program as a marketing tool. These factors resulted in a dramatic increase in the number of applications for insulation rebates from the previous year and in excess of that planned for the year. In order to resolve this issue the Commission approved reductions to the roof, wall and floor insulation rebates offered by Questar and ordered Questar to analyze if and how rebate levels and rebate eligibility should be adjusted for regionality, and report back to the Commission within 150 days after issuance of the Order.

Transponder Back-Billing Issue

In 1996, after determining the use of Automated Meter Reading (AMR) technology would increase efficiency and

billing accuracy, Questar began installing the transponders on meters. A transponder, which is attached to a meter, records natural gas usage as measured on the meter. When queried from a specially equipped vehicle, the transponder transmits via a radio signal the natural gas usage back to the vehicle. In order for the transponder to record and transmit the correct amount of natural gas passing through the meter, the transponder's pre-divide parameter needs to be set to match the type of meter, either a one or two-foot meter. If the pre-divide parameter is set incorrectly, the transponder will record and transmit an incorrect usage amount. The existence of incorrectly set pre-divide parameters, known as pre-divide exceptions, results in over- or under-billing to the customer.

By 2006, Questar had essentially ended the installation phase of its AMR program, having installed approximately 875,000 transponders. The existence of pre-divide exceptions was confirmed when, in 2006, Questar began to systematically test transponders for pre-divide exceptions and other recording and transmitting problems. As of June 2008, Questar had notified hundreds of customers that the transponder attached to their natural gas meter was reporting an incorrect usage and for those customers whose transponder had been under-reporting, Questar requested payment of the uncollected amount dating back two years. Of the residential customers notified approximately 94% had received bills which under-reported usage by half with the remaining customers receiving bills which reported twice the actual usage. For commercial customers, bills under reporting usage by half represented 97 percent of the customers notified.

In mid-2008, upon receiving several complaints associated with this issue, the Commission consolidated all of the complaints into one docket and conducted an investigation of the issue. In December 2008, the Commission approved a stipulated agreement by the parties with modification. In the Order Approving Settlement with Modification the Commission concluded: affected customers may be backbilled for up to six months of consumption occurring prior to the discovery of their transponder's pre-divide errors; these customers will have twelve months, and on an individual case basis a longer period of time, in which to pay the backbilled amount; as long as a customer is current in making pay-



ments on the backbilled amount, no interest shall accrue on the balance; and Questar shall modify its tariff to reflect that transponder related measurement and resulting billing errors are subject to a six-month backbilling limitation. The Commission modified the Settlement Stipulation such that the entire amount not accounted for by backbilling will be borne solely by Questar.

Legislative Changes and Federal Standards

During the 2009 Utah legislative session three bills were passed pertaining to natural gas utilities which amended Utah Code Title 54 — Public Utilities. Senate Bill 69 — Public Utility Easement Amendments amended Utah Code 54-3-27 “Public Utility Easement” by defining “protected utility easement,” and by specifying that a person may not acquire an interest in a public utility easement or protected utility easement that is adverse to or interferes with the public utility's full use of the easement and that a gas corporation's, electric corporation's, or telephone corporation's failure to possess, occupy, or use a protected utility easement does not diminish or extinguish the corporation's rights under the easement.

Senate Bill 75 — Utility Amendments amended Utah Code 54-4 “Authority of Commission over Public Utilities” and Utah Code 54-7 “Hearings, Practice and Procedure,” specifically the rate-setting process for a public utility. The bill, among other things, authorizes a public utility's complete filing with the Public Service Commission to initiate a 240-day time period for rate case decisions; authorizes the Commission to approve or deny an electrical corporation's or a gas corporation's application for cost recovery of a major plant addition; allows the Commission to authorize an electrical corporation or a gas corporation energy balancing account; and authorizes the Commission to approve a bill payment assistance program for low-income residential customers of an electrical corporation or a gas corporation. The bill also required the Commission to create and finalize rules concerning the minimum requirements to be met for an application to be considered a complete filing. Rule development was initiated as required.

By adding a new section to Title 54, namely Utah Code

54-4-13.1 “Natural gas vehicle rate,” House Bill 392 amended the Commission’s powers enabling it to authorize a natural gas vehicle rate which is less than the full cost of service.

In addition to these bills, the Utah Legislature passed House Joint Resolution 9 (H.J.R. 9) urging state and local governments, electrical corporations, natural gas utility corporations, rural electric cooperatives, and municipal utilities to work together to recognize energy efficiency as a priority resource, to promote and encourage all available cost-effective energy efficiency and conservation, and to participate in existing cost-effective energy efficiency programs. H.J.R. 9 also expresses support for regulatory mechanisms intended to help remove utility disincentives and create incentives to increase efficiency and conservation as long as these mechanisms are found to be in the public interest. Specifically pertaining to Questar, H.J.R. 9 expresses support



for cost-effective energy efficiency and load management programs by customers of Questar Gas, and the setting of a natural gas savings goal of not less than 0.5 percent of Questar’s annual retail sales through a regulatory process. So long as a good faith effort is made, this process should not penalize Questar if it fails to meet the savings goals.

In accordance with the requirements of the U.S. Energy Independence and Security Act of 2007, the Commission commenced consideration and determination of two new natural gas standards added to the federal Public Utility Regulatory Policies Act (“PURPA”). The standards are: Energy Efficiency and Rate Design Modifications to Promote Energy Efficiency Investments. The Commission hosted several technical conferences and work group meetings to facilitate discussion of the issues presented by these standards and will complete its deliberation on the standards by mid-December 2009.

Natural Gas Utility Dockets

07-057-04

In the Matter of the Request of the Division of Public Utilities for Enforcement Action under the Natural Gas Pipeline Safety Act against Questar Gas Company:

Order Approving Settlement Stipulation issued November 20, 2008. The Commission approves a stipulation which results in the settlement of the Division of Public Utilities’ request for enforcement action under the Natural Gas Pipeline Safety Act Against Questar Gas Company.

07-057-08

In the Matter of the Application for Approval of Second Year Budget for 2008 Demand Side Management Programs and Market Transformation Initiative:

Amended Order issued January 20, 2009. The Commission approves an increase in Questar Gas Company’s proposed demand side management and market transformation budget for 2008.

07-057-13

In the Matter of the Application of Questar Gas Company to Increase Distribution Non-Gas Rates and Charges and Make Tariff Modifications:

Report and Order on Cost of Service and Rate Design issued December 22, 2008. The Commission addresses cost-of-service issues, approves revenue spread to classes, and approves pricing to achieve the \$11.966 million revenue increase approved in Phase I of this proceeding. Additionally, the Commission approves the elimination of the General Service South (GSS) rate schedule and revises the Extension Area Charge (EAC) calculations and approves in part, the Company’s restructuring of rate schedules.

Order Staying and Vacating Portions of December 22, 2008, Report and Order and Granting Review and Rehearing issued February 9, 2009. The Commission stays the effective date of the December 22, 2008, Report and Order, pending further order of the Commission.

Report and Order on Review, Reconsideration and Rehearing issued February 26, 2009. The Commission alters the rate for natural gas service for natural gas vehicles (NGVs) and alters other distribution non-gas (DNG) rates to account for the change in the NGVs service

rate. The Commission reaffirms its conclusions and reasoning to eliminate GSS rates and alter EAC rates.

08-057-02

In the Matter of the Revision of Questar Gas Company’s Integrated Resource Planning Standards and Guidelines:

Report and Order on Standards and Guidelines for Questar Gas Company issued March 31, 2009. The Commission approves the 2009 Integrated Resource Planning Standards and Guidelines, effective June 1, 2009.

08-057-03

In the Matter of the Formal Complaint of Complainant against Questar Gas Company:

Report and Order issued March 30, 2009. The Commission dismisses the formal complaint with prejudice.

08-057-08

In the Matter of the Formal Complaint of Complainant vs. Questar Gas Company:

Report and Order issued March 30, 2009. The Commission dismisses the formal complaint with prejudice.

*Natural Gas Utility Dockets (Cont.)***08-057-11****In the Matter of the Investigation and the Consolidation of Dockets of the Formal Complaints against Questar Gas Company Relating to Back-Billing:**

Order Approving Settlement Stipulation with Modification issued December 3, 2009. The Commission modifies and approves a Settlement Stipulation resolving billing disputes between Questar Gas Company and customers due to gas consumption measurement errors arising from faulty transponder installations.

08-057-14**In the Matter of the Formal Complaint of Complainant Against Questar Gas Company:**

Report and Order Dismissing Complaint issued on July 15, 2008. The Commission dismisses the complaint.

08-057-17**In the Matter of the Application of Questar Gas Company to Amortize the Demand Side Management Deferred Account Balance:**

Final Report and Order issued December 10, 2008. The Commission approves an increase in rates, on an interim basis, effective July 1, 2008, for the amortization of the Demand Side Management (DSM) balance identified in Questar Gas Company's June 6, 2008, DSM Application

08-057-22**In the Matter of the Application of Questar Gas for Approval of Third Year Budget for 2009 Demand Side Management Programs and Market Transformation Initiative:**

Order issued December 3, 2008. The Commission approves Questar Gas Company's proposed demand side management and market transformation budget for 2009.

08-057-23**In the Matter of the Pass-Through Application of Questar Gas Company for an Adjustment in Rates and Charges for Natural Gas Service in Utah:**

Interim Order issued October 30, 2008. The Commission approves a decrease in rates, on an interim basis, effective November 1, 2008, based on an annualized gas cost decrease of \$68,809,033.

**08-057-24****In the Matter of the Application of Questar Gas Company to Amortize the Conservation Enabling Tariff Balancing Account:**

Interim Order issued October 30, 2008. The Commission approves an increase in rates, on an interim basis, effective November 1, 2008, for the amortization of the Conservation Enabling Tariff balance of \$435,495.

08-057-25**In the Matter of the Application of Questar Gas Company to Amortize the Demand Side Management Deferred Account Balance:**

Interim Order issued October 30, 2008. The Commission approves an increase in rates, on an interim basis, effective November 1, 2008, for the amortization of the Demand Side Management balance of \$13,881,565.

Final Report and Order issued January 14, 2009. The Commission makes final the November 1, 2008, rate increase for the amortization of the Demand Side Management balance.

08-057-26**In the Matter of the Formal Complaint of Complainant against Questar Gas Company:**

Report and Order issued February 4, 2009. The Commission finds Questar Gas Company did not violate any statute, rule, or tariff and dismisses the complaint and authorizes Questar Gas Company to terminate Parry's service.

09-057-01**In the Matter of the Formal Complaint of Big City Insulation against Questar Gas Company:**

Report and Order issued April 28, 2009. The Commission dismisses the complaint.

09-057-02**In the Matter of the Formal Complaint of Complainant against Questar Gas, Related to Transponder Back-billing Issue:**

Report and Order issued April 23, 2009. The Commission dismisses the complaint and orders Questar Gas Company to back-bill complainant for only half the usage of the 12-month period at issue.

09-057-03**In the Matter of the Pass-Through Application of Questar Gas Company for an Adjustment in Rates and Charges for Natural Gas Service in Utah:**

Interim Order issued February 26, 2009. The Commission approves Questar Gas Company's application for approval to decrease both the supplier non-gas and the commodity rate components of its Utah natural gas rates reflecting a decrease in gas costs of \$161,396,000.

09-057-04**In the Matter of the Application of Questar Gas Company to Amortize the Conservation Enabling Tariff Balancing Account:**

Interim Order issued February 26, 2009. The Commission approves Questar Gas Company's application for approval to amortize the \$446,884 balance of the Conservation Enabling Tariff (CET) and adjust DNG rates for the GS-1 and GSS rate classes.

09-057-05**In the Matter of the Application of Questar Gas Company to Amortize the Demand Side Management Deferred Account Balance:**

Interim Order issued February 26, 2009. The Commission approves Questar Gas Company's application for approval to amortize the \$18,267,717 balance in the Demand Side Management (DSM) account and adjust the DSM rate component of the Distribution Non-Gas (DNG) rates for the GS-1 and GSS rate classes.

