

Public Service
Commission of Utah

PSC



2004 Annual Report

for the period July 1, 2003 to June 30, 2004



PSC

Public Service Commission of Utah
2004 Annual Report
for the period July 1, 2003 to June 30, 2004

Letter to the Governor, Members of the Senate and Members of the House of Representatives

November 5, 2004

Honorable Olene S. Walker

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 2004 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, 2004.

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

We express our appreciation for your encouragement and assistance during this past year. We look forward to your continued support and gladly accept our duties in serving the Utah public.

Respectfully submitted,

Richard M. Campbell, Commission Chairman

Constance B. White, Commissioner

Ted Boyer, Commissioner

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PSC *Public*

PSC Personnel

June 30, 2004

Chairman

Richard M. Campbell

Commissioner

Constance B. White

Commissioner

Ted Boyer

Commission Secretary

Julie P. Orchard

Executive Staff Director

Lowell Alt

Legal Counsel

Sander J. Mooy

Administrative Law Judge

Steven F. Goodwill

Telecom Analyst

John S. Harvey

Chief Utility Economist

James A. Logan

Utility Economist

Rebecca Wilson

Paralegal

Barbara Stroud

Accounting Technician

Joani F. Stevens

Office Technician

Lindsay Mathie

Office Technician

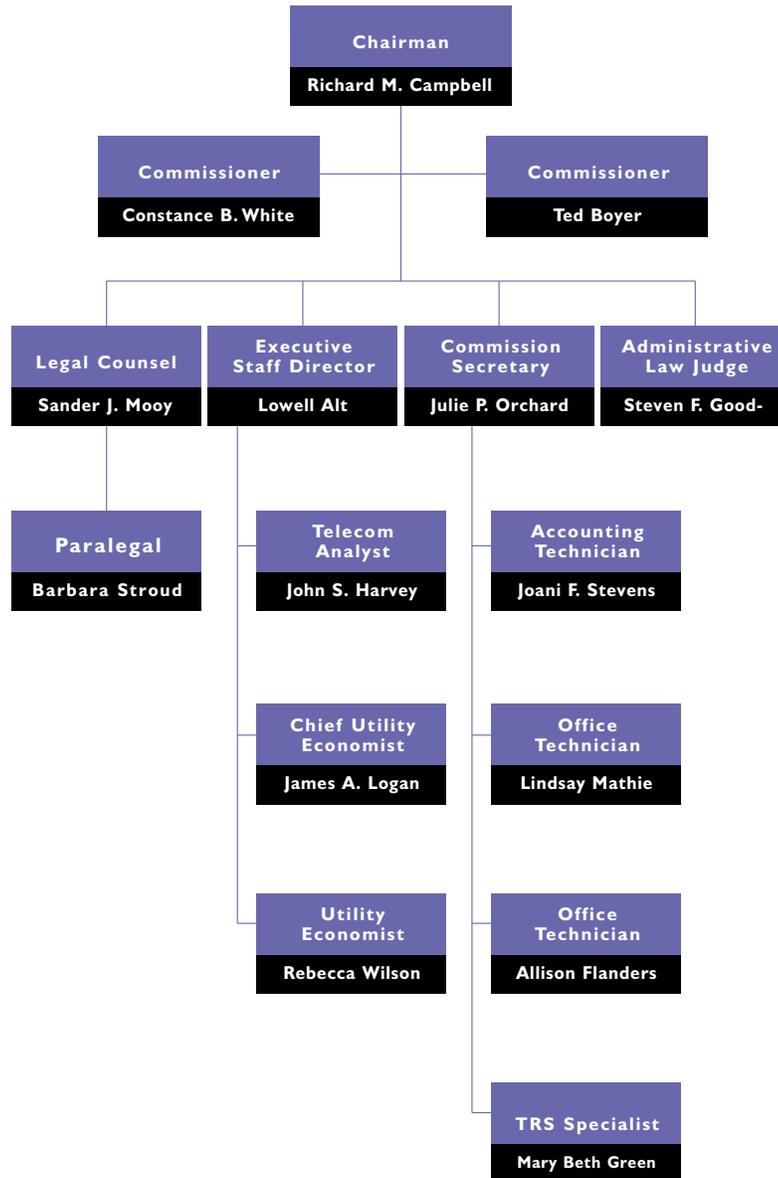
Allison Flanders

TRS Specialist

Mary Beth Green

PSC Organization

June 30, 2004



Service Commission 2004

Richard M. Campbell, Commission Chairman

Original Term: March 1, 2001 - March 1, 2007; Designated Chairman: June 1, 2003

Ric Campbell was appointed to the Public Service Commission on March 1, 2001 and was designated chairman of the Commission on June 1, 2003. His term expires March 1, 2007. Chairman Campbell is a member of the National Association of Regulatory Utility Commissioners (NARUC) and serves on the Committee on Energy Resources and the Environment.

Prior to his appointment, he was an advisor to Governor Michael O. Leavitt on energy issues and had served as the Director of the Utah Division of Public Utilities since 1995. While at the Division, Chairman Campbell also served as a member of the Utah Telecommunications Advisory Council and on the Utah Rural Telecommunications Task Force. He was also a member of the Staff Subcommittee of Executive Directors for NARUC.

Before joining the Division, Chairman Campbell was the Executive Director of the Utah Health Policy Commission. This Commission was charged with recommending market-based health care reforms. 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.

Constance B. White, Commissioner

Original Term: March 1, 1995 - March 1, 1999; Reappointed: March 1, 1999 - March 1, 2005

Constance B. White was appointed to her first term as Commissioner of the Public Service Commission of Utah by Governor Michael O. Leavitt on March 1, 1995. She was re-appointed to a second term, ending March 1, 2005.

Commissioner White currently serves as Treasurer of the Board of Directors of the National Association of Regulatory utility Commissioners (NARUC), sits on its executive committee and Board of Director, and was appointed to its Committee of Electricity. She serves as a member of the steering committee for the Rocky Mountain Area Transmission Study (RMATS); member of the National Council on Electric Policy, and on the Citizens Energy Council of America. She also is active in the Western Conference of Public Service Commissioners (WCPSC).

Prior to coming to the Public Service Commission, Commissioner White served in Governor Leavitt's cabinet as the Executive Director for the Utah Department of Commerce. Before that, she practiced law in the private sector, worked for the Securities Division of the Department of Commerce, and served as legal counsel to the Department.

Ted Boyer, Commissioner

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

Ted Boyer was appointed to his first term as a commissioner of the Public Service Commission on June 20, 2003 by Governor Michael O. Leavitt. His term expires March 1, 2009.

Commissioner Boyer is a member of the National Association of Regulatory Utility Commissioners (NARUC) and serves on the Telecommunications Committee and International Committee, as well as Chair of the Telecommunications Committee of the Western Conference of Public Service Commissioners (WCPSC).

Prior to his appointment, Commissioner Boyer served on the Cabinet of Governor Leavitt 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 Juris Doctorate from the University of Utah and practiced law in Salt Lake City for over 20 years.

PSC History & Regulatory Process

Origins of the PSC

Since its origin in the Public Utilities Act of 1917, the Commission has served the citizens of the State through technical, economic regulation of Utah's public utility companies. These privately owned but government-regulated companies provide the telecommunications, electricity, natural gas, water, and sewerage systems over 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 is the sole provider of utility service in designated geographic areas of the State called "certificated service territories."

Public Service Commission of Utah List of Secretaries

Period of Service	Name	Home Town
1917-1923	Thomas E. Banning	Salt Lake City
1923-1935	Frank L. Ostler	Salt Lake City
1935-1936	Theodore E. Thain	Logan
1936-1938	Wendell D. Larson	Salt Lake City
1938-1940	J. Allan Crockett	Salt Lake City
1941-1943	Charles A. Esser	Salt Lake City
1943-1944	Theodore E. Thain	Logan
1945-1948	Royal Whitlock	Gunnison
1949-1949	C.J. Stringham	Salt Lake City
1949-1956	Frank A. Yeamans	Salt Lake City
1956-1959	C.R. Openshaw, Jr.	Salt Lake City
1959-1960	Frank A. Yeamans	Salt Lake City
1960-1970	C.R. Openshaw, Jr.	Salt Lake City
1970-1971	Maurice P. Greffoz *	Salt Lake City
1971-1972	Eugene S. Lambert	Salt Lake City
1972-1977	Ronald E. Casper	Salt Lake City
1977-1979	Victor N. Gibb	Orem
1979-1981	David L. Stott	Salt Lake City
1981-1983	Jean Mowrey	Salt Lake City
1983-1986	Georgia Peterson	Salt Lake City
1986-1991	Stephen C. Hewlett	Salt Lake City
1991-Present	Julie Orchard	Bountiful

* Acting Secretary

Public Service Commission of Utah List of Commissioners

Period of Service	Name	Home Town
1917-1921	Henry H. Blood	Kaysville
1917-1923	Joshua Greenwood	Nephi
1917-1925	Warren Stoutner	Salt Lake City
1921-1923	Abbot R. Heywood	Ogden
1923-1937	Elmer E. Corfman	Salt Lake City
1923-1937	Thomas E. McKay	Huntsville
1925-1933	George F. McGonagle	Salt Lake City
1933-1935	Thomas H. Humphreys	Logan
1935-1937	Joseph S. Snow	St. George
1937-1941	Ward C. Holbrook	Clearfield
1937-1941	Otto A. Wiesley	Salt Lake City
1937-1940	Walter K. Granger	Cedar City
1941-1943	George S. Ballif	Provo
1941-1949	Oscar W. Carlson	Salt Lake City
1941-1951	Donald Hacking	Price
1943-1952	W. R. McEntire	Huntsville
1949-1973	Hal S. Bennett	Salt Lake City
1951-1956	Stewart M. Hanson	Salt Lake City
1952-1972	Donald Hacking	Price
1956-1957	Rue L. Clegg	Salt Lake City
1957-1963	Jesse R. Budge	Salt Lake City
1963-1965	Raymond W. Gee	Salt Lake City

Public Service Commission Years of Service

- Appointment Years
- D Democrat
- R Republican
- I Independent

Year	Commissioner I
1973	● Bennett - R (49-73) Zundel - R (73-79)
1974	
1975	
1976	
1977	
1978	
1979	● Irvine - R (79-85)
1980	
1981	
1982	
1983	
1984	
1985	● Stewart - R (85-92)
1986	
1987	
1988	
1989	
1990	
1991	●
1992	Mecham - R (92-03)
1993	
1994	
1995	
1996	
1997	●
1998	
1999	
2000	
2001	
2002	
2003	● Boyer - R (03-)
2004	
2005	
2006	
2007	



Period of Service	Name	Home Town
1965-1967	D. Frank Wilkins	Salt Lake City
1967-1969	Donald T. Adams	Monticello
1969-1972	John T. Vernieu	Richfield
1972-1975	Eugene S. Lambert	Salt Lake City
1972-1976	Frank S. Warner	Ogden
1973-1979	Olof E. Zundel	Brigham City
1975-1976	James N. Kimball	Salt Lake City
1976-1977	Joseph C. Folley	Ogden
1976-1982	Milly O. Bernard	Salt Lake City
1977-1980	Kenneth Rigtrup	Salt Lake City
1979-1985	David R. Irvine	Bountiful
1980-1989	Brent H. Cameron	Salt Lake City
1982-1995	James M. Byrne	Salt Lake City
1985-1992	Brian T. Stewart	Farmington
1989-1991	Stephen F. Mecham	Salt Lake City
1991-1992	Stephen C. Hewlett *	Salt Lake City
1992-1995	Stephen C. Hewlett	Salt Lake City
1992-2003	Stephen F. Mecham	Salt Lake City
1995- Present	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

*Commissioner Pro Tempore

Commissioner 2	Commissioner 3
Warner - D (72-76)	Lambert - D (72-75)

● Bernard - D (76-82)	● Kimball - D (75-76) ● Folley - D (76-77) ● Rigtrup - I (77-80)
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● Bryne - D (82-95)	● Cameron - D (80-89)
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● White - I (95-)	● Mecham - R (89-91) ● Hewlett - R (91-95)
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● Jones - R (95-01)

● Campbell - R (01-)

●



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 15 persons.

The Division of Public Utilities, Department of Commerce, performs public utility audits and investigations, helps to 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. It does so with legal assistance from the Office of the Attorney General. Also functioning within the Department of Commerce is the Committee of Consumer Services, the state agency advocate before the Commission for the interests of residential, small commercial and agricultural customers. The Committee, established by the legislature in 1977, consists of six citizens appointed by the Governor. It employs an administrative secretary and an eight-member clerical and technical staff. Legal assistance is provided by the Attorney General.

