Public Service Commission of Utah

2011 Annual Report

for the period July 1, 2010, through June 30, 2011

Electricity Natural Gas Telecommunications Water







2011



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2011 Annual Report

PUBLIC SERVICE COMMISSION OF UTAH

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GARY HERBERT.
Governor
GREG BELL

Public Service Commission

TED BOYER Chairman RIC CAMPBELL Commissioner RON ALLEN Commissioner

November 12, 2011

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

It is a pleasure to present you the Annual Report for fiscal year 2011 of the Public Service Commission of Utah. This report has been prepared in accordance with Utah Code § 54-1-10, which requires the Commission to submit to you a report of its activities during the fiscal year ending June 30, 2011.

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

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

Respectfully submitted,

Ted Bover, Commission Chairman

Ric Campbell, Commissioner

Ron Allen, Commissioner

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Organizational Chart Personnel Iune 30, 2011 Chairman Chairman Ted Bover Ted Boyer Commissioner Commissioner Commissioner Ric Campbell Ric Campbell Commissioner Ron Allen Ron Allen **Commission Secretary** Julie P. Orchard Commission **Administrative** Executive Legal Counsel **Staff Director** Law Judge Secretary **Executive Staff Director** Rebecca Wilson David Clark Rebecca Wilson Julie P. Orchard Ruben Arredondo Legal Counsel David Clark Telecom-Information Systems Program Administrative Law Judge munications Support Technical Ruben Arredondo Specialist Consultant/ **Telecommunications Technical Economist** Sheri Bintz Consultant/Economist John S. Harvey John S. Harvey Telecom-Electric and Gas Utility munication Electric **Technical Consultant** Relay Specialist and Gas Utility Carol Revelt Mary Beth Green **Technical** Consultant **Utility Technical Consultant Jamie Dalton** Carol Revelt Accounting Technician **Utility Technical Consultant** Joseph Holland Gary Widerburg **Utility Technical** Consultant **Public Utility Engineer** Jerry Maio Jamie Dalton Office **Technician Information Systems Program** Support Specialist Trixie Behr **Utility Technical** Sheri Bintz Consultant **Telecommunication Relay** Joseph Holland **Specialist Paralegal** Mary Beth Green Melissa Paschal **Public Utility** Accounting Technician Engineer **Gary Widerburg** Equipment Jerry Maio Office Technician Delivery Personnel Trixie Behr Lorri Dean Paralegal Melissa Paschal Equipment **Equipment Delivery Personnel Delivery** Personnel Lorri Dean Brad Blackner **Equipment Delivery Personnel** Brad Blackner Equipment **Equipment Delivery Personnel Delivery** Personnel Paula Rose Paula Rose



Commission Chair Ted Boyer

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

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

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

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



Commissioner Ric Campbell

Original Term: June 20, 2001 - March 1, 2007 Reappointed: March 1, 2007 - March 1, 2013

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

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

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

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



Commissioner Ron Allen

Original Term: March 18, 2005 - March 1, 2011 Reappointed: March 18, 2011 - March 18, 2017

Ron Allen was appointed to the Public Service Commission on March 18, 2005, and was reappointed on March 18, 2011 for an additional six- year term.