Report and Order issued May 26, 2009. The Commission approves rates which were previously approved on an interim basis.

09-057-06**In the Matter of the Formal Complaint of Riddle Services, Inc., against Questar Gas Company:**

Report and Order April 23, 2009. The Commission dismisses the formal complaint.

*Natural Gas Utility Dockets (Cont.)***09-057-09****In the Matter of the Application of Questar Gas Company for an Adjustment to the 191.1 Balancing Account by Means of a Special One-Time Refund and Request for Expedited Treatment:**

Report and Order issued April 29, 2009. The Commission approves Questar Gas Company's application for approval to implement a special refund from the 191.1 Account of \$50,000,000.

09-057-10**In the Matter of the Formal Complaint of Complainant against Questar Gas Company:**

Report and Order issued June 24, 2009. The Commission dismisses the formal complaint with prejudice.

05-057-T01**In the Matter of the Approval of the Conservation Enabling Tariff Adjustment Option and Accounting Orders:**

Order Extending Conservation Enabling Tariff/Demand Side Management Pilot Program issued March 18, 2009. The Commission, finding that there is no opposition to the extension of the Conservation Enabling Tariff (CET) and Demand Side Management (DSM) pilot program and extending the programs as moved by the Company is not against the public interest, extends the CET and DSM pilot program until December 31, 2009.

Order Extending Conservation Enabling Tariff/Demand Side Management Pilot Program to December 2010 issued June 24, 2009. The Commission grants Questar Gas Company's motion seeking extension of the Conservation Enabling Tariff and Demand Side Management Pilot Program until December 31, 2010.

09-057-T04**In the Matter of the Application for Tariff Change for Third-year Budget for Demand Side Management Programs and Market Transformation Initiative:**

Report and Order issued March 31, 2009. The Commission approves the following reduction in insulation rebate levels: attic insulation from \$.35 to \$.20 per square foot, floor insulation from \$.35 to \$.20 per square foot, wall insulation from \$.45 to \$.30 per square foot.

Order Approving Revised Tariff Sheets issued June 9, 2009. The Commission approves the revised tariff sheets for demand side management programs, specifically for Section 2.12, Therm-Wise Multi-family Rebates Program and Section 2.15, Therm-Wise Weatherization Program.

Natural Gas Utility Company

Operating in the State of Utah under the jurisdiction of the Public Service Commission

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Overview of Telecommunication Utilities

The regulation of telecommunications companies that provide telephone service in the State of Utah has changed significantly over the past 14 years. Currently the rural independent (incumbent) telephone companies are regulated as traditional rate-of-return utilities, while Qwest operates under a pricing flexibility regime where it only faces the same type of limited service quality regulation that its competitors operate under. Wireless providers, toll resellers, and voice over internet protocol (“VoIP”) providers are not regulated by the Commission. Currently there are over 1.1 million “landline” telephones that are operational in Utah. There are approximately 2 million wireless phones, and an unknown, but increasing number of VoIP accounts within the state.

The largest telecommunications company in Utah is Qwest. Qwest primarily offers service to customers located along the Wasatch Front and much of the I-15 corridor from Logan to St. George. In addition, there are 87 competitive local exchange companies currently certificated to provide telecommunications service in Qwest’s service territory, although only about 20 of them actually provide service. The Public Service Commission (Commission) also regulates incumbent local exchange companies that serve much of the more rural areas of the State; these are commonly referred to as the independents. There are 15 independent phone companies serving customers throughout Utah.

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Industry Trends

The 1995 Utah Telecommunications Reform Act and the 1996 Federal Telecommunications Act substantially altered the purposes and practices of telecommunications regulation and practice in Utah and set in motion the process that has resulted in the development of competition for local phone service (or services which serve as substitutes for local phone service, such as wireless and VoIP service) along the Wasatch Front, as well as in rural Utah. During the 2009 fiscal year Utah continued to see some interest on the part of potential competitors to Qwest in obtaining Commission certification to compete in the state. Several competitive local exchange carriers also left the State. Additionally a few companies have expressed an interest in competing in the rural (non-Qwest) areas of the State. In the past three years the Commission dealt with three requests from companies desiring to either compete against the smaller independent local exchange carriers located in the more rural areas of the State, or provide service in un-served rural areas of the state. Since then two of these applications have been granted (first for a subsidiary of Beehive Telephone to provide service in both Qwest areas and un-served areas, and second for a cable company to compete against the incumbent in the Vernal

area, and one has been withdrawn. While the certificate has been granted in the Vernal area, the incumbent has refused to allow interconnection and the process is being litigated. As a result competition has yet to arrive in the Vernal area even though a Certificate of Public Convenience and Necessity has been granted by the Commission to a potential competitor.



In January of 2005 the State Legislature amended the 1995 Utah Telecommunications Reform Act. This legislation removed most of the incumbent tariff obligations from Qwest and placed it on a more-or-less equal footing with the competitive local exchange carriers (CLECs) that compete against it. With the exception of being required to offer a basic residential phone line at existing tariff rates, Qwest has implemented pricing flexibility for all other residential and business services. Since the time Qwest received federal approval to move into long-distance markets in Utah (2001) it has begun offering new options to its customers, and its potential customers. Qwest is now competing “head-to-head” with competitors by offering bundled services, including local, long-distance, wireless, internet, and some limited video services at various rates. Qwest faces competition for both residential and business customers. On the residential side one of Qwest’s main competitors is Comcast. Comcast previously provided land line service in the State, but is now providing service by using VoIP technologies. In this year’s Legislative session (2009) the law was amended to remove the requirement from Qwest to provide a basic residential service line at tariffed rates [U.C.A. Title 54-8b-2.3 (1) (b) (iii)]. As a result of the law change Qwest is now granted full pricing flexibility.

Over the course of the previous six or seven fiscal years many of the Federal Communications Commission’s (FCC) rules which had governed the basic obligations of Qwest (and other major legacy carriers in the US) to make portions of its network available to competitors (as a result of implementing the 1996 Telecommunications Act) were overturned in the federal courts. Since that time the FCC has issued new rules that dramatically reduce the obligations of Qwest (and other national carriers) to lease portions of its network to CLECs. As a result, Qwest now faces different kinds of competition as the markets have evolved. To compete, CLECs must either build networks of their own or enter into commercial agree-

ments (at higher than past prices) with Qwest. Both of these realities have tended to reduce the CLEC presence in the market rather dramatically. However, potential competitors have emerged in the form of cable, internet, or wireless providers who are bundling “phone service” (or something very similar) with their other product offerings. The Commission will continue to review the level of competition in the market place to ascer-

tain if sufficient competition exists to protect consumers’ general interests.

An additional change in the marketplace, which the Commission is observing with more frequency, is the practice of real estate developers and property owners/managers making exclusive deals with telecommunications, or other types of audio and video service providers, to offer voice, video and data services in their developments or properties to the exclusion of all other providers. Typically these deals preclude competition among the service providers as potential competitors are not granted access to right-of-ways or easements, and the favored provider refuses to lease portions of its network at reasonable prices. As a result the land purchasers or tenants have no choice of service providers under these exclusive arrangements. Since the developers are able to restrict access to rights-of-way or easements it becomes impossible for a competing service provider to place network facilities. While the Commission views these types of arrangements as contradictory to the legislative intent to promote competition (at both the State and federal levels) it is unable to require access for competing providers under existing laws.

Area Code Relief — The Overlay Implementation

In 1999 the Federal Communications Commission (FCC) notified the Commission that the 801 area code was in jeopardy, meaning it was running out of spare telephone numbers and some type of relief (an overlay or split) was required. At that time the Commission started efforts to require the telecommunications industry in Utah to use telephone numbers more efficiently. The Commission ordered audits, implemented new utilization standards, and petitioned the FCC to allow number pooling in the 801 area code

region. These efforts delayed the need to implement area code relief for a full eight years. The Commission decided an overlay made more sense from the public's point of view than a geographic split. The primary benefits of an overlay include:

- Every single telephone customer in the 801 region is able to keep their current phone number.
- Databases, automatic dialers associated with various types of businesses from banking systems to alarm companies, customers records, and various other business processes which reference a phone number will not need to be updated as customers' phone numbers remain the same.
- No one has to reprint stationary, business cards, business forms, or other contact or billing documents because of a telephone number change.
- Telecommunications providers do not need to coordinate service cutovers between multiple service providers providing multiple services on the same account.
- Wireless hand sets do not need to be reprogrammed for a new number.
- Businesses do not lose customers when their number changes.
- Residential customers do not need to notify friends, businesses, creditors, etc. of changed contact information.
- Future area code relief is simplified.

In June of 2008 the permissive dialing period of the 801/385 overlay began. The permissive dialing period meant that users could use either seven or ten digits to complete local calls within the 801 area code region. On March 1, 2009, ten digit dialing became mandatory as the overlay implementation process came to an end. Within the 801 area code region numbers from either the new 385 area code or the old 801 area code are now being assigned.

The Commission directed the Division of Public Utilities and the Telecommunications industry to work together to ensure a smooth transition to the overlay system. With the exception of two companies (one rural independent and one VoIP company) the transition occurred with very few problems. The rural incumbent had some prefixes (NXX codes) which did not translate correctly, but it was able to quickly fix



the problem with a few hours as soon as its employees became aware of it. The VoIP provider decided unilaterally to change all of its Utah customers (both 801 and 435 customers) over to ten digit dialing even though the overlay only involved the 801 area code region. As a result there was considerable confusion on the customers' part as the public information campaign was stressing that it was only the 801 area code which was involved in

the overlay, but on March 1, 2009, their phones also (unexpectedly) required ten digits as well. As noted above current law does allow the Commission to regulate VoIP companies and as a result the Commission was unable to control the choice of dialing patterns by this company.

Pricing Flexibility

Under the 2005 and 2009 amendments to state law, Qwest now has pricing flexibility for all retail level services. The law allows all local exchange companies in Qwest's service area to implement new prices five days after filing them with the Commission. The law also allows the Commission to review whether the new prices are just and reasonable either during the five days after filing, or after the pricing change is implemented.

Certificates of Public Convenience and Necessity and Interconnection Agreements

Currently 87 competitive telecommunications companies hold a Certificate of Public Convenience and Necessity (CPCN) from the Commission allowing them to provide local telephone service to Qwest's. The Commission continues to both arbitrate and review "interconnection agreements" and "commercial agreements," i.e. terms by which the incumbent and the competitor will interconnect facilities to provide effective and efficient service. The agreements, both interconnection and commercial, facilitate competition by providing a means for the competitor's and Qwest's (or any incumbent's) networks to communicate.

Telecommunication Dockets

Of the hundreds of telecommunications dockets the Commission addressed this year, a significant portion of them dealt with either the entry or exit of competitors, or the interaction between Qwest and competitors as the marketplace adjusted to, and implemented, the relatively new FCC rules regarding inter-carrier relationships. These dock-

ets addressed topics such as certificate applications and cancellations, mergers and acquisitions, approval and enforcement of interconnection agreements, resolution of inter-carrier complaints, approval of special contracts for regulated services, and other service issues. In addition there were some rate case dockets for the independents, universal service determinations, and several dockets which dealt with customer complaints.

Telecommunications Utility Dockets

Applications for Certificates of Public Convenience and Necessity (CPCN)

08-2469-01

In the Matter of the Petition of All American Telephone Co., Inc., for a nunc pro tunc Amendment of its Certificate of Authority to Operate as a Competitive Local Exchange Carrier within the State of Utah:

Report and Order and Notice of Scheduling Conference issued November 18, 2008. Having reviewed the Company's request and attachments, and finding good cause appearing, the Commission hereby grants the Company's request for extension of time. The Commission orders that the Company's response to DPU's Request is continued until a later date to be set by the Commission in a scheduling order, or as otherwise set by the Commission.