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 (representing an impartial view of the overall public interest), and the Committee of Consumer Services (representing the particular group interests of residential, small commercial, and agricultural customers).

Parties present the sworn testimony and evidence of expert witnesses on matters at issue. Witnesses will be cross-examined by the attorneys assisting each party.

In cases where tens of millions of dollars may be at stake, or important issues of regulatory policy arise, a number of other intervenors, representing interests as diverse as low-income customers 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, and engineering.

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, reviewable by the Utah Supreme Court, must be drawn directly from the evidentiary record created in open public hearings.

During fiscal year 2004, 734 cases were docketed. Of these, 121 were resolved by written Commission order, following hearing and deliberation on the evidentiary record. The Commission resolved an additional 57 cases in the fiscal year out of 488 cases docketed in the previous fiscal year. Many of the remaining cases were handled informally. The more important cases, whether for regulatory policy or financial implications, are highlighted in discussions of electricity, natural gas, telecommunications, and water, which follow in the next section of the report.



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.



Electricity

PacifiCorp provides more than 80 percent of the electricity consumed by Utah's households 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.

Overview of Electric Utility

The principal electric utility regulated by the Commission is PacifiCorp, an investor-owned utility doing business in the state as Utah Power and Light Company. PacifiCorp also serves retail customers in five other western states and wholesale customers throughout the west. PacifiCorp provides more than 80 percent of the electricity consumed by Utah's households 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.

Holiday Power Outage

About 190,000 Utah customers lost power service following a series of storms beginning December 26, 2003. Over 2,000 customers were without lights or heat for many days. The Commission received a record number of concerned customer calls and immediately launched an investigation. Both PacifiCorp and the Division of Public Utilities provided reports on the outage to the Commission on May 18, 2004. A combination of factors are cited by the reports as contributing to the extensive damage and untimely restoration response by PacifiCorp. The extensive damage is reportedly related to an historically abnormal wet and heavy snowfall causing a substantial number of broken tree limbs to come into contact with power lines in back lots throughout the Wasatch Front. The technical failure of PacifiCorp's outage management communications system reportedly contributed to the lengthy response time. Both reports are available on the Commission's website. This investigation is pending Commission consideration and decision.

Planning for Least Cost and Reliable Power Supply

In response to increased demand for and decreased supply of electricity, PacifiCorp commits to substantial investments in additional generating plant and infrastructure.

In March, the Commission granted PacifiCorp a Certificate of Convenience and Necessity to construct Currant Creek, a natural gas power plant near Mona, Utah. The \$343 million plant is a staged 280 megawatt natural gas-fired simple cycle combustion turbine planned for service in the summer of 2005 with conversion to a 525 megawatt combined cycle combustion turbine by summer 2006.

Power Distribution Network Improvements

Begun in fiscal year 2003, PacifiCorp continues its multi-year investment project to upgrade and expand the distribution network in the Wasatch Front region. This project involves building new substations, upgrading existing substations, and upgrading transmission lines. Robust growth in demand, especially from increased use of electric air conditioning, drives the additional investment. The \$200 million project is scheduled for completion in December 2004.

Utah Power Rates

In order to recover the cost related to its new investments for the Gadsby power plant built in FY 2002, the distribution network upgrades, and other cost increases, PacifiCorp filed in FY 2003 for a \$125 million rate increase. Following investigation and settlement meetings among interested parties, this case concluded in FY 2004 with the Commission authorizing \$65 million of the requested rate increase, an approximate rate increase of 7 percent, and a 10.7 percent allowed rate of return, effective April 1, 2004. The amount of the rate increase and rate of return is based on the unopposed stipulation between PacifiCorp and the other interveners that the amounts are just, reasonable and in the public interest. The Commission authorizes the increase to be primarily spread equally to all customer groups. An unopposed rate design stipulation that reflects the higher cost to serve summer electric use is also approved.

On March 16, 2004, effective April 1, 2004, the Commission approved an additional three percent rate increase which amounts to approximately \$22.5 million. This increase allows PacifiCorp to collect costs to reduce or shift to lower cost time periods its customers' electricity use. The Commission additionally approved the availability of a credit to eligible large customers that implement electricity efficiency measures at their own expense. Pursuant to legislation enacted in 2002, Utah Code Ann. § 54-7-12.8, and as a result of another unopposed stipulation by PacifiCorp and interested parties, the Commission ordered the increase and credits be collected through a tariff rider charge which appears as a separate line item on customer bills.

Implementation of this 3 percent surcharge coincides with the termination of an approximately 3.5 percent surcharge approved in FY 2002 to collect the high power costs PacifiCorp incurred as a result of the wholesale market dysfunction of 2000 to 2001.

Electric Utility Dockets

KEY:
Docket Number
Short Title

Status as of June 30, 2004

02-035-12

In the Matter of the Application of PacifiCorp for an Order Authorizing a Change in Depreciation Rates

Order issued July 8, 2003. The Commission approved the Stipulation that provides new depreciation rates for PacifiCorp resulting in a decrease of approximately \$6 million in annual depreciation expense in Utah based upon March 2002 depreciable plant balances. The Stipulation also provides for a task force to investigate and evaluate the demolition costs for PacifiCorp's steam production plant. In addition, the Stipulation requires PacifiCorp to file a new depreciation study and accompanying application with the Commission within five-years of the date of this Order.

02-035-13

In the Matter of the Joint Application of PacifiCorp and Nucor Steel for Approval of an Electric Service Agreement

Order issued July 28, 2003. The Commission approved the Electric Service Agreement and Stipulation. The Electric Service Agreement specifies the rates, terms and conditions under which PacifiCorp will provide electric service to Nucor Steel. The Stipulation requires PacifiCorp to provide cost-of-service studies for Nucor Steel in future general rate and surcharge proceedings. The Stipulation also requires PacifiCorp to file any future amendments to the Electric Service Agreement with the Commission. In addition, the Stipulation requires PacifiCorp to provide an analysis of any proposed changes to the allocation treatment of special contracts.

03-035-13

In the matter of the Application of PacifiCorp for an Accounting Order Regarding Treatment of Certain Asset Retirement Obligations.

Order issued August 13, 2003. The Commission authorized PacifiCorp to implement SFAS 143 and account for applicable asset retirement obligations as requested in its Application and as recommended by the DPU and CCS.

03-035-14

In the Matter of the Application of PacifiCorp for Approval of an IRP-based Avoided Cost Methodology for QF Projects Larger than One Megawatt

Order issued September 24, 2003. Ordered that PacifiCorp reconvene the QF work group including the Division, the Committee and other interested parties to resolve the capacity payment issue described above and other issues that may arise.

03-035-T10

In the Matter of the Application of PacifiCorp for Approval of Standard Rates for Purchases of Power from Qualifying Facilities Having a Design Capacity of 1,000 Kilowatts or Less

Order issued November 21, 2003. PacifiCorp's requested change in Electric Service Schedule No. 37 rates is denied. PacifiCorp shall refile rates for Electric Service Schedule No. 37 that reflect its avoided costs during the period of resource sufficiency using the differential revenue requirement method and a proxy plant method for the period of resource deficiency.

03-028-01

In the Matter of the Application of Garkane Energy to Approve Long Term Financing with the National Rural Utilities Finance Corporation

Order issued December 5, 2003 approving the application.

03-2035-02

In the Matter of the Application of PacifiCorp for Approval of its Proposed Electric Service Schedules and Electric Service Regulation

Order issued January 30, 2004. The Commission approves a Revenue Requirement Stipulation increasing PacifiCorp's annual revenue requirement by \$65 million, effective April 1, 2004, based on an adjusted April 2002 - March 2003 test year and an allowed rate of return on equity of 10.7 percent. The Commission also approves a Revenue Spread and Rate Design Stipulation in which the revenue increase is generally spread to customer classes on an even percentage basis with the exception of the Irrigation customers, who receive the overall average jurisdictional increase, and Schedule 23, General Service-Distribution-Small customers, who receive one-half the overall average jurisdictional increase.

03-035-29

In the Matter of the Application of PacifiCorp for a Certificate of Convenience and Necessity Authorizing Construction of the Currant Creek Power Project

Order issued March 5, 2004 The Commission granted a certificate of public convenience and necessity authorizing PacifiCorp to construct a staged 280 megawatt natural gas-fired simple cycle combustion turbine for service in the summer of 2005 with conversion to a 525-megawatt combined cycle combustion turbine in 2006 at the Currant Creek plant site.

02-035-T12

In the Matter of Demand Side Management Cost Recovery by PacifiCorp dba Utah Power & Light Company

On March 16, 2004 the Commission approved an additional three percent rate increase effective April 1, of approximately \$22.5 million. The increase allowed PacifiCorp to collect costs to reduce or shift to lower cost time periods its customers' electricity use.

04-035-T04

In the Matter of the Application of PacifiCorp for Approval of Enhancements to Schedule Nos. 115, 116 and 125, Customer Energy Efficiency Programs

Order issued May 18, 2004. PacifiCorp's application to consolidate Schedule Nos. 115 and 116 into Schedule No. 115 and to revise Schedule No. 125, with the Committee's recommended text changes to Schedule No. 125, was approved. The changes serve the public interest as they streamline program features to enhance participation and update prescriptive measures to be consistent with changes in codes and efficiency standards. Further, the Company shall: 1) track and report the results of its proposed honorarium payment, and its effectiveness, quarterly to the DSM advisory group; 2) work with manufacturers, installers and trade allies to correct problems with VendingMiser®; 3) develop marketing materials to promote the advantages of evaporative cooling and identify evaporative cooling dealers on its web site; 4) review annually its incentive levels, including analysis of avoided costs, forward price curves, changes in efficiency standards and technology changes and consistency with relevant Integrated Resource Plan results, and provide this review to the DSM Advisory Group for comment, input and program revision as necessary.

03-035-T10

In the Matter of the Application of PacifiCorp, dba Utah Power & Light Company, for Approval of Standard Rates for Purchases of Power from Qualifying Facilities Having a Design Capacity of 1,000 Kilowatts or Less

Order issued June 1, 2004. The avoided cost rates, terms and conditions contained in PacifiCorp's application to change rates for Electric Service Schedule No. 37, are approved with the following adjustments: 1) summer is defined as the four months of June through September; 2) capacity payments during years

of sufficiency shall be based on five months in 2004 and 2005 and twelve months in 2006 and 2007; 3) the Division's recommended SCCT and CCCT heat rates and payment factors, CCCT fixed and variable costs and SCCT fixed and variable cost spreadsheet correction shall be used in calculating Schedule No. 37 rates; 4) half of the CCCT capital cost in excess of the SCCT capital cost shall be converted to energy for final capacity and energy price determination; 5) the gas price estimate used assumed for indicative prices in Docket No. 03-035-14 shall be used in calculating Schedule No. 37 rates; 6) design capacity limit for small power production facilities is increased from 1,000 kilowatts to 3,000 kilowatts; 7) wind resources shall be limited to the seasonally and time differentiated pricing option; 8) a cap of 10 megawatts is placed on payments made from the Schedule No. 37 rates approved in this order.

04-035-05

In the Matter of the Application of PacifiCorp for an Order Approving the Sale of its Interest in the Skookumchuck Hydroelectric Plant and for EWG Determinations

Order issued June 7, 2004. The Commission finds that PacifiCorp's proposed sale of the Skookumchuck dam, hydroelectric facility, and related assets ("Skookumchuck Project" or "Project") as an eligible facility under Section 32(c) of the Public Utility Holding Company Act of 1935 ("PUHCA") (1) will benefit consumers, (2) is in the public interest, and (3) does not violate Utah law.

03-035-14

In the Matter of the Application of PacifiCorp for Approval of an IRP-based Avoided Cost Methodology for QF Projects Larger than One Megawatt

Order issued June 28, 2004. The Commission approved the Stipulation providing, for an interim period, avoided energy and capacity cost payments for 20-year purchase contracts from large Qualifying Facility projects based on an interim generic avoided cost methodology. The Stipulation also establishes a Task Force to further study long-term generic avoided cost pricing methodologies, renewable QF issues, the impact of accounting and other debt-related issues and green tags related to QFs.