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

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

History

Origins of the Public Service Commission

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

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

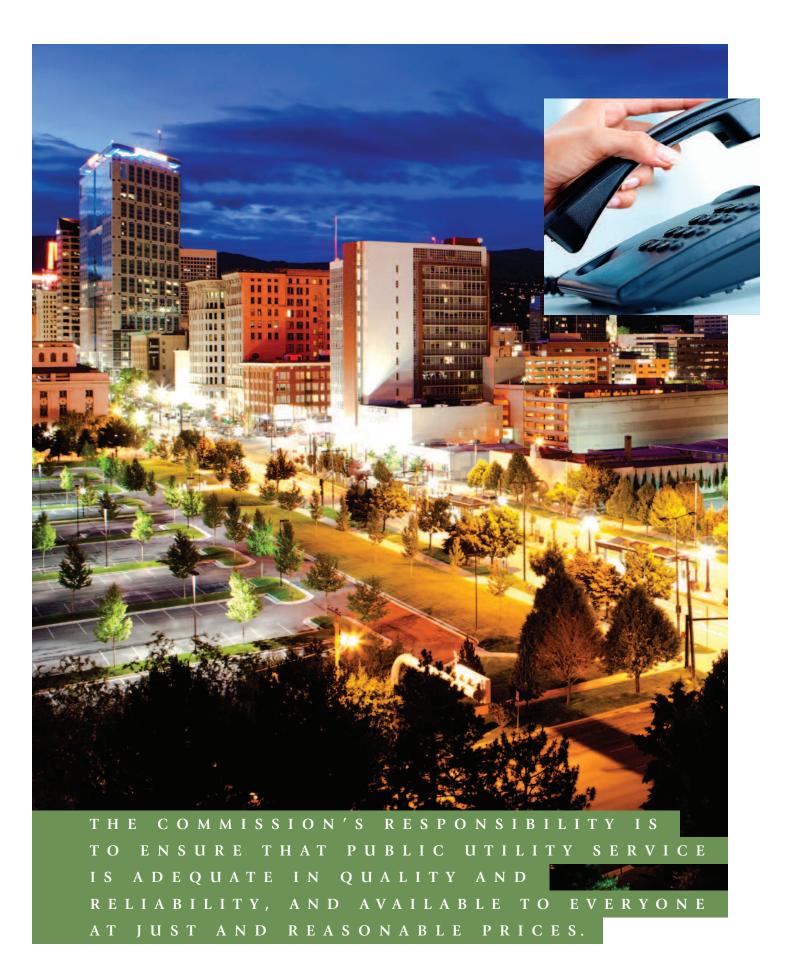
Utility companies are certificated monopolies. With recent exceptions, primarily in the telecommunications industry, each utility is the sole provider of utility service in a designated geographic area of the State called "certificated service territory."

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

Organization of the Regulatory Function in Utah Today

Since 1983, when the legislature last reorganized Utah's public utility regulatory function, the Commission has been an independent entity with a small clerical, legal, and technical advisory staff. The Office of the Commission consists of a three-member commission, each commissioner appointed by the Governor to a six-year term; an





PSC Commissioners

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

^{*}Commissioner Pro Tempore



PSC Secretaries

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

^{*}Acting Secretary

History



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 20 persons.

The Division of Public Utilities, within the Utah Department of Commerce, performs public utility audits and investigations, helps resolve customer complaints, and enforces Commission Orders. Since the 1983 reorganization, the Division has been empowered to represent an impartially determined, broad public interest before the Commission. The Division employs a Director and a clerical and technical staff of approximately 30 people and receives legal assistance from the Office of the Attorney General. Also functioning within the Department of Commerce is the Office of Consumer Services (formerly the Committee of Consumer Services), the state agency advocate before the Commission for the interests of residential, small commercial and agricultural customers. The Office, established by the legislature in 1977, consists of six citizens appointed by the Governor. It employs a director and a five-member clerical and technical staff including legal assistance provided by the Office of the Attorney General.

How the Commission Works

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

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



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

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

During fiscal year 2011, 485 cases were open and docketed and 192 orders were sent out. Of these, 49 were resolved by written Commission order, following hearing and deliberation on the evidentiary record. Many of the remaining cases were handled informally. The more important cases, whether for regulatory policy or financial implications, are highlighted in the following discussions of electricity, natural gas, telecommunications, and water. In Fiscal Year 2011 the Public Service Commission regulated 176 utility companies to include gas, electric, telephone, water, sewer, and railways with gross intrastate revenues of \$ 3.27 billion.

Electricity

Electric Utilities Overview

The principal electric utility regulated by the Commission is PacifiCorp, who does business in Utah as Rocky Mountain Power. PacifiCorp is an investor-owned utility serving approximately 790,000 residential, commercial and industrial customers in Utah. PacifiCorp also serves retail customers in five other western states and wholesale customers throughout the west.