08-2469-01

In the Matter of the Petition of All American Telephone Co., Inc., for a nunc pro tunc Amendment of its Certificate of Authority to Operate as a Competitive Local Exchange Carrier within the State of Utah:

Report and Order issued January 20, 2009. The Company's request to designate these proceedings as informal is denied;

08-2469-01

In the Matter of the Petition of All American Telephone Co., Inc. for a nunc pro tunc Amendment of its Certificate of Authority to Operate as a Competitive Local Exchange Carrier within the State of Utah:

Report and Order June 16, 2009. All American's and Beehive's Motions are denied;

08-2488-01

In the Matter of the Application of Access Point, Inc., for a Certificate of Public Convenience and Necessity to Provide Resold and Facilities-Based Local Exchange Services within the State of Utah:

Report and Order issued October 7, 2008. The Public Service Commission of Utah (Commission) grants the request of Access Point, Inc. (Applicant) for a Certificate of Public Convenience and Necessity (Certificate) authorizing Applicant to provide public telecommunications services within the State of Utah, excluding those local exchanges having fewer than 5,000 access lines of an incumbent telephone corporation with fewer than 30,000 access lines in the state.



08-2495-01

In the Matter of the Application of South Central Communications-Telcom Services, LLC, for a Certificate of Public Convenience and Necessity to Provide Facilities Based Local Exchange Services:

Report and Order issued July 31, 2008. The Public Service Commission of Utah (the "Commission") grants the request of South Central Communications Telecom Service, LLC ("Applicant") for a Certificate of Public Convenience and Necessity authorizing Applicant to provide public telecommunications services within the State of Utah, excluding those local exchanges having fewer than 5,000 access lines of an incumbent telephone corporation with fewer than 30,000 access lines in to include the unserved, currently non-certificated area near Coalville, Utah, as described in Exhibit "A" attached hereto and by this reference made a part hereof. All West is granted ETC status with respect to the entire revised boundary of the Coalville Exchange.

08-2496-01

In the Matter of the Application of Momentum Telecom, Inc., for a Certificate of Public Convenience and Necessity to Operate as a Competitive Local Exchange Carrier in Utah:

Report and Order issued December 10, 2008. By this Report and Order, the Public Service Commission of Utah (Commission) grants the request of Momentum Telecom, Inc. (Applicant) for a Certificate of Public Convenience and Necessity (Certificate) authorizing Applicant to provide public telecommunications services as a competitive local exchange carrier in the geographic service territories served by Qwest as the incumbent local exchange carrier.

*Telecommunications
Utility Dockets (Cont.)*

08-2499-01

In the Matter of the Application of Maskina Communications, Inc., f/k/a Transcom Communications, Inc., for Authority to Provide Facilities-Based Interexchange Telecommunications Services in the State of Utah:

Order Permitting Withdrawal of Application issued January 14, 2009. The withdrawal of Application by Maskina is permitted.

08-2500-01

In the Matter of the Application of TeleQuality Communications, Inc., for a Certificate of Public Convenience and Necessity to Provide Resold and Facilities-Based Intrastate Interexchange and Non-Switched Local Exchange Telecommunications Service within the State of Utah:

Report and Order issued February 25, 2009. By this Report and Order, the Public Service Commission of Utah (Commission) grants the request (Application) of TeleQuality Communications, Inc. (Applicant) for a Certificate of Public Convenience and Necessity (Certificate) authorizing Applicant to provide public telecommunications services within Utah, excluding those local exchanges having fewer than 5,000 access lines of an incumbent telephone corporation with fewer than 30,000 access lines in the state. The Commission, having considered the record in this proceeding and the applicable law, hereby makes, adopts, and enters the following Report and Order.

08-2501-01

In the Matter of the Petition of BLC Management LLC, d/b/a Angles Communications Solutions for Authority to Compete as a Telecommunications Corporation and to Offer Public Local Exchange and Interexchange Telecommunications Services:

Report and Order issued June 24, 2009. By this Report and Order, the Public Service Commission of Utah (Commission) grants the request (Application) of BLC Management LLC, d/b/a Angles Communications Solutions (Applicant) for a Certificate of Public Convenience and Necessity (Certificate) authorizing Applicant to provide public telecommunications services within Utah, excluding those local exchanges having fewer than 5,000 access lines of an incumbent telephone corporation with fewer than 30,000 access lines in the state. The Commission, having considered the record in this proceeding and the applicable law, hereby makes, adopts, and enters the following Report and Order.



08-2502-01

In the Matter of the Petition of Broadband Dynamics, L.L.C., for Authority to Compete as a Telecommunications Corporation and to Offer Public Local Exchange and Interexchange Telecommunications Services:

Report and Order issued January 21, 2009. By this Report and Order, the Public Service Commission of Utah (Commission) grants the request (Application) of Broadband Dynamics, LLC (Applicant) for a Certificate of Public Convenience and Necessity (Certificate) authorizing Applicant to provide public telecommunications services within Utah, excluding those local exchanges having fewer than 5,000 access lines of an incumbent telephone corporation with fewer than 30,000 access lines in the state. The Commission, having considered the record in this proceeding and the applicable law, hereby makes, adopts, and enters the following Report and Order.

09-2504-01

In the Matter of the Application of Net Talk.com, Inc., for a Certificate of Public Convenience and Necessity to Provide Resold and Facilities-Based Local Exchange Services within the State of Utah:

Report and Order issued June 17, 2009. By this Report and Order, the Public Service Commission of Utah (Commission) grants the request (Application) of NetTalk.com, Inc. (Applicant) for a Certificate of Public Convenience and Necessity (Certificate) authorizing Applicant to provide public telecommunications services within Utah, excluding those local exchanges having fewer than 5,000 access lines of an incumbent telephone corporation with fewer than 30,000 access lines in the state. The Commission, having considered the record in this proceeding and the applicable law, hereby makes, adopts, and enters the following Report and Order.

Interconnection Agreements

08-049-09

In the Matter of the Interconnection Agreement between Qwest Corporation and TeleQuality Communications, Inc.:

Report and Order issued July 7, 2008. The Interconnection Agreement at issue being defective as involving a non-certificated carrier, the Commission rejects the Interconnection Agreement.

09-049-11

In the Matter of the Interconnection Agreement between Qwest Corporation and Greenfly Networks, Inc. d/b/a Clearly Communications:

Report and Order Rejecting Interconnection Agreement issued May 11, 2009. The interconnection agreement at issue being defective as involving an entity that does not possess a Certificate of Public Convenience and Necessity (CPCN), and therefore against the public interest, convenience, and necessity, the Agreement was rejected.

09-049-16

In the Matter of the Interconnection Agreement between Qwest Corporation and Greenfly Networks, Inc. d/b/a Clearly Communications, Inc.:

Report and Order Rejecting Interconnection Agreement issued May 11, 2009. The interconnection agreement at issue being defective as involving an entity that does not possess a Certificate of Public Convenience and Necessity (CPCN), and therefore against the public interest, convenience, and necessity, the Agreement was rejected.

09-049-17

In the Matter of the Interconnection Agreement between Qwest Corporation and Virtual Network Solutions, Inc.:

Report and Order Rejecting Interconnection Agreement June 10, 2009. The interconnection agreement at issue being defective as involving an entity that does not possess a Certificate of Public Convenience and Necessity (CPCN), and therefore against the public interest, convenience, and necessity, the Agreement was rejected.

Telecommunications Utility Dockets (Cont.)

09-049-18

In the Matter of the Interconnection Agreement between Qwest Corporation and Auric Marketing, LLC:

Report and Order Rejecting the Interconnection Agreement issued June 10, 2009. The interconnection agreement at issue being defective as involving an entity that does not possess a Certificate of Public Convenience and Necessity (CPCN), and therefore against the public interest, convenience, and necessity, the Agreement was rejected.

09-049-28

In the Matter of the Interconnection Agreement between Qwest Corporation and Quality Telephone, Inc.:

Report and Order Rejecting Interconnection Agreement issued June 23, 2009. The interconnection agreement at issue being defective as involving an entity that does not possess a Certificate of Public Convenience and Necessity (CPCN), and therefore against the public interest, convenience, and necessity, the Agreement was rejected.

09-049-29

In the Matter of the Interconnection Agreement between Qwest Corporation and NSW Telecom, Inc.:

Report and Order Rejecting Interconnection Agreement issued June 23, 2009. The interconnection agreement at issue being defective as involving an entity that does not possess a Certificate of Public Convenience and Necessity (CPCN), and therefore against the public interest, convenience, and necessity, the Agreement was rejected.

09-049-30

In the Matter of the Interconnection Agreement between Qwest Corporation and Quality Telephone, Inc.:

Report and Order Rejecting Commercial Master Services Agreement issued June 23, 2009. The commercial master services agreement at issue being defective as involving an entity that does not possess a Certificate of Public Convenience and Necessity (CPCN), and therefore against the public interest, convenience, and necessity, the Agreement was rejected.



09-049-34

In the Matter of the Interconnection Agreement between Qwest Corporation and Digital Telecommunications, Inc.:

Report and Order Rejecting Interconnection Agreement issued June 23, 2009. The interconnection agreement at issue being defective as involving an entity that does not possess a Certificate of Public Convenience and Necessity (CPCN), and therefore against the public interest, convenience, and necessity, the Agreement was rejected.

09-049-35

In the Matter of the Interconnection Agreement between Qwest Corporation and Digital Telecommunications, Inc.:

Report and Order Rejecting Commercial Master Services Agreement issued June 23, 2009. The commercial master services agreement at issue being defective as involving an entity that does not possess a Certificate of Public Convenience and Necessity (CPCN), and therefore against the public interest, convenience, and necessity, the Agreement was rejected.

09-2218-01

In the Matter of the Interconnection Agreement between Citizens Telecommunications Company of Utah, d/b/a Frontier Communications of Utah, and Beehive Telecom, Inc.:

Report and Order Rejecting Interconnection Agreement issued March 26, 2009. The Interconnection Agreement at issue being defective as involving service outside the certificated territory of one of the carriers, the Commission rejects the Interconnection Agreement.

Cancellation of Certificates of Public Convenience and Necessity

08-2291-01

In the Matter of the Voluntary Withdrawal of the CLEC Certificate of Reliant Communications, Inc., f/k/a HJN Telecom, Inc.:

Order Cancelling Certificate No. 2291 issued November 20, 2008. It is hereby ordered that the Certificate of Public Convenience and Necessity issued to Reliant, f/k/a HJN Telecom, Inc., on February 8, 2008 is cancelled. Reliant no longer has authority to operate as a public utility in the State of Utah.

08-2446-01

In the Matter of the Request of VCI Company for Cancellation of Certificate of Public Convenience and Necessity and Notification of Relinquishment of Eligible Telecommunications Carrier Designation.:

Order Cancelling Certificate No. 2446 issued February 4, 2009. It is hereby ordered that the certificate issued to VCI Company is cancelled, as is its ETC designation. VCI no longer has authority to operate as a public utility in the State of Utah.

09-2257-01

In the Matter of the Cancellation of the Certificate of Public Convenience and Necessity for Trinsic Communications:

Order Cancelling Certificate issued April 9, 2009. The Certificate issued to Trinsic Communications is cancelled. Trinsic no longer has authority to operate as a public utility in the State of Utah.

09-2400-01

In the Matter of the Cancellation of the Certificate of Public Convenience and Necessity for GTC Telecom Corp.:

Order Cancelling Certificate issued April 9, 2009. The Certificate issued to GTC Telecom Corp. is cancelled. GTC Telecom Corp. no longer has authority to operate as a public utility in the State of Utah.

09-2375-01

In the Matter of the Cancellation of the Certificate of Public Convenience and Necessity for Ciera Network Systems, Inc., to Provide Local Exchange Services in the State of Utah:

Order Cancelling Certificate No. 2375 issued February 10, 2009. It is hereby ordered that the Certificate issued to Ciera Network Systems, Inc. is cancelled. Ciera no longer has authority to operate as a public utility in the State of Utah.