04-035-T07

In the Matter of the Application of PacifiCorp for Approval of Electric Service Schedule 72-New Wind, Geothermal and Solar Power Rider, Optional Bulk Purchase Option

Order issued June 29, 2004. PacifiCorp's new Electric Service Schedule 72, New Wind, Geothermal and Solar Power Rider — Optional Bulk Purchase Option, was approved with an effective date of July 1, 2004.

Electric Utility Companies

Operating in the State of Utah under

the Jurisdiction of the Public Service Commission

Investor Owner

PacifiCorp

825 NE Multnomah St, Suite 2000
Portland OR 97232
Tel: (503) 813-5000
Fax: (503) 813-5900
Web: www.pacificorp.com

PacifiCorp

dba Utah Power & Light Company

One Utah Center
201 S Main St, Suite 2300
Salt Lake City UT 84140
Tel: (801) 220-2000
Fax: (801) 220-2798
Tel: (801) 220-2190 Doug Larson
Fax: (801) 220-4804 Doug Larson

Retail Cooperative

Bridger Valley Electric Association Inc

40014 Business Loop I-80
PO Box 399
Mountain View WY 82939-0399
Tel: (307) 786-2800
(800) 276-3481
Fax: (307) 786-4362
Web: www.bvea.net

Dixie Escalante Rural Electric Association Inc

71 E Hwy 56
HC 76 Box 95
Beryl UT 84714-5197
Tel: (435) 439-5311
Fax: (435) 439-5352

Empire Electric Association Inc

801 N Broadway
PO Drawer K
Cortez CO 81321-0676
Tel: (970) 565-4444
(800) 709-3726
Fax: (970) 564-4404
Web: www.empireelectric.org
Web: www.eea.coop

Flowell Electric Association Inc

495 North 3200 West
Fillmore UT 84631
Tel: (435) 743-6214
Fax: (435) 743-5722

Garkane Energy Cooperative Inc

120 West 300 South
PO Box 465
Loa UT 84747
Tel: (435) 836-2795
(800) 747-5403
Fax: (435) 836-2497
Web: www.garkaneenergy.com

Moon Lake Electric Association Inc

188 West 200 North
PO Box 278
Roosevelt UT 84066-0278
Tel: (435) 722-2448
SLC: (801) 619-3700
(800) 437-9056
Fax: (435) 722-3752
Web: www.mleainc.com

Mt Wheeler Power Inc

1600 Great Basin Blvd
PO Box 151000
Ely NV 89301-1000
Tel: (775) 289-8981
(800) 977-6937
Fax: (775) 289-8987
Web: www.mwpower.net

Raft River Rural Electric Cooperative Inc

250 N Main St
PO Box 617
Malta ID 83342-0617
Tel: (208) 645-2211
(800) 342-7732
Fax: (208) 645-2300

Wells Rural Electric Company

1451 N Humboldt Ave
PO Box 365
Wells NV 89835-0365
Tel: (775) 752-3328
Fax: (775) 752-3407
Web: www.wellsrec.com

Wholesale Coop

Deseret Generation & Transmission Cooperative

10714 South Jordan Gtwy, Suite 300
South Jordan UT 84095-3921
Tel: (801) 619-6500
(800) 756-3428
Fax: (801) 619-6599
Web: www.deseretgt.com

Others

Strawberry Electric Service District

803 North 500 East
PO Box 349
Payson UT 84651
Tel: (801) 465-8020
Fax: (801) 465-8017
Web: www.strawberryelectric.com

Strawberry Water Users Association

745 North 500 East
PO Box 70
Payson UT 84651-0070
Tel: (801) 465-9273
Fax: (801) 465-4580



Natural Gas



More than half of the total costs of providing natural gas service to customers in Utah, some \$400 million annually, is for the gas itself.

Overview of Gas Utility

Questar Gas Company is the only operating natural gas utility regulated by the Utah Public Service Commission. Questar Gas currently serves over 745,000 customers in Utah. Questar Gas is a local natural gas distribution company that also owns natural gas production property that provides about half of its supply needs.

Questar Gas Rates

Twice annually, as permitted by law, Questar Gas files a “pass-through” application to adjust the commodity and associated cost portions of its Utah natural gas rates. The remaining costs, are recovered in general rate case proceedings. More than half of the total costs of providing natural gas service to customers in Utah, some \$400 million annually, is for the gas itself. Expedited pass-through proceedings allow timely recovery of gas costs actually incurred. 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.

During this fiscal year, Questar Gas’ rates changed three times. On July 1, 2003, the Public Service Commission approved a \$146 million gas cost pass-through rate increase. This represented a 25% increase. On October 1, 2003 the Public Service Commission approved a \$43 million gas cost pass-through rate decrease (6%). On June 1, 2004, the Public Service Commission approved a \$35 million gas cost pass-through rate increase (5%). These three rate changes are reflective of the increased volatility of wholesale natural gas prices.

Natural Gas Utility Dockets

98-057-12

In the Matter of the Application of Questar Gas Company to Adjust Rates for Natural Gas Service in Utah

Pending Commission approval.

99-057-20

In the Matter of the Application of Questar Gas Company for a General Increase in Rates and Charges

Pending Commission approval.

01-057-14

In the Matter of the Application of Questar Gas Company to Adjust Rates for Natural Gas Service in Utah

Pending Commission approval.

03-057-05

In the Matter of the Application of Questar Gas Company to Adjust Rates for Natural Gas Service in Utah

Order issued December 17, 2003. The Commission decided that the parties should have the opportunity to marshal the evidence from the existing records in Dockets 98-057-12 and 99-057-20 relating to the prudence of Questar’s actions and decisions. They will determine whether Questar has met its burden to show that its actions were prudent and that inclusion of any costs relating to

remedial actions affecting CO2 levels in the natural gas delivered to customer results in just and reasonable rates. A Scheduling Conference to confer with the parties in order to set the dates on which the parties may make their presentations on these issues was set. Hearings were held in May 2004. Decision expected in next fiscal year.

03-057-10

In the Matter of the Application of Questar Gas Company to Adjust Rates for Natural Gas Service in Utah

Interim order issued September 30, 2003. The Commission approved the interim use of the proposed rates pending final resolution of issues raised by the application in this or other dockets. The net effect of the gas cost decrease, and supplier non-gas cost increase, was the \$43,402,000 decrease authorized by the Interim Order.

03-057-14

In the Matter of the Application of Questar Gas Company to adjust rates for natural gas service in Utah

Order issued February 23, 2004. The Commission approved QGC’s February Amended Application. Wherefore, the rates previously implemented in accordance with Docket No. 03-057-01, effective October 1, 2003, remain in effect and will not be changed as a result of the application filed in this docket.

KEY:
Docket Number
Short Title

Status as of June 30, 2004

04-057-T01

In the matter of Request of Questar Gas Company to File Changes to its Existing Tariff

Order issued June 23, 2004. The Commission approved the Stipulation reached between Questar Gas Company, the Division of Public Utilities, the Committee of Consumer Services, Salt Lake Community Action Program, and Crossroads Urban Center (collectively the Parties) for Questar Gas Company’s application for revisions to its tariff. The tariff revisions were primarily made to accommodate the requirements of the company’s new billing system.

04-057-03

In the Matter of the Application of Questar Gas Company: Request for an Accounting Order Regarding Treatment of Transmission Line Safety Compliance Costs

Questar Gas Company’s application was approved and Questar Gas was authorized to defer the incremental gas transmission line safety compliance costs incurred on or after January 1, 2004 and to account for such costs in the manner described in its application. The approval of Questar Gas’ application did not determine the rate making treatment of the deferred costs. Any determination of that rate making treatment will be made in Questar Gas’ next general rate case. Questar Gas Company shall maintain sufficient records of any deferred costs resulting from this order to allow for any audits necessary for the future determination of rate making treatment.

Natural Gas Utility Companies

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

Questar Gas Company

180 East 100 South
PO Box 45360
Salt Lake City UT 84145-0360
Tel: (801) 324-5555
(801) 324-5111 – Customer Service
(800) 323-5517 – Customer Service
(800) 541-2824 – Emergency

Tel: (801) 324-5491 – Barrie McKay
Fax: (801) 324-5485 – Barrie McKay
Tel: (801) 324-3167 – Darren Shepherd
Fax: (801) 324-3816 – Darren Shepherd
Tel: (801) 324-5938 – Legal
Fax: (801) 324-5131 – Legal
Web: www.questar.com

Wendover Gas Company

PO Box 274
Wendover, UT 84083-0274

460 Mesa St
West Wendover, NV 89883
Tel: (775) 664-2291
Fax: (775) 664-4422



Telecommunications

The Commission is still responsible to see that long-run development of the market occurs in a manner consistent with legislative intent, and that the services offered by telecommunications corporations are at rates, terms and conditions consistent with the public interest.

Overview of Telecommunications Utility

Industry Changes

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. During the 2003/2004 fiscal year Utah continued to see some interest on the part of potential competitors to Qwest in qualifying to compete in the state. Since 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, and internet services at various rates. Additionally Qwest has been granted pricing flexibility for much of its business and residential service areas within Utah.

The major uncertainty in the industry today is that the most of the FCC’s rules governing the basic obligations of Qwest (and other major carriers in the US) to make portions of its network available to competitors have been overturned in federal court. It is currently unknown what Qwest’s obligation will be going forward. Hence the level and type of competition that Qwest will be subject to in Utah in the future is an unknown. Both the 1995 State and 1996 federal laws envision competition as being the main tool or defense that consumers have to protect them from the possible market power that incumbents might exercise if left with little formal regulatory oversight. Hence the resolution of the current uncertainty is something that must be accomplished in order to ascertain what type of response or oversight the Commission needs to exercise in the future.

The Commission is still responsible to see that long-run development of the market occurs in a manner consistent with legislative intent, and that the services offered by telecommunications corporations are at rates, terms and conditions consistent with the public interest. As the FCC issues its new interim rules and then its permanent rules the Commission will be better able to determine the next steps that are needed to promote the continued development of a competitive telecommunications market in Utah.

Price Regulation

The Commission continues to apply the Price Index form of regulation to the areas and services offered by Qwest that are not offered under the pricing flexibility model. Due to an ever-increasing number of exchanges or areas where Qwest qualifies for pricing flexibility, the amount of services Qwest offers under the price cap regime continues to shrink from year-to-year. Rather than relying on traditional rate-of return prices for these telecommunications services, prices are now set by means of an industry wide productivity and inflation index. Operation of the price index has resulted in modest decreases in the price that some consumers pay for extended area service and other basic business services.

From Monopoly to Competition

Moving from regulated monopoly to competition is complex because the industry is a capital-intensive, network-based business. Significant fixed costs and up front investment are required of all providers of telecommunications networks. As a result new entrants and would-be competitors often rely on using the infrastructure of the existing incumbent provider in order to provide services to their own customers. The state and federal laws contemplate that necessary or essential facilities will be provided to competitors at TSLRIC or TELRIC prices.* Last year the Commission began a proceeding to determine the extent to which certain elements of the network are available from providers other than Qwest—ultimately to determine whether a need existed for Qwest to continue to provide certain network elements at TSLRIC or TELRIC prices. However, as mentioned above, the courts have overturned the FCC’s rules regarding network elements. As a result of this action, the Commission suspended work on this proceeding. When the FCC issues new rules the Commission will once again start-up work on this proceeding.

It is anticipated the FCC’s new rules will directed the State Commissions to undertake investigations to determine the future obligations of the incumbents with respect to leasing portions of their network. At issue currently are the

*TSLRIC stands for total-service, long run incremental cost; and TELRIC stands for total element long-run incremental cost. Both standards are designed to determine the minimum price that covers all long-run economically relevant costs for a given piece of the network.

standards that should be used, and the level of delegation the FCC can legally make to the States in this process. Federal and state law basically appoint the Commission as both referee and judge (at a first pass level), to prevent or resolve conflicts among incumbents and new entrants, to impose reasonable standards of service quality and business conduct, and to ensure fair treatment of customers.

Certificates of Public Convenience and Necessity and Interconnection Agreements

Currently 85 competitive telecommunications companies currently hold a Certificate of Public Convenience and Necessity (CPCN) from the Commission allowing them to provide local telephone service to Qwest's customers (an increase of 8 from our last report). Additionally, 64 CPCNs that were granted by the Commission have been cancelled or withdrawn, either because the company requested that action, or the company ceased operations (up from 57 in our last report).