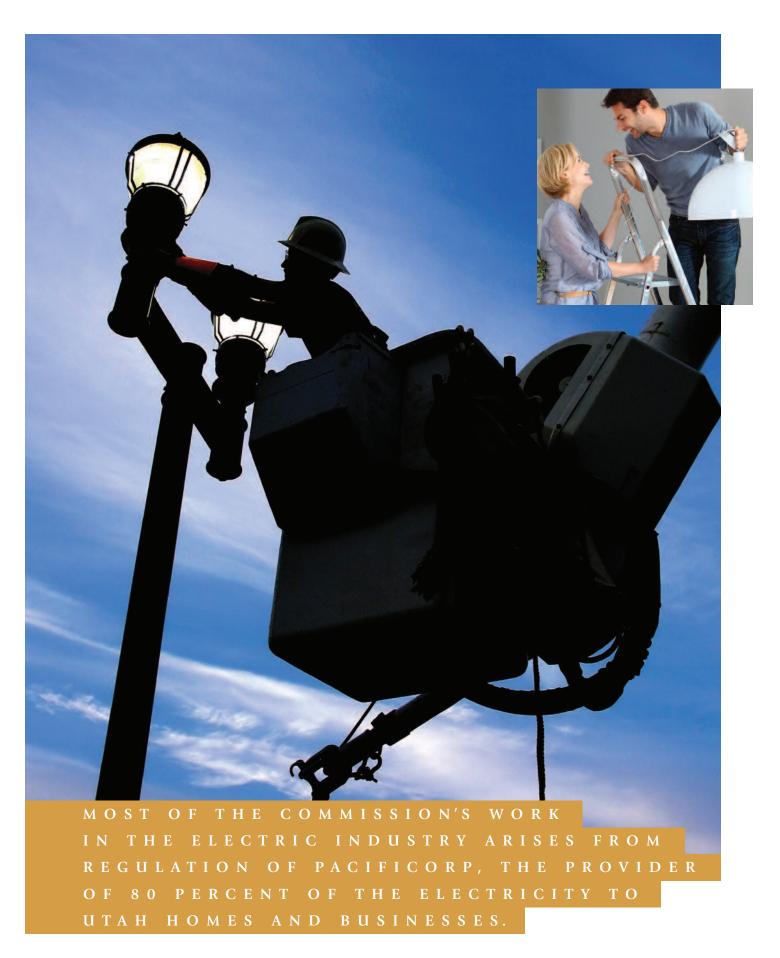
PacifiCorp provides approximately 80 percent of the electricity to Utah homes and businesses. Other Utah customers are served either by municipal utilities, which are not regulated by the Commission, or by rural electric cooperatives, which are subject to minimal state regulation. Thus, most of the Commission's work in the electric industry arises from regulation of PacifiCorp.

Rate Changes

Under Utah Code Ann. § 54-4-4, the Commission is responsible for determining just and reasonable rates for PacifiCorp. Utah law enables the Commission to approve rate changes reflecting the outcome of a general rate case in which costs associated with the generation, transmission and distribution of electricity are evaluated. In addition, the Commission has the authority to approve rate adjustments reflecting costs associated with the installation of major facilities in between general rate cases, the implementation of approved demand-side management/energy efficiency programs, energy balancing accounts, and the funding of low income assistance programs.



During fiscal year 2011 the Commission approved two rate changes, both of which were implemented on January 1, 2011. The first rate change encompassed the Commission's approval of a settlement stipulation among intervening parties which resolved issues in three dockets pending before the Commission. These dockets pertained to the construction of the Ben Lomond to Terminal transmission line and the installation of



Electricity



emissions control measures on the Dave Johnston #3 generating unit, the construction of the Populous to Terminal transmission line and the Dunlap 1 Wind Project, and a request for a deferred accounting order pertaining to incremental Renewable Energy Certificate revenue. The settlement stipulation resulted in a \$43.8 million increase in revenues reflecting a 3.07 percent increase in rates for a typical residential customer.