Telecommunications Utility Dockets (Cont.)

09-2473-01

In the Matter of the Cancellation of the Certificate of Public Convenience and Necessity for Ygnition Networks, Inc.:

Order Cancelling Certificate issued April 9, 2009. The Certificate issued to Ygnition Networks, Inc. is cancelled. Ygnition Networks, Inc. no longer has authority to operate as a public utility in the State of Utah.

Arbitrations, Disputes, and Carrier Complaints

07-2263-03

In the Matter of the Petition of Eschelon Telecom of Utah, Inc., for Arbitration with Qwest Corporation, Pursuant to 47 U.S.C. Section 252 of the Federal Telecommunications Act of 1996:

Report and Order on Arbitration of Interconnection Agreement issued July 11, 2008. Having reviewed the evidence presented, as well as the arguments of the parties, the Commission directs the parties to submit an interconnection agreement that includes the terms and conditions reflecting their mutual agreement and the Commission's resolution of the disputed issues discussed and resolved herein.

08-2476-02

In the Matter of the Petitions of Bresnan Broadband of Utah, LLC, to Resolve Dispute Over Interconnection of Essential Facilities and for Arbitration to Resolve Issues Relating to an Interconnection Agreement with UBTA-UBET Communications, Inc.:

Report and Order issued November 17, 2008. This matter is before the Commission on Intervenor UBTA-UBET's (UBTA-UBET) Motion to Dismiss. For the reasons stated below, UBTA-UBET's Motion is denied.

08-2476-02

In the Matter of the Petition of Bresnan Broadband of Utah, LLC, to Resolve Dispute Over Interconnection of Essential Facilities and for Arbitration to Resolve Issues Relating to an Interconnection Agreement with UBTA-UBET Communications, Inc.:

Report and Order Resolving Interconnection Dispute issued May 21, 2009. Bresnan has a right to interconnect with UBTA-UBET.



General Rate Cases

07-2419-03

In the Matter of the Petition of Direct Communications Cedar Valley, LLC, for a Rebalance of Rates and Support from the State Universal Service Support Fund:

Report and Order Approving Stipulation issued July 15, 2008. Having concluded the Stipulation between Direct Communications Cedar Valley, LLC and the Division of Public Utilities attached hereto is just and reasonable in result and is in the public interest, the Commission approves the same and thereby approves the rates and charges for telecommunications services and support from the state Universal Service Support Fund as contained in the Stipulation.

08-046-01

In the Matter of the Application for the Increase of Rates and Charges by Manti Telephone Company:

Report and Order issued February 2, 2009. The Request for interim increase in USF eligibility is approved.

Universal Service Fund

01-052-02

In the Matter of the Request for One Time Universal Service Fund Distribution of Services for Navajo Lake and Surrounding Ranch Properties:

Report and Order issued January 14, 2009. The Public Service Commission of Utah withdraws its 2006 Report and Order issued in this Docket granting a one-time distribution from the State Universal Public Telecommunications Service Support Fund to facilitate the provision of telecommunications service by South Central Utah Telephone Association to potential customers in the Navajo Lake area.

Mergers and Acquisitions

08-2434-01

In the Matter of the Joint Application of Lightyear Network Solutions, LLC and Wherify Wireless, Inc. for Approval of the Indirect Transfer of Control of Lightyear Network Solutions, LLC, to Wherify Wireless, Inc.:

Report and Order issued November 5, 2008. The proposed indirect transfer of control appearing to present no detriment to the public interest, the Commission approved the same.

1996 Telecommunications Act Administration

08-049-50

In the Matter of Qwest Corporation's Petition to Open a Six-Month Review Under Section 16.1 of the Utah Performance Assurance Plan:

Order Approving PAP and PID Changes to All Interconnection Agreements with PAPs issued February 4, 2009. Adopt and approve the changes to Qwest's Performance Assurance Plan (PAP) and associated Performance Indicator Definitions (PIDs) contained in the Stipulating Parties' 2007 Stipulation Regarding Certain Performance Indicator Definitions and Qwest Performance Assurance Plan Provisions that Qwest originally submitted on June 27, 2007 and that we approved on June 30, 2008 in Docket No. 07-049-31, and that we now make applicable to all CLECs that have opted (or will opt) into the PAP and PIDs in Utah.

Miscellaneous

08-049-56

In the Matter of the Notice of Qwest Communications Corporation of a Conversion to LLC and Name Change to Qwest Communications Company, LLC:

Order Approving Conversion and Name Change issued November 26, 2008. It is hereby ordered that the conversion of Qwest from a corporation to a limited liability company is approved. It is further ordered that the name change from Qwest Communications Corporation to Qwest Communications Corporation, LLC is approved.

*Telecommunications
Utility Dockets (Cont.)*

08-2351-01

In the Matter of the Notice of Time Warner Telecom of a Name Change to tw Telecom:

Report and Order Approving Name Change issued July 15, 2008. No detriment to the public interest appearing, the Commission approved the proposed name change.

08-2430-01

In the Matter of Verizon's Objection, Protest and Request for Investigation in Response to Qwest's Recent Filing of its Revised Access Service Tariff Sheets 13, 13.1, and 16:

Order on Request for Expedited Response and Consideration issued June 4, 2009. Verizon is ordered to respond to Qwest's Motion no later than Friday, June 5, 2009

08-2430-01

In the Matter of Verizon's Objection, Protest and Request for Investigation in Response to Qwest's Recent Filing of its Revised Access Service Tariff Sheets 13, 13.1, and 16:

Order on Joint Motion for Extension of Time issued June 16, 2009. The Commission previously ordered Verizon to respond to Qwest's third set of data requests no later than



June 15, 2009 so that Qwest may incorporate the data in its reply testimony due Thursday, June 18, 2009. The Commission hereby extends those dates by one week;

08-2471-01

In the Matter of the Request of Redline Inc. for Approval of a Proposed Name Change to Redline Phone Inc.:

Order Approving Name Change issued January 14, 2009. Based on the foregoing, It is hereby ordered that the name change from Redline Inc. to Redline Phone Inc. is approved.

09-2236-01

In the Matter of the Notice of Discontinuance of Operation for Talk America Inc., d/b/a Cavalier Telephone Provider of Interexchange Telecommunications Services in the State of Utah:

Order Cancelling Certificate Number 2236 issued June 24, 2009. The Company's certificate number 2236 is cancelled with immediate effect;

09-2430-01

In the Matter of the Petition of MCI Metro Access Transmission Services LLC d/b/a Verizon Access Transmission Services and MCI Communications Services, Inc., d/b/a Verizon Business Services, for a Waiver of Regulatory Requirements to File Price Lists for Services to Enterprise and Large Business Customers, and to Permit Deviation from the Rule Requiring Paper Billing for Customers Who Want Electronic Bills in Lieu of Paper Bills:

Report and Order June 23, 2009. Verizon is exempt from the requirement of Section 54-8b-2.3 to file a price list for the services as identified in its petition.

Incumbent Local Exchange Carriers (ILECs)

Operating in the State of Utah under the jurisdiction of the Public Service Commission

Albion Telephone Company

225 W. North St.
PO Box 98
Albion, ID 83311
Tel: (208) 673-5335
Fax: (208) 673-6200
www.atccomm.com

All West Communications

50 W. 100 N.
PO Box 588
Kamas, UT 84036-0588
Tel: (435) 783-4361
(888) 292-1414
Fax: (435) 783-4928
www.allwest.net

Bear Lake Communications

35 S. State St.
PO Box 7
Fairview, UT 84629
Tel: (435) 427-3331
(800) 427-8449
Fax: (435) 427-3200
www.cutel.com

Beehive Telephone Company

2000 E. Sunset Rd.
Lake Point, UT 84074-9779
Tel: (801) 250-6639
(800) 629-9993
Fax: (801) 250-4420
www.beehive.net

Carbon Emery Telecom

455 E. Hwy. 29
PO Box 421
Orangeville, UT 84537-0421
Tel: (435) 748-2223
Fax: (435) 748-5222
www.emerytelcom.com

Central Utah Telephone

35 S. State St.
PO Box 7
Fairview, UT 84629
Tel: (435) 427-3331
(800) 427-8449
Fax: (435) 427-3200
www.cutel.com

Frontier Communication of Utah

PO Box 708970
Sandy, UT 84070-8970
Tel: (801) 924-6360
(800) 373-5627
Fax: (801) 924-6363
www.frontieronline.com

Direct Communications Cedar Valley

PO Box 324
Rockland, ID 83271-0324
Tel: (208) 548-2345
Fax: (208) 548-9911
www.dcdi.net/eaglemtn

Emery Telephone

455 E. Hwy. 29
PO Box 629
Orangeville, UT 84537-0629
Tel: (435) 748-2223
Fax: (435) 748-5222
www.emerytelcom.net

Farmers Telephone Co.

26077 Hwy. 491
PO Box 369
Pleasant View, CO 81331-0369
Tel: (970) 562-4211
(877) 828-8656
Fax: (970) 562-4214
www.farmerstelcom.com

Gunnison Telephone Co.

29 South Main
PO Box 850
Gunnison, UT 84634-0850
Tel: (435) 528-7236
Fax: (435) 528-5558
www.gtelco.net

Hanksville Telecom Inc.

455 E. Hwy. 29
PO Box 629
Orangeville, UT 84537-0629
Tel: (435) 748-2223
Fax: (435) 748-5222
www.emerytelcom.net

ILECs (Cont.)

Manti Telecommunications Company

34 W. Union St.
Manti, UT 84642-1356
Tel: (435) 835-3391
(877) 835-3391
Fax: (435) 835-7192
www.manti.com

Navajo Communications Company

PO Box 708970
Sandy, UT 84070-8970
Tel: (801) 924-6360
(800) 373-5627
Fax: (801) 924-6363
www.frontieronline.com

Qwest Corporation

250 Bell Plaza Rm 1603
Salt Lake City UT 84111
Tel: (801) 237-7200
(888) 642-9996
Customer service:
(800) 244-1111
www.qwest.com

Skyline Telecom

35 S. State St.
PO Box 7
Fairview, UT 84629-0007
Tel: (435) 427-3331
(800) 427-8449
Fax: (435) 427-3200
www.cutel.com

South Central Utah Telephone

45 N. 100 W.
PO Box 555
Escalante, UT 84726
Tel: (435) 826-0225
Fax: (435) 826-0826
www.socen.com

Union Telephone Company

PO Box 160
Mountain View
WY 82939-0160
Tel: (307) 782-6131
(800) 646-2355
Fax: (307) 782-6913
www.union-tel.com

Uintah Basin Telecom d/b/a UBTA

Communications
211 E. 200 N.
PO Box 398
Roosevelt, UT 84066-2343
Tel: (435) 646-5007
(888) 546-8282
Fax: (435) 646-5011
www.ubtanet.com

Competitive Local Exchange Carriers (CLECs)

Operating in the State of Utah under the jurisdiction of the Public Service Commission

360Networks (USA) Inc.

867 Coal Creek Circle
Suite 160
Louisville, CO 80027-4670
Tel: (303) 854-5000
(800) 576-1959
Fax: (303) 854-5100
www.360.net

Abovenet Inc.

f/k/a MFN of Utah LLC
360 Hamilton Ave.
7th Floor
White Plains, NY 10601-1811
Tel (914) 421-6700
(888) 636-2778
Fax (914) 421-7688
www.mfn.com

Access Point Inc.

Corporate Office
1100 Crescent Green
Suite 109
Cary, NC 27518
Tel: (919) 854-4838
(877) 419-4274
Email Customer Service:
customerservice
@accesspointinc.com

ACN Communications Service

32991 Hamilton Court
Farmington Hills, MI 48334
Tel (248) 699-4000
(877) 226-1010
Fax: (248) 489-5917
www.acninc.com

Affinity Network, Inc.

d/b/a ANI Networks
4380 Boulder Hwy.
Las Vegas, NV 89121
Tel: (702) 547-8485
Fax: (702) 942-5005
www.affinitynetworkinc.com

All American Telephone Company, Inc.