The Commission has arbitrated or reviewed 130 "interconnection agreements" — terms by which the incumbent and the competitor will interconnect facilities to provide effective and efficient service. The Commission has approved 94 agreements, with the remainder either denied by the Commission or withdrawn by the companies involved. The interconnection agreements facilitate competition by providing a means for the competitors and Qwest's networks to communicate. This allows the competitor to provide service to its customers in one of four ways:

1. Using primarily its own facilities.
2. Assembling a combination of its own facilities and the incumbent's facilities.
3. Leasing the required components of the incumbent's network and network elements.
4. Reselling the incumbent's service under the competitor's own name.

State of the Industry

Our Annual Telecommunications Reports to the Governor and Legislature describe our efforts to shepherd the industry along the path to a competitive market, and our annual assessments of the status of the transition. The Commission will issue its current report in October 2004. Evidence included in that report shows that the percentage of the market served by competitors has continued to grow, although the rate of growth this year particularly has slowed. Significant inroads by competitors have been made serving business customers.

At the end of the fiscal year, one incumbent firm, Qwest, Inc. (previously US West Communications Inc.), provided about 80 percent of the telephone lines in its service territory, competitors provide the rest. As of June 2004 competitors operating in Qwest's service territory provided about 275,000 lines (compared to 221,000 last year), of these approximately 175,000 are business lines, and 100,000 are residential lines. Qwest increased the number of business lines it provides from about 235,000 last year to over 400,000 this year. Qwest's residential lines decreased from about 644,000 to just slightly less than 600,000 during the same period. Other incumbent telecommunications companies (generally in "rural" areas of the state) provide a little less than 100,000 lines, and face no competitors.

As the largest incumbent, Qwest remains a regulated company. But the 1995 State Act, in the interest of promoting the transition to competition, provides a facilitating regulatory regime. Thus, after just and reasonable prices for Qwest's (US West's at the time) services were established in the last general rate case (completed December 4, 1997) a three-year price freeze was imposed. In early 2001 the Commission finished implementing the Price Index form of regulation specified in a Title 54 8b. Prices now change according to the inter-relationship among inflation, changes in industry productivity, and quality of service, or in areas where pricing flexibility has been granted they are set directly by Qwest (subject to a rate cap in the case of basic residential service).

Of the approximately 400 telecommunications dockets the Commission addressed this year a significant portion of them dealt with either the entry of competitors, or the interaction between Qwest and competitors as the market transitioned from monopoly to competition. These dockets addressed topics such as certificate applications, mergers and acquisitions, approval and enforcement of interconnection agreements, resolution of complaints, approval of special contracts for regulated services, and other service issues.

As may be notices in the following enumeration of orders, such as cases were in addition to the Commission's other regulatory responsibilities.

Telecommunications Utilities Dockets

Certificates of Public Convenience and Necessity for New Telecommunications Companies

03-2405-01

In the Matter of the Application of ACN Communication Services, Inc., for a Certificate of Public Convenience and Necessity to Provide Resold and Facilities-based Local Exchange Services within the State of Utah

Order issued July 2, 2003. By this Report and Order, the Public Service Commission of Utah grants the request of ACN Communication Services, Inc., 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 the state.

03-2408-01

In the Matter of the the Petition of Suburban Access, LLC for Authority to Compete as a Telecommunications Corporation and to Offer DSL Access Telecommunications Services

Order issued July 21, 2003 By this Report and Order, the Public Service Commission of Utah grants the request of Suburban Access, LLC, 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 the state.

01-2363-01

In the Matter of the Application of Enron Telecommunications, Inc. for a Certificate of Public Convenience and Necessity to Provide Facilities, Based and Resold Local Exchange, Interchange and Dedicated Private Line Services Within the State.

Order issued July 22, 2003. Enron Telecommunications, Inc. having requested that its certificate of convenience and necessity be canceled, the Commission so orders

99-2300-01

In the Matter of the Application of Network Access Solutions Corporation for a Certificate of Public Convenience and Necessity to Provide Local Exchange, Interexchange Access, and Interexchange Telecommunications Services

Order issued August 4, 2003. Network Access Solutions Corporation having requested that its certificate of convenience and necessity be canceled, the Commission so orders.

98-2253-01

In the Matter of the Application of Supra Telecommunications & Information Systems, Inc., for a Certificate of Public Convenience and Necessity to Operate as a Telecommunications Provider in the State of Utah.

Order issued October 7, 2003. Supra Telecommunications & Information Systems, Inc. having requested that its certificate of public convenience and necessity be canceled, the Commission so orders.

03-2218-01

In the Matter of Citizens Telecommunications Company of Utah (d/b/a Frontier Communications of Utah) and the Utah Education Network

Order issued November 17, 2004. The Commission ordered the Local and EAS Service Agreement as suspended, and if ICG desires to provide service in Citizen's service territory it is directed to file an application seeking modification of its Certificate of Public Convenience and Necessity allowing it to provide such service.

03-2413-01

In the Matter of the Application of BullsEye Telecom, Inc. For a Certificate of Public Convenience and Necessity to Provide Resold and Facilities-Based Local Exchange Services within the State of Utah

Order issued November 19, 2003. The Commission granted the request of BullsEye Telecom, Inc., 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 the state.

00-2316-01

In the Matter of the Petition of Maxcess, Inc. for the Authority to Compete as a Telecommunications Corporation and to offer resold and facilities-based Interexchange and Public Local Exchange Telecommunication Services.

Order issued November 21, 2003. Maxcess, Inc. having not filed its annual report for the year 2002 and having not paid its Public Utilities Regulation Fee, the Commission orders the cancellation of the Company's certificate of public convenience and necessity.

01-2379-01

In the Matter of the NTERA, Inc. for Authority to Compete as a Telecommunications Corporation and to Offer Public Local Exchange and Interexchange Telecommunications Services.

Order issued November 21, 2003. NTERA, Inc. having not filed its annual report for the year 2002 and having not paid its Public Utilities Regulation Fee, the Commission ordered the cancellation of the Company's certificate of public convenience and necessity.

00-2308-01

In the Matter of the Adelpia Business Solutions Operations, Inc. Application for Authority to Provide Resold and Facilities-Based Local Exchange Telecommunications Services in the State of Utah

Order issued December 8, 2003. Adelpia Business Solutions Operations, Inc. having requested voluntary cancellation of its authority to operate as a telecommunications service provider in the state of Utah, the Commission ordered the cancellation of the Company's certificate of public convenience and necessity.

98-2250-01

In the Matter of the Application of Comm South Companies, Inc. for a Certificate of Public Convenience and Necessity to Provide Local Exchange Telecommunications Services.

Order issued December 8, 2003. Comm South Companies, Inc. having applied to rescind its authority to operate as a telecommunications service provider in the state of Utah, the Commission ordered the cancellation of the Company's certificate of public convenience and necessity.

KEY:
Docket Number
Short Title

Status as of June 30, 2004

Telecommunications Utilities Dockets (cont.)

03-2414-01

In the Matter of the Application of Public Convenience and Necessity

Order issued December 29, 2003. The Commission grants the request of Granite Telecommunications, LLC, 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 the state.

01-2361-01

In the Matter of the Application of El Paso Networks, LLC for a Certificate of Public Convenience and Necessity to Provide Facilities-Based and Resold Local Exchange and Interexchange Services.

Order issued January 22, 2004. El Paso Networks, LLC having requested cancellation of its authority to operate as a telecommunications service provider in the state of Utah, the Commission ordered the cancellation of the Company's certificate of public convenience and necessity.

04-2310-01

In the Matter of the Notice of Intention to Cease Business and Request to Cancel Certificate of Authority and Withdraw Tariffs

Order issued February 3, 2004. Touch America, Inc. having requested voluntary cancellation of its authority to operate as a telecommunications service provider in the state of Utah, the Commission ordered the cancellation of the Company's certificate of public convenience and necessity effective February 28, 2004.

03-2415-01

In the Matter of the Application for Certificate of Public Convenience and Necessity to Provide Resold Private Line Services in the State of Utah by TSI Telecommunication Network Services, Inc.

Order issued February 20, 2004. The Commission of Utah granted the request of TSI Telecommunication Network Services, Inc., 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 the state.

03-2418-01

In the Matter of the Application of Computer Network Technology Corporation for a Certificate of Public Necessity to Operate as a Non-Switched Local Exchange Carrier and Intrastate Inter-Exchange Provider of Telecommunications Services

Order issued April 8, 2004. The Commission granted the request of Computer Network Technology Corp. 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 the state.

04-2250-01

In the Matter of the Petition of Comm South Companies, Inc. For Reinstatement of its Certificate of Public Convenience and Necessity to Operate a Facilities-Based and Resale Provider of Local and Interexchange Telecommunications Service in the State of Utah

Order issued May 12, 2004. The Commission granted the request of Comm South Companies, Inc. 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 the state.

04-2395-01

In the Matter of the Petition of iLOKA, Inc. D/b/a/ Microtech-tel for Authority to Compete as Telecommunications Corporation and to Offer Interexchange and Public Local Exchange Telecommunications Services

Order issued June 2, 2004. iLOKA, Inc., d/b/a/ Microtech-tel having requested that its Certificate of Public Convenience and Necessity be cancelled by voluntary withdrawal, the Commission so orders

04-2422-01

In the Matter of the Petition of COMTECH 21, LLC for Authority to Compete as a Telecommunications Corporation and to Offer Public Local Exchange and Interexchange Telecommunications Services

Order issued June 4, 2004. The Commission granted the request of Comtech 21, LLC 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 the state.

04-2425-01

In the Matter of the Application for Certificate of Convenience and Necessity for Tom & Norma Crisp and Interwest Engineering Corporation (Interwest), a partnership, doing business as Horseshoe Mountain Ranch Estates Subdivision (Horseshoe).

Order issued June 22, 2004. Applicant, having demonstrated its fitness to serve, and no opposition to the application appearing, the Commission granted the certificate.

Qwest Major Orders

03-049-25

In the Matter of the the Petition of Qwest Corporation for Temporary Waiver of the Deadline for Filing Annual Report

Order issued July 22, 2003. Ordered that Qwest Corporation shall file all non-financial schedules of its annual report within 30 days after the issuance of this Order. The financial schedules and other financial information to be included in the annual report may be deferred until October 31, 2003. If Qwest's review and restatement of its financial results are completed prior to that date, the financial aspects of its annual report shall be filed with the Commission (and Division) as soon as practical after the review and restatement are completed.

01-049-85

In the Matter of the the Determination of the Cost of the Unbundled Loop of Qwest Corporation, Inc.

Order issued July 25, 2003. The Commission issued clarifications regarding its May 5, 2003 Order. The Commission set the weighted average total unbundled loop rate at \$12.97, and the unbundled flat-rate switching rate at \$3.56.

03-049-19

In the Matter of the Petition by Autotel for Arbitration of an Interconnection Agreement with Qwest Pursuant to Section 252(b) of the Telecommunications Act

Order issued February 18, 2004. The interconnection agreement between Autotel and Qwest Corporation shall be modified as set forth above. The agreement, as so modified, was approved.

KEY:

Docket Number
Short Title

Status as of June 30, 2004

04-049-09

In the Matter of the Petition of Qwest Corporation for Arbitration of Interconnection Rates, Terms, Conditions, and Related Arrangements with AT&T Communications of the Mountain States, Inc. And TCG Utah

Order issued May 20, 2004. Wherefore, we direct the parties to submit an interconnection agreement which includes the terms and conditions which reflects their mutually agreement and the Commission's resolution of the disputed issues discussed and resolved herein.

04-049-62

In the Matter of the 2004 Price Cap Compliance Filing of Qwest Corporation Pursuant to R746-352-7

Order issued June 4, 2004. The Commission accepted Qwest's 2004 Price Cap (Index) Compliance filing, subject to the proposed rates and revenue reduction amounts being interim. The Committee's request for an extension was denied.

Miscellaneous Telecommunications Orders

03-2324-01

In the Matter of the Application for Approval of the Transfer of Control of MFN of Utah, L.L.C., Debtor-in-Possession, from Metromedia Fiber Network, Inc., Debtor-in-Possession, to a Reorganized Metromedia Fiber Network, Inc.

Order issued July 7, 2003. Ordered that the transfer of control of MFN of Utah, LLC, to a reorganized Metromedia Fiber Network, Inc., was approved, contingent upon successfully emerging from bankruptcy.

03-2289-01

In the Matter of the Application of 360networks (USA) inc. for Approval of the Asset Transfer of Touch America, Inc. To 360networks (USA) Inc.

Order issued September 3, 2003. Ordered that the relief requested in the July 3, 2000 joint filing is granted. The proposed transaction is approved to obtain the transfer of the Touch America assets to 360networks.