The second rate change reflected a \$13.5 million decrease in revenues collected for demand-side management programs. This change resulted in a 0.81 percent decrease in rates for a typical residential customer.

2011 PacifiCorp General Rate Case

In January 2011 PacifiCorp filed an application requesting authority, among other things, to increase its retail rates in Utah by an amount of \$232.4 million representing an average increase of approximately 14 percent from Utah operations. PacifiCorp indicates the request is driven by significant increases in net power costs and the significant level of capital additions which are necessary to ensure safe and reliable service to Utah customers. During Fiscal Year 2011, seventeen parties, other than PacifiCorp, the Division of Public Utilities, and the Office of Consumer Services, requested and were granted intervention in the case, and the Commission issued several intermediate decisions resolving disputes in the case. The Commission's final decision on PacifiCorp's proposed rate increase will be issued in September 2011.

Energy Balancing Account

In 2009, Utah Senate Bill 75 amended Utah Code Title 54 - Public Utilities by adding § 54-7-13.5 "Energy balancing accounts." This statute provides the Commission, among other things, the authority to approve an electrical corporation energy balancing account. The statute also specifies an energy balancing account shall become effective upon a Commission finding the energy balancing account is in the public interest, is for prudently incurred costs, and is implemented at the conclusion of a general rate case.



In response to PacifiCorp's request for approval of an energy cost adjustment mechanism which would allow it to collect or credit the differences between the net power costs actually incurred and the amount collected through rates set in general rate cases, in March 2011 the Commission issued a Report and Order approving an energy balancing account for PacifiCorp as a pilot program. The Commission authorized PacifiCorp to begin implementation of the balancing account at the conclusion of the pending 2011 PacifiCorp General Rate Case, September 21, 2011.

The Commission's Order modified PacifiCorp's request by: including a 70-30 customer-shareholder sharing mechanism and wheeling revenue; excluding renewable energy certificate revenue and natural gas and electricity swaps; and using Utah allocated costs and retail sales megawatt hours in the calculation. Following the issuance of the Commission's Report and Order, PacifiCorp filed a petition requesting clarification and reconsideration or rehearing. In May 2011 the Commission granted limited rehearing on the issue of whether swap transactions should be included in the energy balancing account mechanism and set the procedural schedule for activities associated with rehearing.

Major Plant Additions

In 2009 Utah Senate Bill 75 amended Utah Code Title 54 Public Utilities by adding Utah Code Ann. § 54-7-13.4, "Alternative cost recovery for major plant addition." This statute provides the Commission, among other things, the authority to approve or deny an electrical corporation's application for cost recovery of a major plant addition in between general rate cases.



In August 2010, subsequent to the Commission's June 2010 Report and Order approving alternate cost recovery associated with the major plant additions of the Ben Lomond to Terminal transmission line and the Dave Johnston Power Plant Unit 3 emissions control measures (MPA I), PacifiCorp filed another major plant addition application for alternative cost recovery for the Populous to Ben Lomond transmission line and the Dunlap I Wind Project (MPA II). In this application PacifiCorp requested an increase in its retail electric utility service revenues in Utah in the amount of \$39.0 million.

In December 2010 the Commission approved a settlement stipulation supported by parties in these and certain other cases. Per the terms of the settlement stipulation, the Commission approved ratemaking treatment, effective January 1, 2011, for: 1) a \$33.29 million increase in revenue requirement associated with MPA II; 2) a \$30.8 million increase in revenue requirement approved for MPA I; 3) a \$15.7 million increase in revenue requirement in the MPA I deferred balance account; and 4) a \$3 million monthly rate credit to account for additional renewable energy certificate revenue not currently reflected in rates.

Large Electric Power Plant Procurement

The Commission implements state law, specifically Utah Code Ann. § 54-17-101 et seq "Energy Resource Procurement Act," governing the procurement and approval of the acquisition of PacifiCorp's large electric generating resources. For non-renewable resources, generating plants of 100 megawatts or more of new generating capacity with a dependable life of ten or more years and purchase contracts of not less than 100 megawatts for a term of ten or more years are known as significant energy resources.