8635 W. Sahara Ave.
Suite 498
Las Vegas, NV 89117
Tel: (702) 499-9889
Fax: (702) 920-8844

All West Utah Inc. d/b/a All West Utah CLEC

50 W. 100 N.
PO Box 588
Kamas, UT 84036-0588
Tel: (435) 783-4361
(866) 255-9378
Fax: (435) 783-4928
www.allwest.net

American Fiber Network Inc.

9401 Indian Creek Pkwy.
Suite 280
Overland Park, KS 66210
Tel: (913) 338-2658
(800) 864-0583
Fax: (913) 661-0338
www.afnltd.com

American Fiber Systems

100 Meridian Centre
Suite 250
Rochester, NY 14618-3979
Tel: (585) 340-5400
Fax: (585) 756-1966
www.americanfibersystems.com

AT&T Communications of the Mtn. States

1875 Lawrence St.,
Suite 1405
Denver, CO 80202-1847
Tel: (303) 298-6741
Fax: (303) 298-6301
www.att.com

Baldwin County Internet/DSSI Service, LLC

22645 Canal Rd., Suite B
Orange Beach, AL 36561
Tel: (251) 980-8900

Bandwidth.com CLEC, LLC

4001 Weston Parkway
Cary, NC 27513
Tel: (800) 808-5150
Fax: (919) 297-1101

Beehive Telecom, Inc.

2000 E. Sunset Rd.
Lake Point, UT 84074-9779
Tel: (435) 837-6000
Fax: (435) 837-6109
www.beehive.net

Bell South Long Distance

400 Perimeter Center Terrace
Suite 400
Atlanta, GA 30346-1231
Tel Res: (888) 757-6500
Tel Bus: (800) 228-6075
www.bellsouth.com

Bresnan Broadband of Utah, LLC

c/o Holland & Hart LLP
8390 E. Crescent Pkwy.
Suite 400
Greenwood Village
CO 80111
Tel: (303) 290-1601
Fax: (303) 975-5290

Broadband Dynamics, LLC

8757 E. Via De Commercio
Scottsdale, AZ 85258
Tel: 888-801-1034
Fax: 888-801-1038
Email:
info@broadbanddynamics.com

Broadweave Networks

3940 N. Traverse Mountain
Suite 100
Lehi, UT 84043-4984
Tel: (801) 407-6000
Fax: (801) 407-6005
www.broadweave.com

CLECs (Cont.)

BT Communications Sales LLC

f/k/a Concert Comm.
11440 Commerce Park Dr.
Reston, VA 20191-1555
Tel: (703) 755-6730
Fax: (703) 755-6750
www.bt.com

Bullseye Telecom Inc.

25900 Greenfield Road
Suite 330
Oak Park, MI 48237
Tel: (248) 784-2605
(877) 638-2855
Fax: (248) 784-2501
www.bullseyetelecom.com

Central Telcom Services

d/b/a CentraCom Interactive
PO Box 7
35 South State
Fairview, UT 84629
Tel: (435) 427-3331
(800) 427-8449

Chase Com

(Go Conference, Inc.)
1612 State Street
Santa Barbara, CA 93101
Tel: (800) 288-9807
www.powercom.com

Comcast Phone of Utah LLC

*f/k/a AT&T Broadband
Phone of Utah LLC*
440 Yauger Way SW
Olympia, WA 98502-8153
Tel: (360) 705-2537 ext 3404
(800) 288-2085
Fax: (360) 754-5811
www.comcast.com

Comm Partners, LLC

3291 N. Buffalo Dr., Suite 150
Las Vegas, NV 89129
Tel: (702) 367-8647
Fax: (702) 365-8647

Comtech 21 LLC

One Barnes Park South
Wallingford, CT 06492
Tel: (203) 679-7257
Fax: (203) 679-7387

ComTel Telcom Assets LP

500 Boylston St., 17th Floor
Boston, MA 02116
Tel: For Local Service
(877) 668-0808
For Long Distance Service
(800) 875-9235
www.Excel.com

Cordia

Communications Corp.
445 Hamilton Ave., Suite 408
White Plains, NY 10601
Tel: (914) 948-5550
Fax: (914) 948-5999

Cypress Communications

15 Piedmont Center
Atlanta, GA 30305
Tel: (404) 869-2500
(888) 528-1788
Fax: (404) 338-8798

Dieca Communications

*d/b/a Covad
Communications Co.*
7901 Lowry BL.
Denver, CO 80230-6906
Tel: (408) 616-6500
(888) 462-6823
Fax: (408) 616-6501

DPI Teleconnect LLC

2997 LBJ Freeway, Suite 225
Dallas, TX 75234
Tel: (972) 488-5500
(800) 687-6727
Fax: (972) 488-8636
www.dpiteleconnect.com

DSLNet Communications LLC

545 Long Wharf Dr.
5th Floor
New Haven, CT 06511
Tel: (203) 772-1000
(877) 375-6691
Fax: (203) 624-3612
www.dsl.net

Emery Telecom and Video Inc.

450 E. Hwy. 29
PO Box 550
Orangeville, UT 84537-0550
Tel: (435) 748-2223
Fax: (435) 748-5222
www.etv.net

Ernest

Communications Inc.
5275 Triangle Pkwy., Suite 150
Norcross, GA 30092
Tel: (770) 242-9069
(800) 456-8353
Fax: (770) 448-4115
www.ernestgroup.com

Eschelon Telecom of Utah Inc.

730 2nd Ave. South, Suite 900
Minneapolis, MN 55402-2489
Tel: (612) 376-4400
(888) 372-4356
Fax: (612) 376-4411
www.eschelon.com

FirstDigital Telecom LLC

90 S. 400 W., Suite M-100
Salt Lake City, UT 84101
Tel: (801) 456-1000
Fax: (801) 456-1010
www.firstdigital.com

France Telecom

2300 Corporate Park Drive
Mailstop SPO606
Herndon, VA 20171
Tel: (703) 375-4919
Fax: (703) 375-4905

Frontier Communications

d/b/a Citizens Long Distance
PO Box 708970
Sandy, UT 84070-8970
Tel: (801) 924-6360
(888) 535-4354
Fax: (801) 924-6363

Global Connection of America

3957 Pleasant Dale Rd.
Atlanta, GA 30340
Tel: (770) 457-7174
(877) 511-3009
www.globalc-inc.com

Global Crossing Telemanagement

1080 Pittsford Victor Rd.
Pittsford, NY 14534
Tel: (585) 255-1100
(800) 414-1973
Fax: (585) 381-7592
www.globalcrossing.com

Granite

Telecommunications
234 Copeland St
Quincy MA 02169
Tel: (617) 847-1500
Fax: (617) 847-0931
www.granitenet.com

IDT America Corp.

520 Broad Street
Newark, NJ 07102
Tel: (800) 888-9126
Fax: (973) 438-1455
www.idt.net

Impact Telecom, LLC

5909 NW Expressway
Suite 101
Oklahoma City, OK 73132
Tel: (405) 755-8177
Fax: (405) 755-8377

Industrial Communications

c/o General Telephone
PO Box 610
Bountiful, UT 84011
Tel: (801) 532-3500

Integra Telecom of Utah LLC

1201 NE Lloyd Blvd, Suite 500
Portland, OR 97232-6902
Tel: (503) 480-0504
(503) 453-8018
www.integratelecom.com

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(877-856-7504
Fax: (720) 494-6600
www.intrado.com

Level 3**Communications LLC**

1025 Eldorado Blvd.
Broomfield, CO 80021-8869
Tel: (720) 888-1000
(877) 453-8353
Fax: (720) 888-5127
www.level3.com

Lightyear Network Solutions LLC

1901 Eastpoint Parkway
Louisville, KY 40223
Tel: (502) 244-6666

LSSI Corp.

101 Fieldcrest Avenue
Edison, NJ 08837
Tel: (732) 512-2100

Matrix Telecom Inc.

300 N Meridian, Suite 200-N
Oklahoma City, OK 73107
Tel: (888)-411-0111
Fax: (405)-951-6312
www.matrixtele.com

MCI Communications Services Inc.

22001 Loudoun County Pkwy.
Ashburn, VA 20147
Tel: (678) 259-1449
Fax: (678) 259-51

MCI Metro Access Transmission

201 Spear Street, 9th Floor
San Francisco CA 94105
Tel: (415) 228-1072
(800) 893-7589
Fax: (415) 228-1094
www.mci.com

McLeod USA**Telecommunications**

6400 C Street SW
PO Box 3177
Cedar Rapids, IA 52406-3177
Tel: (319) 790-7055
(800) 500-3453
Fax: (319) 790-7901
www.mcleodusa.com

CLECs (Cont.)

Metropolitan Telecommunications of Utah

44 Wall St., 6th Floor
New York, NY 10005-2401
Tel: (212) 607-2000
Fax: (866) 667-3900

Mitel Netsolutions, Inc.

7300 W. Boston St.
Chandler, AZ 85226-3229
Tel: (602) 798-7087
Fax: (602) 798-7067
www.mitel.com

Momentum Telecom, Inc.

2700 Corporate Dr., Suite 200
Birmingham, AL 35242
Tel: (205) 978-4442
(877) 238-3713
Fax: (205) 978-3402
www.momentumtelecom.com

Neutral Tandem, Inc.

One South Wacker Dr.
Suite 200
Chicago, IL 60606
Tel: (312) 384-8087
Fax: (312) 346-2601
www.neutraltandem.com

New Edge Network Inc.

3000 Columbia House Blvd.
Suite 106
Vancouver, WA 98661-2969
Tel: (360) 693-9009
(877) 725-3343
Fax: (360) 737-0828
www.newedgenetworks.com

Nextg Networks of California

2216 Otoole Avenue
San Jose, CA 95131-1326
Tel: (408) 954-1580

North County Communications

3802 Rosecrans St., Suite 485
San Diego, CA 92110
Tel: (619) 364-4750
Fax: (619) 364-4777
www.nccom.com

Orbitcom Inc.

1701 N. Louise Ave.
Sioux Falls, SD 57101
Tel: (605) 977-6900

Pac-West Telecom Inc.

1776 W March Ln., Suite 250
Stockton, CA 95207
Tel: (209) 926-3300
(800) Pac West
Fax: (209) 926-4585
www.pacwest.com

Paetec

600 Willowbrook Office Parks
One Paetec Plaza
Fairport, NY 14450-4223
Tel: (585) 340-2500
www.paetec.com

Preferred Long Distance Inc.

16380 Ventura Blvd., Suite 350
Encino, CA 91436-1716

Quantumshift Communications Inc.

88 Rowland Way, Suite 300
Novato CA 94945
Tel: (415) 893-7180
(888) 800-1490
Fax: (415) 893-0569
www.quantumshift.com

Questar Infocom Inc.

180 E. 100 S.
PO Box 45433
Salt Lake City
UT 84145-0433
Tel: (801) 324-5938
(800) 729-6790
Fax: (801) 324-5131
www.questarinfo.com

Qwest Communication Corporation

1801 California Street
Denver, CO 80202
Tel: (801) 237-7200
(888) 642-9996
Fax: (801) 237-6542
www.qwest.com

Redline Inc.

8184 S. Highland Dr.
Suite C
Sandy, UT 84093
Tel: (801) 735-9950
Fax: (801) 735-9950
www.
redlinecommunications.com

Sage Telecom, Inc.