03-2364-01

In the Matter of the Iron Town Property Owners Rate Proposal

Order issued September 18, 2003. Applicant's proposed rates appearing to be just and reasonable, and the rates having been unanimously approved at a shareholder meeting, we approve the same subject to refund in the event of further Commission action pursuant to a timely-filed, meritorious protest.

00-2324-01

In the Matter of the Application of Metromedia Fiber Network Services, Inc. of Utah, LLC (MFN) for a Certificate of Public Convenience and Necessity to Provide Local Exchange, Exchange Access and Interexchange Services within the State of Utah.

Order issued December 16, 2003. MFN of Utah, L.L.C. having applied to change its name to AboveNet of Utah, L.L.C., the Commission so ordered.

03-2249-02

In the Matter of the Request for Approval of Language.

Order issued December 22, 2004. The proposed language to be included in McLeod's Customer's Statement of Rights and Responsibilities is approved as compliant with Rule 746-240-1

02-2266-01

In the Matter of Level 3 Communications LLC, to expand its Certificate of Public Convenience and Necessity to Provide Direct Inward Dialing and Private Line Services in the Exchange Areas Served by Albion Telephone; All West Communications; Bear Lake Communications; Beehive Telephone Company; Carbon/Emery Telcom, Inc.; Central Utah Telephone, Inc.; Hanksville Telcom, Inc.; Manti Telephone Company; South Central Utah Telephone Association; Skyline Telecom; UBET Telecom, Inc.; UBTA Communications; Union Telephone Company; Citizens Telecommunications Co.; and Gunnison Telephone Co.

Order issued February 20, 2004. All motions for leave to file additional authority were granted. Qwest's proposed language regarding the calculation of relative use was adopted. The contract language regarding the two sub-issues to be modified as set forth in the order. The interconnection agreement, as modified, between Qwest Corporation and Level 3 Communications, LLC, was approved.

03-2227-01

In the Matter of the Application of Sprint Spectrum L.P. dba Sprint for Designation as an Eligible Telecommunications Carrier Under 47U.S.C. 214(e)(2)

Order issued May 18, 2004. The Commission of Utah granted Sprint Spectrum L.P.'s Federal ETC status for the requested area. Specifically, Sprint Spectrum L.P., was granted Federal ETC status for the Qwest exchanges in Utah.

99-999-04

In the Matter of Telephone Number Conservation Measures for (801) Area Code Relief

99-999-05

In the Matter of the Request of North American Numbering Plan Administrator for a New Area Code Within the (801) Area Code

Order issued June 21, 2004. The previous permissive and mandatory dialing dates associated with the 801 Area Code split, contained in the October 10, 2002 Order were vacated. The Commission gave notice that they will set the dates for the permissive dialing period, and the mandatory dialing deadline in a future Order based on our monitoring of the actual number usage in the 801 Area Code.

Independent ("Rural") Incumbent Local Exchange Carriers' Dockets

03-042-01

In the Matter of the Decrease of Universal Service Fund Support of Emery Telcom

Order issued July 10, 2003. The Proposed decreases in telephone service rates and in the annual distributions from the Utah State Universal Service Support Fund requested by Emery Telephone, were approved by the Commission.

03-046-01

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

Order issued September 9, 2003. The proposed telephone service rates and the annual distributions from the Utah State Universal Service Support Fund were approved by the Commission.

03-053-01

In the Matter of the Application for USF Eligibility

Order issued November 11, 2003. The proposed changes in telephone service rates and in the annual distributions from the Utah State Universal Service Support Fund requested by Uintah Basin Telecommunications Association, Inc., were approved by the Commission

03-2304-01

In the Matter of the Increase of Rates and Charges by UBET Telecom, Inc.

Order issued November 12, 2003. The proposed telephone service rates for UBET Telecom, Inc. are approved by the Commission.

Telecommunications Relay Service and Equipment Distribution Program

In the year 2004 the Public Service Commission (PSC) hired an advertising agency to help with outreach, marketing, and public relations for Relay Utah. Penna Powers Brian Haynes/Proclix (PPBH) was chosen after an RFP was issued with the goal to increase awareness in Utah for relay services. The outreach and public relation efforts have been emphasized during the past year. For example, a commercial has aired on the local Utah ABC and FOX affiliates and additional brochures are being distributed statewide. In conjunction with PPBH, during fiscal year 2004, the Public Service Commission has made many presentations throughout the state to increase knowledge of relay and the equipment distribution program. The presentations were made at retirement centers, senior citizen centers, Utah Speech and Hearing Association conferences, Self Help for the Hard of Hearing meetings, schools, and emergency response training centers. To the right is the presentation schedule for year 2004.



Outreach

Much of the Outreach has been to Senior Centers throughout Utah, however, besides focusing outreach within the Salt Lake City area, the PSC is endeavoring to also reach remote areas of Southeastern, Southwestern and Northern Utah. It is important to increase awareness of Relay Utah, the equipment distribution program and other services that are available to all Utahns. The Provo Senior Companions program is a good example of the outreach efforts. The presentation was to 80 senior companions. Each companion then assists from 5 to 10 homebound individuals. The outreach effort is a valuable tool in reaching Utah citizens who are isolated because of hearing loss. The increased outreach efforts are also identifying many individuals with both hearing and vision problems. The success of the PSC outreach program is reflected in the increased inquiries and applications for amplified and CapTel phones during the latter part of 2004.

Video Relay Service

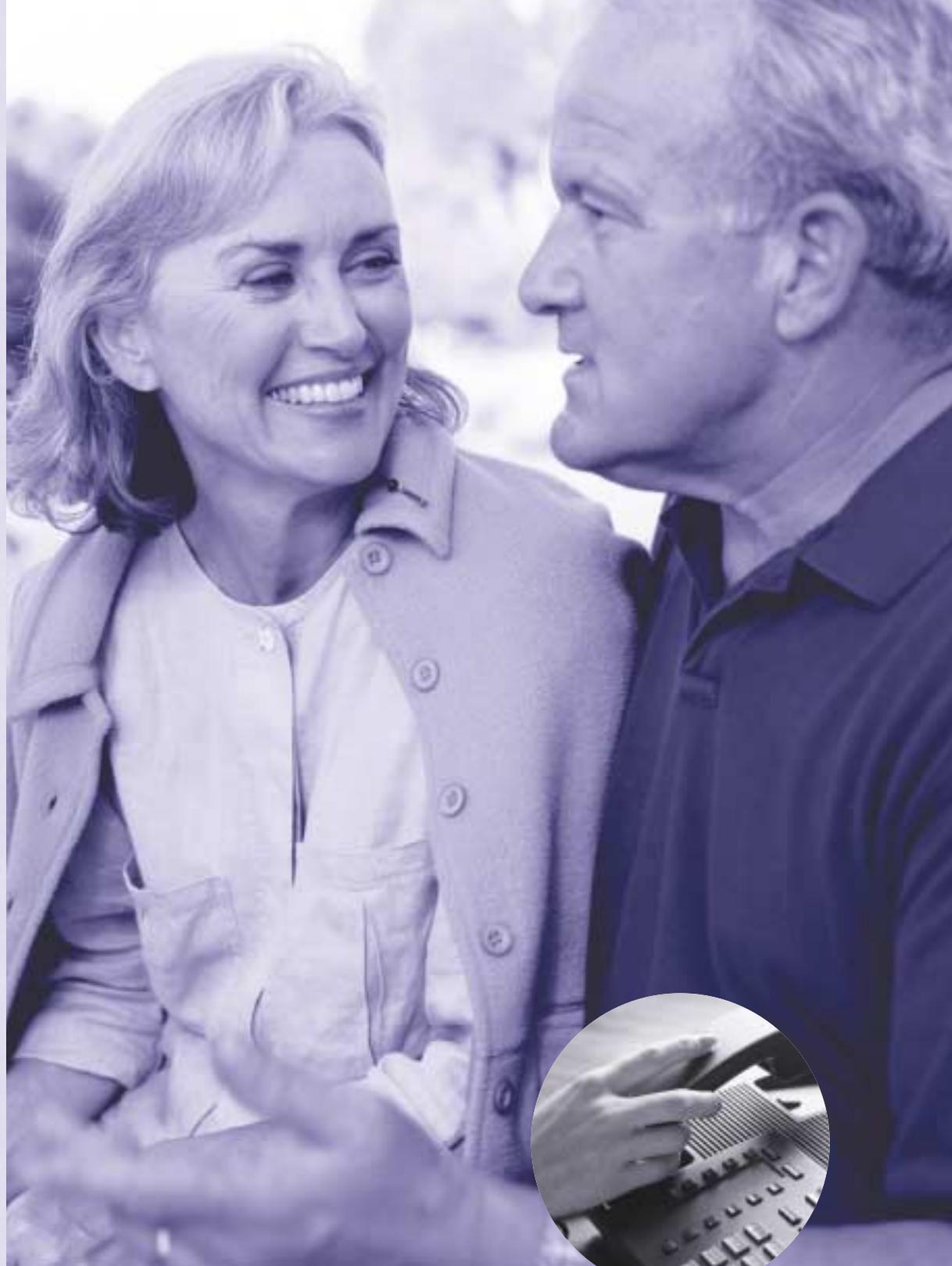
Video Relay Services (VRS) is one of the most exciting developments in the field of telecommunication relay services that has been introduced in the state of Utah. VRS is a method of communication that allows a deaf individual to see an interpreter through a screen (computer or TV) using a high-speed internet connection. The interpreter is at a remote location and can see the deaf person on a screen. The phone conversation is interpreted in real time which allows deaf people to clearly express their message in their own language without a delay while they wait for a communications assistant to type the message on a computer. Sprint was the first company to establish a video relay service for the deaf in July 2002. The deaf and hard of hearing community can access Sprint's VRS by contacting their web page www.utvrs.com. Utah Video Relay Service continues to gain momentum as more companies set up services for the deaf in Utah and throughout the country. In 2003, a local Utah company, Sorenson Media, entered the VRS arena and is realizing tremendous growth throughout the United States. Their claim to fame is that the Sorenson VRS has grown over 500% since 2003, and by the end of the fiscal year 2004, they processed approximately 200,000 calls per month. They have 45 Utah based interpreter employees who work either full or part-time. Because of their success, they have built 9 additional video relay centers across the U.S. in the following states: Washington D.C., Burbank California, Austin Texas, St. Paul Minnesota, Phoenix Arizona, Atlanta Georgia, Tampa Florida, Pleasanton California, and Ann Arbor Michigan. Sorenson is the largest provider of VRS in the country, conducting seven out of every ten calls made. They have also introduced new technology that will impact how VRS develops in the future. Sorenson VRS can be contacted at www.sorensonvrs.com.

CapTel

Another new technology has been developed for the hard of hearing called the CapTel, or captioned telephone. It was developed by Ultratec and is only distributed through them. It was introduced in Utah in the fall of 2003 when Utah was included in the testing trial period. Ultratec allows trial participants to distribute 10 phones month to test its capabilities and make suggestions on improved technology. The CapTel allows hard of hearing individuals to not only hear, but also read the information being spoken by the person he or she is calling. This technology makes having a conversation more natural and enjoyable for all involved. Both the CapTel and VRS are the most functionally equivalent form of com-

*Presentations
Completed in 2004*

- 7/09/03 Murray Clark Cushing Heritage Center (SLC)
- 7/22/03 Clearfield Heritage Center
- 8/05/03 Liberty Senior Center (SLC)
- 8/05/03 Woodland Park Care Center
- 8/06/03 Kaysville Autumn Glow Center
- 8/08/03 Tooele Senior Center
- 8/11/03 Hazen Nursing Home (West Valley)
- 8/12/03 Harmon Home Community Center (West Valley)
- 8/14/03 Midtown Manor Care Center (SLC)
- 8/14/03 Golden Years Center (Bountiful)
- 8/15/03 Federal Heights (SLC)
- 8/28/03 Seville Retirement Residence (Orem)
- 9/16/03 Weber Senior Nutrition Center (Ogden)
- 10/16/03 Taylorsville Senior Center
- 10/16/03 Cove Point Retirement (Provo)
- 10/27/03 Milford Senior Citizens Center
- 10/28/03 St. George Senior Citizens Center
- 11/03/03 Hurricane Senior Citizens Center
- 12/07/03 Jacobs Senior Center (Pleasant Grove)
- 12/12/03 Orem Senior Friendship Center
- 1/09/04 Friendly Neighborhood Center
- 1/13/04 Grantsville Center
- 2/11/04 South Jordan Senior Center
- 2/19/04 Wasatch County Senior Citizens Center
- 2/27/04 Draper Senior Center
- 3/03/04 Richfield Senior Center
- 3/04/04 Kanab Senior Center
- 3/08/04 Columbus Senior Center (SLC)
- 5/12/04 Northwest Senior Center (SLC)
- 5/14/04 Mount Olympus Senior Center
- 5/19/04 Eldred Senior Center (Provo)
- 5/20/04 Riverton Senior Center
- 5/26/04 Sandy Senior Center



The outreach effort is a valuable tool in reaching Utah citizens who are isolated because of hearing loss. The increased outreach efforts are also identifying many individuals with both hearing and vision problems.

munication that has ever been introduced for deaf and hard of hearing individuals.