Utah continues to experience growth in demand for electricity driven both by increased population and higher usage per customer. In addition, due to the expiration of some long-term contracts, PacifiCorp will experience a reduction in available generation resources. PacifiCorp's most recent analysis demonstrates substantial need for additional electric generation capacity by the summer of 2014, and an even greater need thereafter. To meet a portion of this future need for electricity; PacifiCorp issued a Commission-approved request for proposals for the acquisition of resources and received numerous bids. In accordance with state law, the solicitation process was carefully monitored by a Commission-appointed independent evaluator, Merrimack Energy Group, Inc.

Following an extensive bid review process, selection of a final bidder short list, and conducting final bidder negotiations, in December 2010 PacifiCorp filed a request for approval of its significant energy resource decision to acquire a combined cycle combustion turbine at the Lake Side generating plant (Lake Side 2) in Vineyard, Utah. The Lake Side 2 Project consists of a natural-gas-fired, combined cycle combustion turbine generating plant which will generate 637 megawatts of electricity. In addition, pursuant to Utah Code Ann. § 54-4-25, Rocky Mountain Power requested the Commission issue a certificate of convenience and necessity for the construction and operation of Lake Side 2.

In April 2011, the Commission issued an order approving PacifiCorp's request and conditionally granting PacifiCorp the necessary certificate to move forward with construction and operation. The Utah Division of Public Utilities and the Utah Office of Consumer Services supported both the need for the additional electricity resource and the selection of Lake Side 2 and no party opposed these requests. Lake Side 2 is planned to be in service by June 2014. PacifiCorp plans additional significant energy resource activities in fiscal year 2012.

Electricity



Planning for Least Cost and Reliable Power Supply

The Commission requires PacifiCorp to file an integrated resource plan ("IRP") describing its plan to supply and manage growing demand for electricity in its six-state service territory for the next 20 years. In March 2011 PacifiCorp filed its 2011 IRP with the Commission.

Based on its assumptions of existing generation capacity, generation plant life, length of existing purchase power contracts, transmission transfer capability, and its 2010 load growth forecast, PacifiCorp's 2011 IRP indicates a deficiency between existing resources and peak system requirements plus a 13 percent planning reserve of 326 megawatts beginning in 2011. This deficit grows to 2,546 megawatts in 2015 and to 3,852 megawatts in 2020. In the 2011 IRP, PacifiCorp identifies a resource investment schedule as its least cost plan, or "Preferred Portfolio," to meet this deficiency.

To serve system-wide peak hour demand through 2020, cumulative supply additions and direct-control load management or energy efficiency programs in the 2011 IRP Preferred Portfolio range from 484 megawatts in 2011 to 5,051 megawatts in 2020.¹ By 2020, these resources consist of 2,660 megawatts of intermittent, intermediate and base load power plant; 350 to 1,429 megawatts in annual unspecified power purchases; and 1,440 megawatts of direct-control load management or utility energy efficiency programs. The proportion of additional resources are 53 percent long-term generation plant or power purchases (34 percent gas, 17 percent renewable energy, 1 percent coal plant turbine upgrades, and 1 percent combined heat and power),² 28 percent direct-control load management or energy efficiency utility programs, and 19 percent unspecified annual power purchases.



Electric Energy Conservation

Commission-approved energy efficiency program surcharges are applied to the bills of Rocky Mountain Power's Utah residential, commercial, industrial, and lighting customers. The surcharges, for the various classes of electric customers, range between 3.7 and 4.95 percent and the revenues collected are used to implement Rocky Mountain Power's Commission-approved demand-side management (DSM) programs. In fiscal year 2011 Rocky Mountain Power collected approximately \$58.9 million through the surcharge to cover expenditures for the approximately 15 energy efficiency and demand side management programs. These programs improve energy efficiency in new and existing homes and non-residential buildings and processes, encourage the purchase of energy-efficient appliances, and directly control air conditioners and irrigation pumps. During 2010, approximately 209 megawatts of power and approximately 219,000 megawatt hours of energy were saved through these programs.