805 Central Expressway
South 100
Allen, TX 75013-2789
Tel: (214) 495-4884
Fax: (214) 495-4795
www.sagetelecom.net

SBC Telecom Inc. AT&T Long Distance

1010 N. St. Mary's, Rm. 1335
San Antonio, TX 78215
Tel: (210) 246-8041
(877) 430-7228
Fax: (210) 246-8759
www.sbctelecom.com

Sierra Pacific Communications

6100 Neil Road
Reno, NV 89520
Tel: (775) 834-3173
Fax: (775) 834-4920

Sorenson Communications

4393 S. Riverboat Rd.
Suite 300
Salt Lake City, UT 84123
Tel: (801) 287-9400
Fax: (801) 287-9401
www.sorenson.com

South Central Communications Telcom Services, LLC

45 N. 100 W.
Escalante, UT 84726
Tel: (435) 826-0225
Fax: (435) 826-0827
www.socen.com

Sprint Communications Co. LP

6391 Sprint Pkwy.
MS: ksopht0101-Z2400
Overland Park
KS 66241-2400
Tel: (913) 315-4279
(800) 829-0965
Fax: (913) 315-3303
www.sprint.com

Syniverse Technologies Inc.

8125 Highwoods Palm Way
Tampa, FL 33647-1776
Tel: (813) 637-5940
Fax: (813) 637-5731
www.syniverse.com

Talk America

6805 Route 202
New Hope, PA 18938
Tel: (215) 862-1500
(800) 291-9699
Fax: (215) 862-1085
www.talk.com

TCG Utah

1875 Lawrence St., Suite 1405
Denver, CO 80202-1847
Tel: (303) 298-6741
Fax: (303) 298-6301
www.att.com

Telequality Communications, Inc.

16601 Blanco Road
San Antonio, TX 78232
Tel: (210) 481-5499
Fax: (210) 408-1700
www.telequality.com

Trans National Communications (TNCI)

2 Charlesgate West
Boston, MA 02215
Tel: (617) 369-1163
Fax: (617) 369-1187

tw Telecom of Utah, LLC f/k/a Time Warner Telecom of Utah LLC

10475 Park Meadows Dr.
Littleton, CO. 80124
Tel: (760) 832-6275
(800) 829-0420
Fax: (760) 778-6981
www.twtelecom.com

UCN Inc.

14870 S. Pony Express Rd.
Bluffdale, UT 84065-4801
Tel: (801) 320-3200
Fax: (801) 715-5022

Veracity Communications

379 North University Ave.,
Suite 301
Provo, UT 84601-2878
Tel: (801) 437-6578
Fax: (801) 370-1104

Witel Communications LLC a/k/a Williams Communications LLC

One Technology Center
Mail Drop TC-7B
Tulsa, OK 74103
Tel: (918) 547-6000
(800) 924-8903
Fax: (918) 547-9446
www.
witelcommunications.com

X5 Solutions

1520 4th Ave., Suite 500
Seattle WA 98101
Tel: (206) 973-5800
Tel: (888) 973-5899
www.x5solutions.com

Xmission Networks LLC

510 E. 400 S., Suite 100
Salt Lake City, UT 84111
Tel: (801) 303-0819
www.xmission.com

XO Communications Services, Inc.

111 E. Broadway, Suite 1000
Salt Lake City, UT 84111
Tel: (801) 983-1600
Fax: (801) 983-1667
www.xo.com

Ymax Comm. Corp.

223 Sunset Ave., Suite 223
Palm Beach, FL 33480
Fax: (561) 832-8377



Telecommunications Relay Service & Equipment Distribution Program

The Public Service Commission celebrated 20 years of providing telecommunications relay services (TRS) in the State of Utah in November, 2008. Prior to the relay service, people who were deaf had to rely on hearing children or were required to go to a hearing neighbor's house in order to make a telephone call. With the advent of the relay service, a person who was deaf had only one option of using a text telephone (TTY) and TRS. Now there are several options available such as video relay services, internet protocol relay, wireless pagers, captioned telephones, and amplified telephones. In addition to traditional TRS, there are non-traditional forms of TRS of services in Spanish, Speech-to-Speech, Voice Carry Over/CapTel, and Hearing Carry Over.

The equipment available continues to improve, and the Commission has witnessed enormous growth in the program over the last few years as the Commission continues with education, advertising, and public relations targeted towards people who are deaf or hard-of-hearing. The number of applicants, customers, and users of the program has continued to expand. The hard-of-hearing population continues to grow as predicted as baby boomers age and as health services continue to improve, resulting in increased life expectancy.

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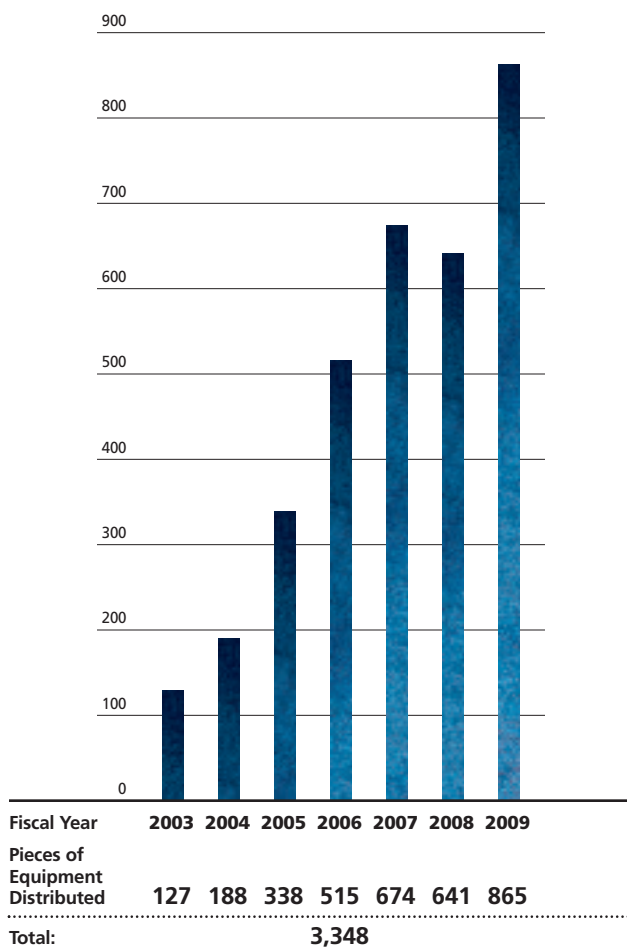
Outreach

Housed under the umbrella of the Public Service Commission, Relay Utah, the State's TRS program, provides access to specialized telecommunication equipment and to TRS and the Captioned Telephone (CapTel) Relay Service. The PSC has been contracting with Sprint for almost 10 years to provide the necessary service allowing Utah citizens who are deaf, hard of hearing or speech disabled a means to more efficient communication. In the meantime, the Commission has been working for almost 7 years with an advertising agency, Penna Powers Brian Haynes (PPBH), to assist with education, outreach, public relations, and grassroots activities for Relay Utah programs. November 2008 marked 20 years of Utah's provision of relay services and equipment, so The Deseret News, The Salt Lake Tribune, The Enterprise, and the Utah Business UBdaily Business Briefing ran articles to celebrate this milestone. Articles were also submitted about a new addition to the equipment distribution program, the amplified cordless phone. These articles ran in the Utah Prime Times, Options and Opportunities, and the Senior Review. PPBH was also able to obtain placement of articles in senior housing complex newsletters. In April of 2009, an interview segment was taped with Julie Orchard, Commission Administrator, for Comcast Newsmakers.

The Commission was also able to reach seniors throughout the state by providing information about the equipment program at health fairs as well as senior fairs. Finally, the PSC has always made an effort through grassroots presentations at senior centers, at senior housing facilities, for foster grandparents associations, for macular degeneration support groups, and for homebound healthcare workers.

Equipment Distribution

Due to the statewide presentations by the Commission staff (listed on the right) as well as advertising efforts, applications for specialized telecommunication equipment have continued to grow over the last several years. Currently one Commission staff member works full time to distribute equipment and provide the necessary educational opportunities and training. Two other part-time employees also assist the Commission with equipment distribution and training.



Relay Utah Presentations — FY 2009

06/04/2008	Golden Years Senior Center	1 applicant
06/11/2008	Adult Macular Degeneration Support Group	9 attendees
06/12/2008	Beaver Senior Fair	50 attendees
06/18/2008	Harmon Senior Center	22 attendees
06/20/2008	Foster Grandparent, Legacy, SLC Senior Companion Program Picnic	250 case workers
07/15/2008	Uinta County Sight-Impaired Center	35 attendees
06/20/2008	Secure Horizons/EverClear	9 case workers
07/21/2008	Golden Years Senior Center	75 attendees
08/13/2008	Health Fair sponsored by United Healthcare at Family Total Health Club	50 attendees
08/19/2008	Health Fair sponsored by United Healthcare at Sports Mall	40 attendees
08/20/2008	Harmon Senior Center's Senior Health Fair	30 attendees
09/06/2008	Layton Hills Baptist Church	9 attendees
10/01/2008	Brighton Gardens	7 attendees
10/06/2008	Holladay Home for the Elderly	4 attendees
10/10/2008	Senior Expo at South Towne	2,000 attendees
10/14/2008	Adult Macular Degeneration Support Group — Blanding	40 attendees
10/16/2008	Senior Health & Wellness Extravaganza	400 attendees
10/22/2008	Brigham City Health Fair	250 attendees
10/22/2008	Uintah Basin AAA Senior Health Fair	
11/05/2008	Cottage Glen Assisted Living	8 attendees
11/06/2008	Compass Villa Senior Housing	3 attendees
11/08/2008	Association of the Deaf and Hard of Hearing	15 attendees
11/10/2008	Jordan River Apartments	10 applicants
11/13/2008	Highland Cove Retirement Park	22 attendees
1/14/2009	National Active and Retired Federal Employees	5 attendees
1/26/2009	St. Mark's Tower	8 attendees
2/04/2009	Cache County Senior Citizens Center	30 attendees
2/18/2009	Tremonton Senior Citizens Center	36 attendees
3/16/2009	Tenth East Senior Center	50 attendees
4/23/2009	East Carbon Senior Center	40 attendees
4/24/2009	Karl Peterson Senior Center	100 attendees
5/12/2009	Price Active Re-Entry Seminar	42 attendees
5/28/2009	Liberty Senior Center — Project CARE Health & Resource Fair	350 attendees

Sign Language Interpreter Training Programs

With new technological developments and changes in the telecommunication industry designed to meet the needs of the deaf and hard of hearing, there has been a decline in use of the traditional text telephone. In the meantime, the industry is witnessing an increase in services such as Video Relay Service and Internet Protocol Relay. Because of the technology improvements with the Internet, computers, and web cameras, these options for communication have expanded. A new need for American Sign Language (ASL) interpreters for VRS has arisen which has brought about a shortage in the industry overall of certified interpreters with the appropriate skills and abilities. In order to meet the growing need of ASL interpreters for VRS, the educational field, and other community interpreter needs, Senator Brent Goodfellow sponsored House Bill 145, "Amendments to Hearing and Speech Impaired Telecommunications Program." During the 2005 Legislative session, this bill passed with overwhelming support. The bill provides the Commission with the opportunity to solicit bids through the state procurement process with the goal of increasing the number of certified ASL interpreters in Utah. Following the process, the PSC awarded three separate contracts to sign language interpreter training programs: Salt Lake Community College (SLCC), the Utah Interpreter Program's ICAN Program housed with the Division of Services for the Deaf and Hard of Hearing, and Utah Valley University (formerly Utah Valley State College). It is a time of great opportunity to study sign language interpreting because the three different training programs are available to meet a variety of needs between Orem and Salt Lake, in addition to a new mentor program in St. George. These new programs have allowed for the creation of new, paid positions for teachers and mentors. The mentors are people who are deaf who help to improve the skills and abilities of interpreters in training. Scholarships or grants are typically available to those in training with hope of further expansion in the future.

According to the Utah Interpreter Program, a State program overseeing the testing and certification of interpreters, indicates that the number of professionally certified sign language interpreters had remained flat at around 74 certifica-



tions back in 2005 when the PSC implemented the procurement process. After three years of funding the interpreter training programs, the number grew to 107. As of October 2009, the current number of professional certifications has increased to 126.