Funding

Funding for Relay Utah and the Equipment Distribution Program comes from a monthly surcharge on Utah residential and business telephone lines, with a mandated maximum not to exceed \$.25 per month per telephone line. This rate is set by Public Service Commission rule. The current surcharge is \$.10 per line per month. During the FY 04 the total amount received from the local exchange carriers was approximately \$1,273,000. The surcharge collections pay for Relay Utah services, finances the equipment distribution program, and covers administrative expenses.

Community Feedback

In the Utah Code 54-8b-10 (7) it states, "The commission shall solicit the advice, counsel, and physical assistance of severely hearing or speech impaired persons and the organizations serving them in the design and implementation of the program." In order to comply with this rule, in the FY 04 the Public Service Commission held quarterly meetings (Relay Utah Consumer Council or RUCC) with representatives and organizations who include individuals who are deaf, hard of hearing, or speech disabled.

The RUCC meetings are held in conjunction with Sprint who provides the Telecommunications Relay Services in Utah. The members of the RUCC are very active in providing feedback and ideas of how the needs of the relay consumers in Utah could be better served. Through these meetings and continued contact with relay consumers, the Public Service Commission was able to gather information to better design and implement the Telecommunications Relay Service.

The Public Service Commission is committed to improving and maintaining the quality of the Relay Utah service. Telecommunications Relay Service is in a period of rapid growth and change. With the introduction of VRS and CapTel, steps are being taken, in Utah, to provide the most functionally equivalent form of telecommunication for deaf and hard of hearing people that is technologically possible. All of the new rules and increased services that have come about in the last year bring Utah Relay closer to what standard telephone users experience and enjoy every day. These new rules and services expand Relay Utah to many new groups who were unable to use Telecommunication Relay Services in the past. We look forward to the development of new technologies and better customer service so that we may serve those in need more actively.

Local exchange carriers that remitted a surcharge to the State of Utah's Public Service Commission in FY 04 include:

- AT&T
- All West/World Connect
- America Fiber Network
- Beehive Telephone Co.
- Bear Lake Communications
- Carbon Emery Telecom
- Central Utah Telephone
- Citizens Telecom Of Utah
- Comcast Phone of Utah
- Comm South Companies
- Electric Lightwave
- Emery Telecom
- Gunnison Telephone Co.
- Hanksville Telcom
- Integra Telecom
- Manti Telephone Co.
- MCI
- Navajo Communications
- Qwest
- SBC Telecom
- Skyline Telecom
- South Central Utah Tel.
- TCG Utah
- UBET Telecom
- Uintah Basin Telephone ASN
- Universal Access, Inc.
- Vartec Telecom, Inc.
- XO Utah, Inc.
- Z-Tel, Inc.

I-800-Reconex Inc
2500 Industrial Ave
PO Box 40
Hubbard OR 97032
Tel: (503) 982-8000
(800) 732-6639
Fax: (503) 982-9000
Web: www.reconex.com

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

AboveNet Inc
aka MFN of Utah LLC
360 Hamilton Ave
White Plains NY 10601
Tel: (914) 421-6700
(888) 636-2778
Fax: (914) 421-7688
Web: www.mfn.com

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

All West / Utah Inc
dba All West World Connect
50 W 100 N
PO Box 588
Kamas UT 84036-0588
Tel: (435) 783-4361
(866) 255-9378
Fax: (435) 783-4928
Web: www.allwest.net

American Fiber Network Inc
dba AFN
9401 Indian Creek Pky, Suite 140
Overland Park KS 66210-2005
Tel: (913) 338-2658
(800) 864-0583
Fax: (913) 661-0538
Web: www.afnlttd.com

American Fiber Systems Inc
100 Meridian Centre, Suite 250
Rochester NY 14618-3979
Tel: (716) 340-5400
Fax: (716) 756-1966
Web: www.americanfibersystems.com

CLECs Operating in the State of Utah

under the Jurisdiction of the Public Service Commission

Competitive Local Exchange Carriers

AT&T Communications of the Mountain States Inc

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

Broadweave Networks of Utah LLC

3940 N Traverse Mountain BL
Suite 100
Lehi UT 84043-4984
Tel: (801) 407-6000
Fax: (801) 407-6005

BT Communications Sales LLC

fka Concert Communications Sales LLC
11440 Commerce Park Dr
Reston VA 20191-1555
Tel: (703) 755-6730
Fax: (703) 755-6740
Web: www.bt.com

BullsEye Telecom Inc

25990 Greenfield Road
Suite 330
Oak Park MI 48237
Tel: (248) 784-2500
(877) 638-2855
Fax: (248) 784-2501

CeriStar Inc

50 W Broadway St
Suite 2100
Salt Lake City UT 84101
Tel: (801) 350-2017
Fax: (801) 933-5640

CI² Inc

200 Galleria Pky NW
Suite 1200
Atlanta GA 30339
Tel: (770) 425-2267
(888) 657-3278
Fax: (770) 425-1338
Web: www.ci2.com

Ciera Network Systems Inc

c/o New Access Communications
801 Nicollet Mall
Suite 350
Minneapolis MN 55402
Tel: (800) 525-9510

Cogent Communications of Utah Inc

fka Allied Riser of Utah Inc
1015 31st St NW
Washington DC 20007
Tel: (202) 295-4200
(877) 726-4368
Fax: (202) 338-8798

Comcast Phone of Utah LLC

fka AT&T Broadband Phone of Utah LLC
440 Yaeger Way SW
Olympia WA 98502-8153
Tel: (360) 705-2537
ext 3404
(800) 288-2085
Fax: (360) 754-5811
Web: www.comcast.com

CommPartners, LLC

3291 N. Buffalo Dr
Suite 3
Las Vegas, NV 89129
Tel: (702) 367-8647
Fax: (702) 365-8647
Web: www.commpartners.us

Computer Network Technology Corp.

c/o Windfall Resources
7144 N. Harlem Ave
Suite 323
Chicago, IL 60631
Tel: (763) 268-6000
(800) 752-8061
Fax: (763) 268-6800
Web: www.CNT.com

Comm South Companies, Inc

8035 E. RL Thornton
Suite 410
Dallas, TX 75228
Tel: (214) 355-7000
(214) 355-7005
Ms. Pringle
Fax: (214) 355-7259
Web: www.commsouth.com

ComTech 21, LLC

One Barnes Park South
Allingford, CT 06492
Tel: (877) 312-5560
Fax: (877) 312-5544
Web: www.comtech21.com

Cypress Communications Operating Company Inc

15 Piedmont Center
3575 Piedmont Rd, Suite 100
Atlanta GA 30305
Tel: (404) 869-2500
(888) 528-1788
Fax: (404) 869-2525
Web: www.cypresscom.net

DIECA

Communications Inc
dba Covad
Communications Company
7901 Lowry Blvd
Denver CO 80230-6906
Tel: (408) 616-6500
(888) 462-6823
Fax: (408) 616-6501
Web: www.covad.com

Direct Communications Cedar Valley

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

dPi Teleconnect LLC

2997 LBJ Fwy, Suite 225
Dallas TX 75234
Tel: 972) 488-5500
(800) 687-6727
Fax: (972) 488-8636
Web:
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
Web:
www.dsl.net Schula Hobbs

Electric Lightwave Inc

4 Triad Center
Suite 200
Salt Lake City UT 84180-1413
Tel: (801) 924-3000
(888) 521-3001
Fax: (801) 524-0640
Web: www.eli.net

VarTec Solutions, Inc

(formerly eMeritus)
1600 Viceroy Dr
Dallas TX 75235
Tel: (214) 424-1000
(800) 583-8811
Fax: (214) 424-1510
Web: www.emerituscop.com

Emery Telecommunications & Video Inc

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

e-Pinnacle

Communications, Inc.
4692 North 300 West, Suite
114
Provo UT 84302-1274
(877) 355-2394
Fax: (801) 932-1276
Web: www.e-pinnacle.net

Eschelon Telecom of Utah Inc

730 Second Ave South, Suite
1200
Minneapolis MN 55402-3400
Tel: (612) 376-4400
(866) 372-4356
Fax: (612) 376-4411
Web: www.eschelon.com

Excel

Telecommunications Inc
1600 Viceroy Dr
Dallas TX 75235
Tel: (214) 424-1000
(800) 583-8811
Fax: (214) 424-1510
Web: www.excel.com

FirstDigital Telecom LLC

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

France Telecom Corporate Solutions LLC

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

Frontier Communications of America

fka Citizens
Telecommunications Company
dba Citizens Long Distance
4 Triad Center, Suite 200
Salt Lake City UT 84180-1413
Tel: (801) 924-6360
(888) 535-4354
Fax: (801) 924-6363
Web: www.czn.com

Global Connection of America

3957 Pleasantdale Rd
Atlanta GA 30340
Tel: (678) 966-8444
Fax: (770) 458-6773
Web: www.globalc-inc.com

Global Crossing Telemanagement Inc

1080 Pittsford Victor Rd
Pittsford NY 14534
Tel: (585) 245-1427
(800) 414-1973
Fax: (585) 381-7592
Web: www.globalcrossing.com

Granite

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

GTC Telecom

3151 Airway Ave, Suite P-3
Costa Mesa CA 92626-4626
Tel: (714) 549-7700
Fax: (714) 549-7707

ICG Telecom Group Inc

161 Inverness Dr West
Suite 100
Englewood CO 80112
Tel: (303) 414-5000
(888) 424-1144
Fax: (303) 414-5817
Web: www.icgcomm.com

IDACOMM INC

350 N. Mitchell
PO Box 1162
Boise ID 83701
Tel: (208) 388-5710
Fax: 208) 381-0011
Web: www.idacomm.com

Competitive Local Exchange Carriers (cont.)



Integra Telecom of Utah Inc
1201 NE Lloyd BL, Suite 500
Portland OR 97232-6902
Tel: (503) 453-8000
(888) 621-4239
Fax: 503) 453-8221
Web:
www.integratelecom.com

Intermedia Communications Inc
201 Spear St, 9th Floor
San Francisco CA 94105
Tel: (415) 228-1072
(800) 893-7589
Fax: (415) 228-1094
Web: www.intermedia.com
Web: www.mci.com

Intrado Communications Inc
1601 Dry Creed Dr
Longmont CO 80503-6493
Tel: (720) 494-5800
(877) 856-7504
Fax: (720) 494-6600
Web: www.intrado.com

Ionex Communications North Inc
2020 Baltimore Avenue
Kansas City MO 64108
Tel: (816) 300-3000
(888) 472-4724
Fax: (816) 300-3350
Web: www.birch.com

KMC Telecom V Inc
1755 N Brown Rd, 3rd Floor
Lawrenceville GA 30043
Tel: (908) 470-2100
(888) 562-8431
Fax: (908) 719-8775
Web: www.kmctelecom.com

Level 3 Communications LLC
1025 Eldorado Blvd
Broomfield CO 80021-8869
Tel: (720) 888-1000
(877) 453-8353
Fax: (720) 888-5134
Web: www.level3.com

MCI Metro Access Transmission Services LLC
201 Spear St, 9th Floor
San Francisco CA 94105
Tel: (415) 228-1072
(800) 893-7589
Fax: (415) 228-1094
Web: www.mci.com

MCI WorldCom Communications Inc
201 Spear St, 9th Floor
San Francisco CA 94105
Tel: (415) 228-1072
(800) 893-7589
Fax: (415) 228-1094
Web: www.mci.com

McLeodUSA Telecommunications Services Inc
6400 C St SW PO Box 3177
Cedar Rapids IA 52406-3177
Tel: (319) 790-7055
(800) 500-3453
Fax: (319) 790-7901
Web: www.mcleodusa.com