Electrical Interconnection

On April 30, 2010, Utah Administrative Code R746-312, Electrical Interconnection became effective. In response to the requirements of the new rule, in 2010 PacifiCorp filed initial electrical interconnection forms for approval. Following review by the Division of Public Utilities and the Commission, PacifiCorp filed revised electrical interconnection forms in October of 2010. In April 2011 the Commission approved these forms with minor modifications effective April 1, 2011.

¹The total of 5,051 megawatts includes the average annual amount of 951 megawatts of unspecified power purchases rather than the cumulative amount of annual purchases over the ten year period.

²In the IRP PacifiCorp notes it may either build the resource or acquire it through a long-term firm power purchase agreement.



Investigation of Bonus Depreciation

Utah Code Ann. § 54-4-4 enables the Commission to conduct investigations pertaining to electric-related issues. In December 2010, at the request of the Division of Public Utilities, the Commission opened a docket to explore the issues surrounding the Federal Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (Tax Relief Act), which extended provisions for bonus depreciation of certain assets, and its applicability to PacifiCorp.

Following a February 1, 2011, technical conference on this issue and based upon further investigation, the Office of Consumer Services filed an application requesting the Commission order PacifiCorp to defer for later ratemaking treatment the impact on accumulated deferred income taxes and associated impact on rate base for plant additions from the tax benefits available to the Company under The Small Business Jobs Act of 2010 and Tax Relief Act. The Division of Public Utilities concurred with the Office of Consumer Services' recommendation. In May 2011 the Commission set the schedule for evaluation of this issue.

American Recovery and Reinvestment Act Funding

In fiscal year 2011, the Commission received funding from the U.S. Department of Energy for two limited-term employees and for staff training opportunities through the American Recovery and Reinvestment Act of 2009. This additional staff has been instrumental in supporting the Commission's evaluation of increasingly complex issues affecting electric utilities and the generation of timely orders.



Technical Conferences

The Commission sponsored the following technical conferences during fiscal year 2011.

- November 4, 2010, Docket No. 07-035-T14, Technical Conference on PacifiCorp's Utah Solar Incentive Program findings and recommendations and its proposal to conduct a demonstration energy storage project.
- February 1, 2011, Docket No. 10-035-127, Technical Conference on the effect of bonus depreciation on PacifiCorp associated with the *Tax Relief Unemployment Insurance Reauthorization and Job Creation Act of 2010*.
- February 3, 2011, Docket No. 10-035-126, Technical Conference addressing the Application of PacifiCorp for Approval of a Significant Energy Resource Decision Resulting from the All Source Request for Proposals.
- February 15, 2011, Docket Nos. 02-035-04 and 10-035-124, Technical Conference to address the ratemaking treatment of costs associated with PacifiCorp's Klamath hydro system.
- April 27, 2011, Docket Nos. 09-035-55 and 11-035-17, Technical Conference to discuss issues associated with the proposed Electric Service Agreement between PacifiCorp and Milford Wind.
- April 27, 2011, Docket No. 11-035-45, Technical Conference to discuss issues associated with the proposed Electric Service Agreement between PacifiCorp and Magnum Holdings LLC.

Electric DOCKETS

General Cases

06-035-148

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

Order Terminating Bi-Monthly Reporting issued November 23, 2010. The Commission terminates the bi-monthly reporting requirements ordered in the October 2008 Report and Order in this matter.

07-035-94

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

Confidential and Redacted Report and Order issued April 20, 2011. The Commission approves Pacifi-Corp's Significant Energy Resource Decision to acquire Lake Side 2 for service beginning June 2014, to be constructed by CH2M Hill. The Commission also conditionally grants PacifiCorp a certificate of convenience and necessity for Lake Side 2 pending written verification from PacifiCorp all necessary permits have been obtained.

Order issued June 14, 2011. The Commission denies the Division of Public Utilities' request for review or rehearing of limited portions of the April 20, 2011 Report and Order relating to the Apex Plant. The Commission expects the issues associated with the Apex Plant will be examined in PacifiCorp's pending general rate case. Further, the Commission requires Pacifi-Corp to maintain all records, documents, materials, and other information pertaining to the Apex project until further order of the Commission.