Senate Bill 156

During the 2007 General Session of the Utah Legislature, Senator Brent Goodfellow sponsored and passed legislation, S.B. 156, "Public Service Commission — Equipment Distribution Program" making it possible for the Commission to distribute wireless pagers (e.g. Blackberry) to consumers who are eligible for the equipment distribution program. The Commission first established a wireless trial program to distribute wireless devices to determine the preferred methods for authorizing, distributing, and training potential users. Toward the middle of FY 2008, about 15 participants began using the pagers in order to communicate via text messaging and IP Relay. The Commission surveyed consumers in order to make adjustments in the program to optimize it and better serve the affected clientele. FY 2009 has seen this program grow to 55 participants. Because of income restrictions for those participating in the program, some consumers have a difficult time affording the monthly service charges after receiving the wireless pager equipment from the Commission. An Invitation to Bid for equipment will take place in FY 2010 which may alleviate some of the monthly service charges and fees.

Captioned Telephone (CapTel)

Captioned telephones and relay services are designed for people who are hard of hearing. Individuals who are able to speak for themselves but cannot hear the speaker over the telephone line can utilize relay operators using voice recognition technology. Ultratec designed the CapTel phone and ran several trials before distribution became public. The State of Utah was able to participate in one of those trials in the fall of 2003 and has been distributing the CapTel since that time. A newer generation CapTel phone allows people who are hard of hearing to not only hear, but it also has captioning on a screen that allows users to read the conversation of the other person speaking on the telephone. This technology



makes a conversation more natural and enjoyable for everyone involved, and the CapTel is considered to be one of the most functionally equivalent forms of communication to be introduced. Other means of using the CapTel are now available through WebCapTel, 2-line CapTel, and a CapTel with USB device for large-print captions on a computer monitor. The newest version, presently being released, is the CapTel 800i that connects through high-speed Internet access.

Video Relay Service

Video Relay Service is one of the most exciting developments in the field of telecommunication relay services, and it has experienced tremendous growth in Utah as well as nationally. VRS is a method of communication that allows a person who uses sign language to connect with a Video Interpreter (VI) who is certified in American Sign Language. The VI is obtained using a computer or television, a web camera, and a high-speed Internet connection such as DSL, cable modem, or ISDN. The VI works from a remote location and can see the user on a screen. The phone conversation is interpreted real time and allows people who are deaf to clearly express their message in their own language without delay. Sprint and the Communication Service for the Deaf were the first to establish and offer a video relay service in July, 2002. VRS calls can be made through several certified providers as well as Sprint at www.utvrs.com. In 2003, Sorenson Communications, a local Utah company, entered the VRS arena and quickly became the largest carrier. Sorenson has continued to grow and expand the number of VRS call center locations in order to avoid drawing too many certified interpreters away from other employment locations such as schools and community service opportunities. Sorenson is known for creating the only equipment solely for the use of people who are deaf, the Videophone, rather than retrofitting existing equipment. Sorenson VRS can be accessed at www.sorensonvrs.com.

Internet Protocol Relay (IP Relay)

People who have hearing or speech disabilities may make telephone calls on their computer through the use of an internet connection with IP Relay. This can be used in place of a text telephone (TTY) and a telephone or using VRS. IP Relay can be accessed through providers like Sprint at www.sprintip.com and Sorenson at www.siprelay.com. Benefits of IP Relay include that it is available to anyone who has access to the Internet via a computer, a personal digital assistant, Web-capable telephone, or some other device and not necessarily with a high-speed connection. IP Relay is available when a TTY may not be available, and some users say it is easier than a TTY because typing on a computer keyboard can be faster. One can see more of the conversation than can be viewed on a TTY screen, and the conversation can be printed out or saved. IP Relay is available 24 hours a day, 7 days a week just as traditional TRS is available.

Funding

Funding for Relay Utah, the equipment distribution program, and the sign language interpreter training programs derives from a monthly surcharge on Utah residential and business telephone landlines, with a mandated maximum not to exceed \$.25 per month per telephone line. This rate is set by the Public Service Commission, and the current surcharge is presently assessed at \$.10 per line per month. During Fiscal Year 2009, the total amount received from the local exchange carriers was approximately \$1,261,130. The surcharge pays for the Relay Utah services, finance the equipment distribution programs, pays for outreach and education, pays for the amounts awarded to the interpreter training programs, as well as covers the administrative costs related to all the above. During FY 2009, the Commission spent \$2,087,838. The Commission has relied upon surplus funds to make up the difference between expenditures and revenue, however, this surplus amount is rapidly dwindling. This may require action by either the Commission or the Legislature to ensure the stability of the services in the near future.



Community Feedback

Utah Code 54-8b-10 (7) states, “The Commission shall solicit the advice, counsel, and physical assistance of severely hearing or speech impaired persons and organizations serving them in the design and implementation of the program.” In order to comply with this rule, in FY 2009 the Public Service Commission held quarterly meetings with the Relay Utah Consumer Council (RUCC). This council is comprised of representatives of different groups or organizations; individuals who are deaf, hard of hearing, or speech disabled; and also individuals who use the services provided by the Commission.

The RUCC meetings are held in conjunction with Sprint due to its being the State’s TRS provider since 2000. Members of RUCC are active in providing feedback and ideas of how to best meet the needs of relay consumers in Utah. Through these meetings and continued contact with relay consumers, the Commission is able to gather information for better implementation of TRS and CapTel as well as the equipment distribution program.

The Commission submits a mandatory yearly report to the FCC regarding complaints and commendations for all of Relay Utah’s services e.g. VRS, IP Relay, TRS, Speech to Speech Relay, and CapTel Relay Service.

The Public Service Commission is committed to improving and maintaining the quality of Relay Utah services and equipment. TRS has experienced beneficial change with VRS, CapTel, mobile telephones, and IP Relay; the Commission constantly strives to be proactive by providing the most functionally equivalent forms of telecommunications available for people who are deaf, hard of hearing, and/or speech disabled to allow for independence. Equipment continues to change, and the Commission adds more technologically appropriate telecommunications equipment for all disability types. As new services and equipment evolve, and new FCC rules are added, these advancements continue to bring Relay Utah closer to what standard telephone users experience and enjoy every day. Relay Utah continues to expand to allow new groups to access communication services. The Commission looks forward to the development of new and improved technologies while providing better customer service to those in need.

Local exchange carriers that remitted a surcharge to the State of Utah’s Public Service Commission in FY 2009 include:

1-800-Reconex
 ACN Communication Services, Inc.
 All West Communications
 American Fiber Network
 AT&T Communications
 Bear Lake Communications
 Beehive Telephone Company
 Bullseye Telecom Inc.
 Carbon/Emery Telecom
 Central Telecom Services
 Central Utah Telephone
 Citizens d/b/a Frontier Comm. of Utah
 Comcast Phone of Utah
 Comtel Telecom Assets, LP
 Cordia Communications Corp.
 Direct Comm. Cedar Valley
 Electric Lightwave
 Emery Telecom
 Ernest Communications, Inc.
 Eschelon Telecom of Utah, Inc.
 First Digital Telecom
 France Telecom
 Gunnison Telephone Company
 Hanksville Telecom
 Impact Telecom, LLC
 Integra Telecom of Utah, Inc.
 Level 3 Communications
 Liberty Bell Telecom
 Lightyear Network Solutions
 Manti Telephone Company
 Matrix Telecom, Inc.
 MCI Metro Access
 McLeod USA dba Paetec
 Metropolitan Telecom of Utah
 Mitel NetSolutions, Inc.
 Navajo Communications
 Orbitcom, Inc.
 Preferred Long Distance, Inc.
 Qwest Corporation
 Skyline Telecom
 South Central Utah Telephone
 TCG Utah
 Trans National Communications
 Uintah Basin Telephone, ASN
 Union Telephone Company
 Veracity Communications
 XO Communications Services





Overview of Water Utilities

There is likely no utility service more crucial to Utah’s citizens than that providing clean, safe, culinary water. For the overwhelming majority of Utahns, culinary water is delivered by municipal systems, quasi-governmental special improvement districts, or water districts. Irrigation water is delivered by irrigation cooperatives in Utah. Some Utahns, however, receive their culinary water through privately owned water companies.

The legislature has charged the Public Service Commission with regulating those privately owned water companies. The Commission is charged with ensuring that customers of privately owned water companies have access to water at just and reasonable rates. The Commission has no jurisdiction over municipal systems, quasi-governmental special improvement districts, or water districts. Neither does it have jurisdiction over irrigation cooperatives.

Most Utah residents, who are customers of private water companies, reside primarily in sparsely populated rural areas. In recent years, relatively few new culinary water companies have been organized. Most privately owned water companies formed recently have been formed more with a view toward serving as a marketing tool for real estate development, than as an economically viable enterprise in their own right.

Water Companies

This being the case, many of the new water companies have been set up as non-profit cooperatives with the intent that control and ownership, with all the responsibilities atten-

There is likely no utility service more crucial to Utah’s citizens than that providing clean, safe, culinary water.

dant thereto, will transfer to the lot owners as the lots are sold. In the meantime, many developers subsidize their water companies to enable them to offer attractive rates.

The Commission’s policy is to exercise its jurisdiction, which under the law it is required to do, so long as the developer retains effective voting control of the water company. Once the lot owners/water users have attained voting control, the Commission relinquishes jurisdiction again as required by law.

In uncontested cases, the Commission adjudicates the status of a water company informally, and those companies, which appear to be bona-fide cooperatives, are issued informal letters of exemption without the formal entry of a Commission order. Those companies found to be subject to Commission jurisdiction are issued Certificates of Public Convenience and Necessity by formal Commission order. Currently there are 22 investor-owned private water utilities and 21 homeowners’ associations operating water utilities that are regulated by the Commission.

Commission Jurisdiction

As with other utilities, the Commission exercises regulatory jurisdiction over rates and changes in tariffs. Rate cases in the water context are relatively infrequent. Filing and prosecuting a rate case is somewhat costly and complicated, so companies tend to apply only when the need for an increase is acute. The Commission also entertains consumer complaints regarding water companies as it does other utilities.

During fiscal year 2009, the Commission issued one Certificates of Public Convenience and Necessity, issued three

letters of exemption, approved rate increases requested by four water utilities, approved a transfer of ownership of a water utility to a special district, conducted one investigation of a water utilities' billing of unauthorized rates, and approved tariff terms and language for five water utilities. Some of the major issues the Commission dealt with this year

were water rights forfeiture, legal issues involving water appropriation, water conservation programs, and improvement of water quality. One of the trends we continue to see is developers drilling small wells for smaller subdivision water systems, and then having those water systems migrate to municipal or special district water systems as they grow.

Water Utility Dockets

07-2477-01

In the Matter of the Application of Eagle's Landing Water Company, L.L.C. for a Certificate of Convenience and Necessity to Operate as a Public Utility Rendering Culinary Water Service, or for an Exemption from Public Service Commission Regulation:

Report and Order Certificate No. 2477 issued August 18, 2008. Applicant, having demonstrated its fitness to serve, and no opposition to the application appearing, the Commission grants the certificate and approves rates as indicated.

08-2498-01

In the Matter of the Application of Canaan Springs Water Company for a Certificate of Public Convenience and Necessity:

Report and Order Certificate No. 2498 issued November 20, 2008. Canaan Springs Water Company (Company) has demonstrated its fitness to serve and no opposition to the application appearing, the Commission grants the certificate and approves the rates as indicated.

08-2438-01

In the Matter of the Request of Pineview West Water Company for Approval of a Special Assessment and Rate Increase:

Order on Special Assessment issued February 4, 2009. Pineview West Water Company requested approval of a special assessment. Pursuant to evidence filed previous to the hearing, and pursuant to evidence presented at the hearing held January 22, 2009, the Commission finds the approval of a special assessment is just and reasonable and in the public interest and approves the assessment.

08-2199-01

In the Matter of the Request of White Hills Water Co. Inc., for Approval of a Rate Increase:

Report and Order issued February 4, 2009. White Hills Water Company (Company) sought an increase of rates and the implementation of three additional rate

classifications, in addition to its current residential rate — which is its single rate classification. With this Report and Order, the Commission approves the increase in rates and approves the new rate classifications.