NetTronix Inc dba NuChoice Telecom
2825 E Cottonwood Pky
Suite 500
Salt Lake City UT 84121
Tel: (801) 990-3222
(800) 840-8708
Fax: (801) 943-2847
Web:
www.choicetelephone.com

New Edge Network Inc dba New Edge Networks
3000 Columbia House Blvd
Suite 106
Vancouver WA 98661-2969
Tel: (360) 693-9009
(877) 725-3343
Fax: (360) 737-0828
Web:
www.newedgenetworks.com

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

NOW Communications Inc
1375 S. Semoran Blvd
Bldg. 5, Suite 1348
Winter Park FL 32792-5513
Tel: (719) 633-3059
(888) 565-1011
Fax: (719) 623-0287
Web: www.mynowline.com

ol Communications of Utah LLC
1515 K St, Suite 100
Sacramento CA 95814-4052
Tel: (916) 554-2100
(888) 444-1111
Fax: (916) 554-2163
Web: www.ol.com

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

Preferred Carrier Services Inc
14681 Midway Rd, Suite 105
Addison TX 75001-3147
Tel: (972) 503-3388
(800) 288-0910
Fax: (972) 503-3385
Web: www.phonesforall.com

Premiere Network Services Inc
1510 N Hampton Rd
Suite 120
DeSoto TX 75115
Tel: (972) 228-8881
(888) 739-4734
Fax: (972) 228-8889
Web: www.rewireit.com

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

Questar InfoComm, Inc.
180 East 100 South
PO Box 45433
Salt Lake City UT 84145-0433
Tel: (801) 324-5938
(800) 729-6790
Fax: (801) 324-5131
Web: www.questarinfo.com

Regulatory / Legal Qwest Communications Corporation
1801 California
Denver CO 80202
Tel: (303) 965-3524
Fax: (303) 992-6433

Reliant Communications Inc dba HJN Telecom Inc
801 International Parkway
5th Floor
Lake Mary FL 32746
Tel: (800) 830-5582
Fax: (800) 774-9216
Web: www.relianrates.com

SBC Telecom Inc
1010 N St Mary's, Room 13K
San Antonio TX 78215
Tel: (210) 246-8750
(877) 430-7228
Fax: (210) 246-8759
Web: www.sbctelecom.com

Sierra Pacific Communications
5860 S Pecos Rd, Bldg G Suite 100
Las Vegas NV 89120-5429
Tel: (702) 949-7947
(800) 931-1791
Fax: (702) 949-7929
Web: www.spfiber.com

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

Sprint Communications Company LP
6391 Sprint Pkwy
MS:KSOPHT0101-Z2400
Overland Park KS 66241-2400
Tel: (913) 315-4279
(800) 829-0965
Fax: (913) 315-3303
Web: www.sprint.com

Suburban Access LLC
590 Burbank St, Suite 255
Broomfield CO 80020
Tel: (303) 466-1723
Fax: (303) 469-9510
Web:
www.suburbanaccess.com

Talk America Inc
6805 Route 202
New Hope PA 18938
Tel: (407) 313-1353
(877) 474-4926
Fax: (407) 658-6312
Web: www.talk.com

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

Teligent Services Inc
460 Herndon Pky, Suite 100
PO Box 649
Herndon VA 20170-0649
Tel: (703) 326-4496
(888) 411-1175
Fax: (703) 326-4500
Web: www.teligent.com

Tel West Communications LLC
3701 S Norfolk St, Ste 300
PO Box 94447
Seattle WA 98124-6747
Tel: (206) 933-1119
(877) 463-9366 ext 302
Fax: (206) 933-1117
Web:
www.telwestcommunications.com

Time Warner Telecom of Utah LLC
15303 Dallas Pkwy, Suite 610
Addison TX 75001
Tel: (972) 455-7833
Fax: (972) 455-7801
Web: www.twtelecom.com

Syniverse Networks, Inc. (TSI Telecom)
One Tampa Center, Suite 700
Tampa FL 33602
Tel: (813) 273-3307
(800) 892-2888
Customers:
Fax: (813) 273-3077
Web: www.syniverse.com

United Communications Hub Inc dba UC Hub Inc
10390 Commerce Center Dr
Suite 250
Rancho Cucamonga
CA 91730-5860
Tel: (909) 945-8563
(800) 862-9970 ext 209
Fax: (888) 525-5266
Web: www.uchub.net

Universal Access Inc Sears Tower
233 S Wacker Dr, Suite 600
Chicago IL 60606-6307
Tel: (312) 660-5000
(888) 747-1744
Fax: (312) 660-6241
Web: www.universalaccess.net

US TelePacific Corp dba TelePacific Communications
515 S Flower St, 47th Floor
Los Angeles CA 90071-2201
Tel: (213) 213-3000
(877) 487-8722
Fax: (213) 213-3027
Web: www.telepacific.com

ILECs Operating in the State of Utah

under the Jurisdiction of the Public Service Commission

Incumbent Local Exchange Carriers

VarTec Telecom Inc

1600 Viceroy Dr
Dallas TX 75235
Tel: (214) 424-1000
(800) 583-8811
Fax: (214) 424-1510
Web: www.vartec.com

Western CLEC Corporation

3650 131st Ave SE, Suite 400
Bellevue WA 98006
Tel: (425) 586-8700
(800) 545-5982
Fax: (425) 586-8666
Web: www.wvireless.com

WilTel Communications LLC *fka Williams Communications LLC*

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

Winstar Communications LLC

1850 M St NW, Suite 300
Washington DC 20036
Tel: (202) 367-7600
(888) 946-7827
Fax: (202) 659-1931
Web: www.winstar.com

X5 Solutions

1520 4th Ave, Suite 500
Seattle WA 98101
Tel: (206) 973-5800
(888) 588-1501
Fax: (206) 973-5899
Web: www.x5solutions.com

XO Utah Inc

111 E Broadway, Suite 1000
Salt Lake City UT 84111
Tel: (801) 983-1600
(886) 963-9696
Fax: (801) 983-1667
Web: www.xo.com

Z-Tel Communications Inc

601 S Harbour Island Blvd
Suite 220
Tampa FL 33602
Tel: (813) 273-6261
(800) 511-4572
Fax: (813) 273-6861
Web: www.z-tel.com

Albion Telephone Company Inc *dba ATC Communications*

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

All West Communications Inc *dba All West Communications*

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

Bear Lake Communications Inc

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

Beehive Telephone Company Inc

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

Carbon / Emery Telecom Inc

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

Central Utah Telephone Inc

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

CenturyTel of Eagle Inc

100 CenturyTel Dr
PO Box 4065
Monroe LA 71211-4065
Tel: (318) 388-9000
(800) 562-3956
Fax: (318) 388-9602
Web: www.centurytel.com

Citizens Telecommunications Co of Utah

dba Frontier Communications of Utah
4 Triad Center, Suite 200
Salt Lake City UT 84180-1413
Tel: (801) 924-6360
(800) 373-5627
Fax: (801) 924-6363
Web: www.frontieronline.com

Emery Telephone

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

Farmers Telephone Company Inc

26077 Hwy 666
PO Box 369
Pleasant View CO 81331-0369
Tel: (970) 562-4211
(877) 828-8656
Fax: (970) 562-4214
Web: www.farmerstelcom.com

Gunnison Telephone Company

29 S Main St
PO Box 850
Gunnison UT 84634-0850
Tel: (435) 528-7236
Fax: (435) 528-5558
Web: www.gtclco.net

Hanksville Telecom Inc

455 E Hwy 29
PO Box 711
Orangeville UT 84537-0711
Tel: (435) 748-2223
Fax: (435) 748-5222
Web: www.emerytelcom.net

Manti Telephone Company Inc

34 W Union St
Manti UT 84642
Tel: (435) 835-3391
(877) 835-3391
Fax: (435) 835-7192

Navajo Communications Company Inc

dba Frontier Navajo Communications Co
4 Triad Center Ste 200
Salt Lake City UT 84180-1413
Tel: (801) 924-6360
(800) 373-5627
Fax: (801) 924-6363
Web: www.frontieronline.com

Qwest Corporation

250 Bell Plaza, Room 1603
Salt Lake City UT 84111
Tel: (801) 237-7200
(888) 642-9996
(801) 237-7634
– Michael Dalebout
(801) 237-7769 – Jim Farr
(801) 237-6010
– Dave Sjoberg
(206) 345-6224 – Phil Grate
Fax: (801) 237-6542
Web: www.qwest.com

Skyline Telecom

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

South Central Utah Telephone Association Inc *dba South Central Communications*

45 North 100 West
PO Box 555
Escalante UT 84726
Tel: (435) 826-0225
Fax: (435) 826-0826
Web: www.socen.com

UBET Telecom Inc

211 East 200 North
PO Box 398
Roosevelt UT 84066
Tel: (435) 646-5007
(888) 546-8282
Fax: (435) 646-5011
Web: www.ubtanet.com

Uintah Basin Telecommunications Association Inc

dba UBTA Communications
211 East 200 North
PO Box 398
Roosevelt UT 84066
Tel: (435) 646-5007
(888) 546-8282
Fax: (435) 646-5011
Web: www.ubtanet.com

Union Telephone Company

850 N Hwy 414
PO Box 160
Mountain View WY 82939
Tel: (307) 782-6131
(800) 646-2355
Fax: (307) 782-6913
Web: www.union-tel.com

Water



There is no utility service more critical to Utah's citizens than safe, clean, culinary water at affordable rates.

Overview of Water Utility

Water Service

There is no utility service more crucial to Utah's citizens than safe, clean, culinary water at affordable rates. For this reason, privately owned water companies have been under the Commission's jurisdiction since its inception.

However, for the overwhelming majority of Utahns, culinary water is delivered either by municipal systems or quasi-governmental special improvement or water districts. The Commission has no jurisdiction over such entities. Irrigation water, delivered by irrigation cooperatives, is likewise not subject to Commission jurisdiction.

Nevertheless, there are Utah residents, primarily in sparsely populated rural areas, who receive their water from privately owned water utilities subject to Commission jurisdiction. In recent years, relatively few new culinary water companies have been organized, and most of these have been formed more with a view toward serving as a marketing tool for real estate development than as economically viable enterprises 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 attendant 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 Convenience and Necessity by formal Commission order. Currently there are 35 certified water companies.

Commission Jurisdiction

As with other utilities, the Commission exercises regulatory jurisdiction over rates. Rate cases in the water context are relatively infrequent. Filing and prosecuting a rate case is somewhat costly, 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 2004, the Commission issued five new Certificates of Convenience and Necessity.

Water Utilities Dockets

02-2254-01

In the Matter of the Petition for and Order to Show Cause Regarding Exemption from Commission Regulation of Boulder King Ranch Estates Water Company

Order issued July 3, 2003. Boulder King Ranch Estates Water Company, having previously found to be subject to the jurisdiction of the Commission, was granted a certificate to serve. A settlement agreement containing rates and terms of service was approved as just and reasonable.

03-2393-01

In the Matter of the Application of Wolf Creek Ranch Water System for a Certificate of Convenience and Necessity to Operate as a Public Utility Rendering Water Service

Order issued July 3, 2003. Applicant, having demonstrated its fitness to serve, and no opposition to the application appearing, the Commission granted the certificate.

03-2199-01

In the Matter of the Request for Rate Increase for White Hills Water Company

Order issued July 29, 2003. White Hills Water Company sought to increase various rates to be charged. The Commission established new rates.

98-2265-01

In the Matter of the Investigation of the Operations of Long Valley Estates Water Company as a Public Utility

Order issued December 4, 2003. No fines were assessed against Long Valley Estates Water Company or its officers pending compliance by the company with DEQ requirements, the rules and orders of this Commission, and other legal requirements. Long Valley Estate Water Company's most recent application for a certificate of public convenience and necessity will be dealt with in the docket to which it was assigned.

KEY:

Docket Number
Short Title

Status as of June 30, 2004

Water Utilities Dockets (cont.)



03-2265-01

In the Matter of the Application of: Long Valley Estates Water Company for a Certificate of Convenience and Necessity to Operate as a Public Utility Rendering Water Service

Order issued December 4, 2003. This matter was converted to an informal proceeding pursuant to §§ 63-46b-4 and 63-46b-5, Utah Code Annotated. Long Valley Estates Water Company was granted Certificate of Convenience and Necessity No. 2265 to operate as a water corporation serving the Long Valley Ranch subdivision in Kane County, State of Utah, as specifically identified in Exhibit "H" to the Application in this matter. Applicant's proposed flat rate of \$15.00 per month for water service was approved. Applicant was granted a waiver of Commission Rule 746-200-4(A), and may bill its customers on a quarterly basis. Applicant shall comply with all requirements of the Utah Division of Drinking Water. Applicant to file a tariff within 30 days of the date of Order.