08-2199-T01

In the Matter of the Proposed Rate Schedule for New Rate Increase Request:

Report and Order issued February 4, 2009. White Hills Water Company (Company) sought an increase of rates and the implementation of three additional rate classifications, in addition to its current residential rate — which is its single rate classification. With this Report and Order, the Commission approves the increase in rates and approves the new rate classifications.

07-2404-01

In the Matter of the Application of Cedar Point Mutual Water Company for a Certificate of Public Convenience and Necessity to Operate as a Public Utility Rendering Culinary Water Service, or for an Exemption from Public Service Commission Regulation:

Report and Order issued February 10, 2009. Based on the foregoing, the Commission denies the Company's Application for Expansion of Service Area.



09-2404-01

In the Matter of the Investigation into the Rates Charged by Cedar Point Mutual Water Company:

Report and Order issued April 8, 2009. Any fines and punitive remedies recommended by the Division are stayed pending further proceedings in this matter or in proceedings in a future rate case.

09-2393-01

In the Matter of the Transfer of Ownership of Wolf Creek Ranch Water System to Jordanelle Special Service District:

Order Cancelling Certificate 2393 issued May 26, 2009. The CPCN of the water system is cancelled.

09-2295-01

In the Matter of the Notification of Kane County Water Conservancy District of Ownership of Duck Creek Pines Water System #13052:

Order Cancelling Certificate 2295 issued May 26, 2009. The CPCN of the water system is cancelled.

09-087-01

In the Matter of the Formal Complaint of Martin Cruz against AT&T Communications of the Mountain States, Inc.:

Report and Order issued May 26, 2009. Mr. Cruz's formal complaint is hereby dismissed.

08-010-01

In the Matter of the Request of Highland Water Co. for Approval of a Rate Increase:

Report and Order Approving Increase in Rates issued June 4, 2009. The overall rate increase requested by Highland Water Company is approved, as modified by the Division of Public Utilities' May 11, 2009, Memorandum.

Water Utility Companies

Operating in the State of Utah under the jurisdiction of the Public Service Commission

Apple Valley Water Co.

2894 S. Cartland Dr.
PO Box 225-9
Apple Valley, UT 84737
Tel: (435) 877-1023
Fax: (435) 877-1072

Boulder King Ranch Estates Water

PO Box 1519
Boulder, UT 84716
Tel: (435) 335-7441
Fax: (435) 645-3354

Bridge Hollow Water Association

600 Bridge Hollow Dr.
Wanship, UT 84017

Bridgerland Water Company, Inc.

PO Box 314
Logan, UT 84323-0314
Tel: (435) 755-3006
Fax: (435) 755-3009

Canaan Springs Water Company

PO Box 840-488
Hildale, UT 84784
Tel: (435) 877-1409

Cedar Point Water Co.

20 S. 850 W. #1
Hurricane, UT 84737-4867
Tel: (435) 635-3394
Fax: (435) 635-0264

Color Country Owners Association

2283 W. 2350 N., PO Box 912
Cedar City, UT 84721-0912
Tel: (435) 865-0677
Fax: (435) 865-1090

Community Water

c/o Norwest Corporation
1840 Sunpeak Dr.
Park City, UT 84098
Tel: (435) 615-4840
Fax: (435) 615-4855

Coyotes N Cowboys Linecamp Subdivision, LLC

1770 So. SR 22
Antimony, UT 84712
Tel: (435) 624-3216
(435) 624-3215
Fax: (435) 624-3211

Dammeron Valley Water Company

1 Dammeron Valley Dr. East
Dammeron Valley, UT 84783
Tel: (435) 574-2295
Fax: (435) 627-1478
www.dammeronvalley.com

Durfee Creek Homeowners Association

1941 E. 6925 N.
Liberty, UT 84310
Tel: (801) 476-2373
(801) 775-2488
Fax: (801) 974-5653

Eagles Landing Water Company, LLC

P.O. Box 970729
Orem, UT 84097-0729
Tel: (801) 705-9910
Fax: (801) 794-9669

Elk Ridge Estates Water Company

PO Box 100013
Alton, UT 84710
Tel: (435) 648-2029
Fax: (435) 648-2641

Falcon Crest Water Co. *c/o Lonepeak Realty & Mgt.*

4115 S. 430 E., #201
Salt Lake City, UT 84107
Tel: (801) 268-1087
Fax: (801) 262-7937

Harmony Heights Water Company

722 E. 200 S., PO Box 487
New Harmony, UT 84757
Tel: (435) 586-9208
Fax: (435) 586-9208

Harmony Mountain Ranch Water Company

2116 N. Canyon Greens Dr.
Washington, UT
84780-1963
Tel: (435) 531-1717
Fax: (435) 627-9383

Hidden Creek Water Company

5225 S. Alvera Circle
Salt Lake City, UT
84117-7105
Tel: (801) 272-3525
Fax: (801) 277-6691

Highlands' Water Company Inc.

5880 Highland Drive
Morgan, UT 84050
Tel: (801) 876-2510
Cell: (801) 391-1105

Horseshoe Mountain Ranch Estates

10160 Roseboro Road
Sandy, UT 84092
Tel: (801) 572-4728
Fax: (801) 572-7456

Kwu Inc.

d/b/a Kayenta Water Users
800 N. Kayenta Pkwy.
Ivins, UT 84738
Tel: (435) 628-7234
Fax: (435) 628-7707

Lake Front Estates Water Users Association

PO Box 567
Panguitch, UT 84757
Tel: (435) 676-2349

Lakeview Water Corp.

932 Ski Lake Dr.
Huntsville, UT 84317
Tel: (801) 745-3004
Fax: (801) 745-3131

Legacy Sweetwater Inc.

PO Box 277
Mt. Pleasant, UT 84647
Tel: (801) 491-9414
Fax: (435) 491-8704

Long Valley Estates Water Co.

610 San Miguel Canyon Rd.
Royal Oaks, CA 95076-9024
Tel: (831) 224-5059

Mountain Sewer Corporation

932 S. 6525 E.
Huntsville, UT 84317
Tel: (801) 745-3004
Fax: (801) 745-3131

Mountain Valley Ranches Water Service

2274 W. 5875 N.
Cedar City, UT 84720-5917
Tel: (435) 586-2436

New Paria Water Company

71 S. 7th Ave.
Page, AZ 86040-0340
Tel: (928) 645-9478
Fax: (928) 645-5745

North Creek Ranch HOA

2425 N. 530 E., PO Box 2030
Beaver, UT 84713-2030
Tel: (435) 438-6308
Fax: (435) 738-2455

North Fork Water Company

Zion Mt. Resort
9065 W. Hwy 9
Mt. Carmel, UT 84755
Tel: (435) 632-6310
(866) 648-2555
Fax: (435) 648-3302

Pine Valley Irrigation Co.

132 E. 100 S.
Pine Valley, UT 84781-2112
Tel: (435) 574-2715

Pineview West Water Co.

6084 S. 900 E., #202
Salt Lake City, UT 84121
Tel: (801) 521-7330

Sherwood Water Company

3140 N. 2000 W., PO Box 565
Delta, UT 84624-0565
Tel: (435) 864-2896
Fax: (435) 864-4947

South Duchesne Culinary Water Inc.

289 W. Main St., PO Box 294
Duchesne, UT 84021-0294
Tel: (435) 738-6000
Fax: (435) 738-6003

Storm Haven Water Co.

4782 S. Cove Lane
Heber City, UT 84032-9641
Tel: (435) 654-3119

Strawberry Water Users Association

745 N. 500 E., PO Box 70
Payson, UT 84651-0070
Tel: (801) 465-9273
Fax: (801) 465-4580
www.strawberrywater.com

Wanship Cottage Site Water Company

340 S. Main St., PO Box 176
Coalville, UT 84017-0176
Tel: (435) 336-5584
Fax: (435) 336-2380

WaterPro Inc.

12421 S. 800 E., PO Box 156
Draper, UT 84020
Tel: (801) 571-2232
Fax: (801) 571-8054
www.waterpro.net

West Slope Water Company

94 E. 2530 N., PO Box 1081
Cedar City, UT 84721-1081
Tel: (435) 586-7688
Fax: (435) 867-1001

White Hills Water Company

PO Box 9440
Salt Lake City, UT 84109-0440
Tel: (801) 485-5274

Wolf Creek Water Company

3718 N. Wolf Creek Dr.
PO Box 658
Eden, UT 84310-0658

Wolf Creek Water Conservancy Inc.

3718 N. Wolf Creek Dr.
PO Box 658
Eden, UT 84310-0658
Tel: (801) 745-3435
Fax: (801) 745-3454

COMPLAINT RESOLUTION



Monopolies

If a privately owned company is a monopoly, it is in position to exploit its customers. Since that company will be the sole source of a good or service, its dissatisfied customers have nowhere else to turn to acquire the monopolized service or product at better price or quality. The customer takes what the monopoly offers or does without. This picture changes in the case of services provided by regulated public utility services are

necessities of modern life. Households and businesses cannot do without these services. The Commission is the intermediary between public utility monopolies and customers.

The Role of the Division

A dissatisfied customer who cannot resolve service problems through contact with the utility comes to state regulators for help. A walk-in, visit, a local call, or a toll-free 800 number connects the customer with the staff of the Division of Public Utilities. Division staff constructs a factual statement, through discussions with both the complainant and the utility, of the problem. Often, this is enough to resolve the difficulty.

In other instances, after Division contact, the utility itself takes action to correct the problem. At times, a customer facing service difficulty may ask the Committee of Consumer Services for help. Though following the same sort of process the Division does, if the Committee learns that other customers face similar problems, it may petition the Commission for action in a manner having wider applicability. An example might be changes in late payment arrangements to assist low-income customers or others having difficulty paying their bills.

The commission is the intermediary between household and business customers and public utility monopolies.

The Role of the Commission

Oftentimes customers contact the Commission to converse directly with a Commissioner, the administrative secretary or a member of the technical staff. This has the dual benefit, whether or not the complaint is resolved this way, of giving the customer direct contact with either an expert or a decision-maker, while it keeps the Commission aware of circumstances of utility service current in the community. But in cases where informal processes do not satisfy the customer, he or she is free to pursue formal action at the Commission.

Formal Complaints

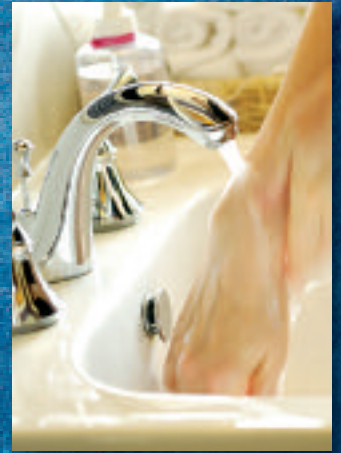
In cases involving factual disputes over which the Commission has jurisdiction, the Commission resolves a formal complaint by hearing before an administrative law judge, who establishes the facts on the record and renders a recommended decision.

Docketed complaint cases resolved by the Commission through formal processes during the fiscal year are listed below. By far most customer complaints are resolved, however, in the informal ways mentioned.

The following table shows the number of informal complaints processed by the Division of Public Utilities in FY 2009. Of these, 25 became formal complaints before the Commission during FY 2009 requiring a hearing by an Administrative Law Judge.

<i>Utility Complaint</i>	<i>FY 2009</i>
Electric	229
Natural Gas	233
Telecom – ILEC*	333
Telecom – CLEC*	84
Telecom – Long Distance	44
Water and Sewer	20
Total	943

*ILEC – Incumbent Local Exchange Carrier
*CLEC – Competitive Local Exchange Carrier



PUBLIC SERVICE COMMISSION

The Public Service Commission of Utah

160 East 300 South • Salt Lake City, Utah 84111

www.psc.utah.gov • (801) 530-6716 • Toll Free (800) 874-0904