01-2370-01

In the Matter of the Application of Danny Stevens, dba Shadow Mountain Estates for a Certificate of Convenience and Necessity to Operate as a Public Utility Service or for an Exemption from PSC regulation Shadow Mountain Estates, Inc.

Order issued December 11, 2003. The Commission granted Certificate of Convenience and Necessity No. 2370 to operate as a water corporation serving the Shadow Mountain Estates Subdivision in Sevier County, State of Utah, as more particularly described in the Application in this matter. Shadow Mountain's rates of \$20.00 per month for usage up to 25,000 gallons, and \$1.00 per 1,000 gallons for usage in excess of 25,000 gallons per month, were approved. The proposed connection fee of \$3,000, with \$2,500 of that amount designated as payment for the right to connect to the system, and \$500 for the costs of connection, was also approved. Shadow Mountain shall comply with all requirements of the Utah Division of Drinking Water. Shadow Mountain shall file a tariff within 30 days of the date of the Order.

04-2428-01

In the Matter of the Application of Harmony Mountain Ranch Water Company Association for a Certificate of Convenience and Necessity to Operate as a Public Utility Rendering Water Service

Order issued May 13, 2004. Applicant, having demonstrated its fitness to serve, and no opposition to the application appearing, the Commission granted the certificate.

04-2025-01

In the Matter of the Request for Rate Increase of Dammeron Valley Water Works

Dammeron Valley Water Works' proposed increased rates were approved, effective July 1, 2004. The tariff language revisions proposed by the Division of Public Utilities were adopted. Dammeron Valley Water Works shall submit revised tariff sheets reflecting the new rates, and including the language revisions. The Division of Public Utilities shall review the revised tariff sheets for compliance with this Report and Order.

03-2417-01

In the Matter of the Application of Wolf Creek Water Conservancy a Certificate of Convenience and Necessity to Operate as a Public Utility Rendering Service, or for an Exemption from PSC Regulation

Order issued June 22, 2004. Applicant, having demonstrated its fitness to serve, and no opposition to the application appearing, we grant the certificate and set interim rates. The record remains open for the period of time specified.

Water Utilities Operating in the State of Utah

under the Jurisdiction of the Public Service Commission

Boulder King Ranch Estates Water Company

30 E Center St, Suite 200
Kanab UT 84741
Tel: (435) 335-7441
Fax: (928) 645-3354

Bridgerland Water Co Inc

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

**Chekshani Water Company Inc
Chekshani Cliffs Corporation**

10921 Keymar Dr
Las Vegas NV 89135
Tel: (702) 878-7528
Fax: (702) 878-1032

Color Country Owners Association

PO Box 912
Cedar City UT 84721-0912
Tel: (435)
Fax: (435) 865-1090

Community Water Company Inc

C/O The Canyons Utah
1840 Sun Peak Dr
Park City UT 84098
Tel: (435) 615-4840
Fax: (435) 615-4855
Tel: (435) 615-3304
Glen Crowell, Con
Tel: (435) 615-4846
Fran Amendola

Dammeron Valley Water Works

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

**Duck Creek Pines LLC
dba Duck Creek Pines Water Company**

2230 N University Pky, Suite 7B
Provo UT 84604
Tel: (801) 377-0400
Fax: (801) 377-0630

Durfee Creek Homeowners Association Inc
1941 East 6925 North
Liberty UT 84310
Tel: (801) 972-8666
Fax: (801) 974-5653

Elk Ridge Estates Water Company
PO Box 723
Cedar City UT 84721-0723
Tel: 435) 682-2515
Fax: (435) 682-2520

Falcon Crest Water Company LLC
2333 S Falcon Way
Huntsville UT 84317-9735
Tel: (801) 668-6889

Harmony Heights Water Company
722 East 200 South
PO Box 487
New Harmony UT 84757
Tel: (435) 586-9208
Fax: (435) 586-9208

Hidden Creek Water Company
5225 S Alvera Cir
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

Homespun Village Water Company
2021 Hideout Cir
Riverton UT 84065
Tel: (801) 254-9050
Fax: (801) 254-1522

Horseshoe Mountain Ranch Estates
10160 Roseboro Rd
Sandy UT 84092
Tel: (801) 572-4728
Fax: (801) 572-7456

Iron Town Property Owners' Association
2568 Elizabeth St, Suite 5
Salt Lake City UT 84106
Tel: (801) 484-4220

KWU Inc
dba Kayenta Water Users
800 N Kayenta Pky
Ivins UT 84738
Tel: (435) 628-7234
Fax: (435) 628-7707

Lake Front Estates Water Users Association
PO Box 567
Panguitch UT 84759
Tel: (435) 676-2349

Lake Mountain Mutual Water Company Inc
50 W Broadway Ste 600
Salt Lake City UT 84101
Tel: (801) 363-1215 ext 131
Fax: (801) 292-6062

Lakeview Water Corporation
932 Ski Lake Dr
Huntsville UT 84317-9414
Tel: (801) 745-3004
Fax: (801) 745-3131

Legacy SweetWater Inc
276 West 100 North
PO Box 201
Springville UT 84663
Tel: (801) 491-9414
Fax: (801) 491-8704

Apple Valley Water Company Inc
2894 S Cartland Dr
Box 225-9
Apple Valley UT 84737
Tel: (435) 877-1023
(435) 877-1072

Long Valley Estates Water Company
4067 Cody Road
Sherman Oaks CA 91403
Tel: (818) 788-9271
Fax: (435) 644-5352

Mountain Valley Ranches Water Service
2226 W 5875 N
Cedar City UT 84720-5917
Tel: (435) 586-2436

New Paria Water Company
71 South 7th Avenue
Page AZ 86040-0340
Tel: (928) 645-9478
Adrian Powell
Fax: (928) 645-5745

Pine Valley Irrigation Company
132 East 100 South
Pine Valley UT 84781-2112
Tel: (435) 574-2715

Pineview West Water Company
1568 Connecticut Drive
Salt Lake City UT 84103
Tel: (801) 521-7330 (Pineview)

Shadow Mountain Estates
dba Danny A Stevens
2350 North 1250 East
Monroe UT 84754
Tel: (435) 896-9096

Sherwood Water Company
3140 North 2000 West
PO Box 565
Delta UT 84624-0565
Tel: (435) 864-2896
Fax: (435) 864-4947
Cell: (435) 864-7913

South Duchesne Culinary Water Inc
289 W Main St
PO Box 294
Duchesne UT 84021-0294
Tel: (435) 738-6000
Fax: (435) 738-6003

Wanship Cottage Site Water Company
340 S Main St
PO Box 176
Coalville UT 84017-0176
Tel: (435) 336-5584
Fax: (435) 336-2380

West Slope Water Company
94 East 2530 North
PO Box 1081
Cedar City UT 84721-1081
Tel: (435) 586-7688
Fax: (435) 867-1001

White Hills Water Company Inc
PO Box 9440
Salt Lake City UT 84109-0440
Tel: (801) 485-5274

Wilkinson Water Company Inc
2985 W Old Hwy Rd
Morgan UT 84050
Tel: (801) 876-3113

Winchester Hills Water Company Inc
1090 West 5830 North
Saint George UT 84770
Tel: (435) 673-9403

Wolf Creek Ranch Water System
1132 South 500 West
Salt Lake City UT 84101
Tel: (801) 844-0101
Fax: (801) 975-0900
Web: www.wolfcreekranch.com

Combination Water and Sewer

Storm Haven Water Company Inc
4782 S Cove Ln
Heber City UT 84032-9641
Tel: (435) 654-3119

Wolf Creek Water & Sewer Co Inc
3718 N Wolf Creek Dr
PO Box 658
Eden UT 84310
Tel: (801) 745-3435
Fax: (801) 745-3454

Sewer

Mountain Sewer Corporation
932 South 6525 East
Huntsville UT 84317
Tel: (801) 745-3004
Fax: (801) 745-3131

Complaint Resolutions

Operating Utilities

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 companies, as it must, not least because 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. Walk-in, 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, the utility itself takes action to correct the problem upon Division contact. 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 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 the 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 table at right shows the number of informal complaints processed by the Division of Public Utilities in FY 2004. Of these, 6 became formal complaints before the Commission during FY 2004 requiring a hearing by an Administrative Law Judge.



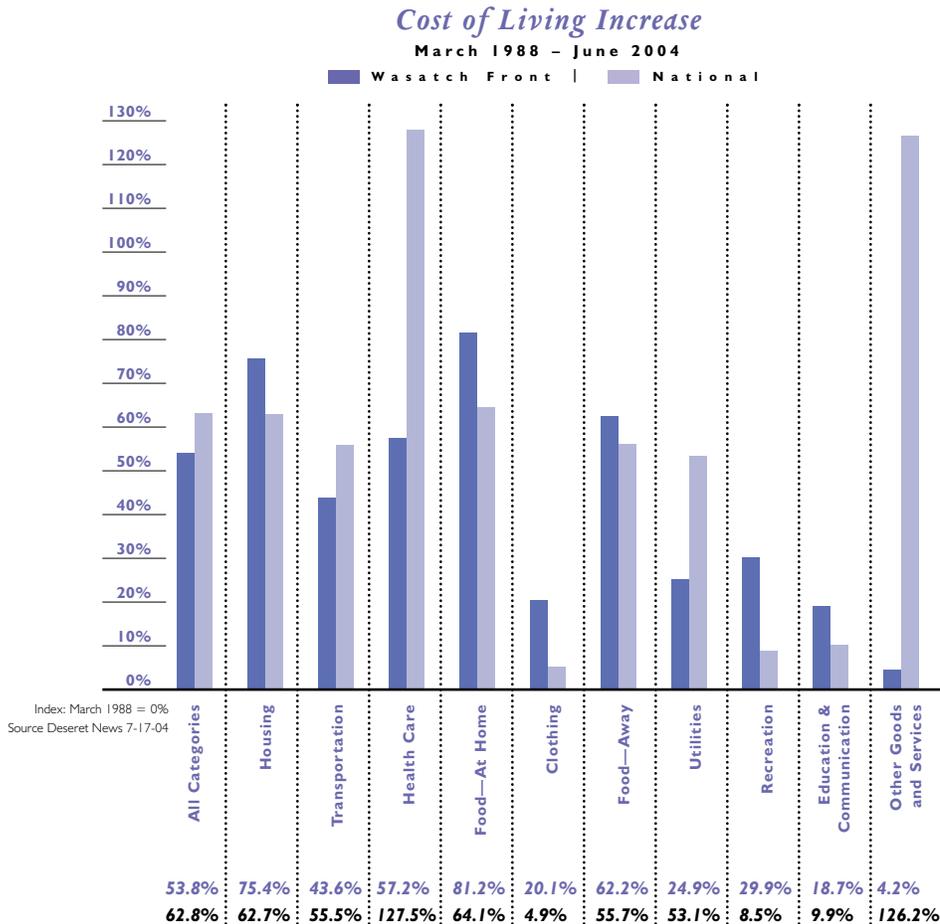
Informal Complaints

<i>Utility Complaint</i>	<i>for the year 2004</i>
Electric	492
Natural Gas	209
Telecom – ILEC	437
Telecom – CLEC	566
Telecom – Long Distance	201
Water and Sewer	2
TOTAL	1,907



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.

Performance of Utah's Regulated Utilities



Price Changes of Utah's Utilities

A July 17, 2004 *Deseret News* article describes how prices for different goods and services have changed along the Wasatch Front compared to the nation in the past sixteen years. Wells Fargo Bank's analysis looks at ten different categories of goods and services and shows that utilities is one of only four categories that show percentage increases less for the Wasatch Front than nationally. Of those four categories, utilities shows the second smallest percentage increase.

Looking solely at utility services regulated by the Utah Public Service Commission, the typical residential customer has experienced a 11 % decline in Utah Power's rates since 1988 and a 58% increase in Questar Gas' rates. It should be noted that about half of Questar Gas' rates are determined by the cost of the natural gas commodity, which is passed through to consumers at cost. The natural gas commodity market has become more volatile in recent years causing more variation in customer rates.

2004





The Public Service Commission of Utah

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