08-035-78

In the Matter of the Consideration of Changes to Rocky Mountain Power's Schedule No. 135 — Net Metering Service:

Report and Order Modifying Reporting Requirements issued on November 30, 2010. The Commission directs that the reporting requirements contained in Utah Administrative Code R746-312, with minor exceptions and clarifications, supersede and replace PacifiCorp's net metering reporting requirements in Docket Nos. 08-035-T04 and 08-035-78.

09-035-15

In the Matter of the Application of Rocky Mountain Power for Approval of its Proposed Energy Cost Adjustment Mechanism:

Report and Order on Deferred Accounting Stipulation issued on July 14, 2010. The Commission approves the Stipulation and Joint Motion for Deferred Accounting Orders in Docket Nos. 09-035-15 and 10-035-14 and orders Pacifi-Corp to establish separate deferred accounts for incremental net power costs and incremental renewable energy credit revenues in accordance with the terms and conditions of the stipulation.

Report and Order issued March 2, 2011, Corrected Report and Order issued March 3, 2011, and Errata Report and Order issued March 16, 2011.

The Commission approves an energy cost adjustment mechanism as a pilot ratemaking program, subject to the following modifications: 1) 70-30 customershareholder sharing is included; 2) wheeling revenues are included; 3) REC revenues are excluded: 4) natural gas and electricity swaps are excluded; 5) Utah allocated costs and retail sales megawatt hours are used in the calculation; 6) other implementation conditions, requirements and procedures specified herein. In addition, the Commission directs PacifiCorp to file a revised Schedule 94, consistent with the terms of this Report

and Order, within 30 days of its issuance and to implement the ratemaking mechanism approved herein according to the schedule, design specifications and requirements set forth in this Report and Order. The Commission directs the formation of the Energy Balancing Account working group to perform specified analyses and reports.

Order on Petitions for Clarification and Reconsideration or Rehearing and Notice of Scheduling Conference issued May 9, 2011. The Commission grants limited rehearing on the issue of whether swap transactions should be included in the Energy Balancing Account mechanism.

09-035-36

In the Matter of the Application of Rocky Mountain Power for Approval of a Strategic Communications and Outreach Program for Demand Side Management:

Order issued August 16, 2010, granting PacifiCorp an extension of time to file the first annual report on the Strategic Communications and Outreach Program for Demand Side Management.

Order issued February 22, 2011. The Commission acknowledges PacifiCory's First Annual Report on the Strategic Communications and Outreach Program as meeting the general requirements and guidelines. PacifiCorp is directed to work with the Office of Consumer Services and Division of Public Utilities to determine future improvements to the Report's format, content, and organization.

Order Approving Third Year Program and Budget issued June 27, 2011. The Commission approves PacifiCorp's third year budget and action plan of "Strategic Communications and Outreach Program for Demand Side Management." In addition, the Commission directs PacifiCorp to involve the Demand Side Management

Advisory Committee early on in the planning, design, and development stages of future demand side management-related advertising campaigns.

09-035-55

In the Matter of the Application of PacifiCorp for Approval of an Electric Service Agreement for Milford Wind Corridor Phase I:

Interim Order Approving Change in Point of Metering (Milford I) issued January 31, 2011. The Commission authorizes Rocky Mountain Power and Milford I to change the point of metering for Milford I's electric service in accordance with the First Amendment to the Electric Service Agreement, pending the Commission's final order on Rocky Mountain Power's Motion for Approval of the First Amendment to the Electric Service Agreement.

10-025-01

In the Matter of the Application of Empire Electric Association, Inc. for Authority to Issue Securities:

Report and Order issued September 14, 2010. The Commission approves the Application of Empire Electric Association to issue securities.

10-027-01

In the Matter of the Application of Flowell Electric Association, Inc. for Authority to Issue Securities in the form of a Secured Promissory Note and Related Documents:

Order issued August 17, 2010. The Commission grants the uncontested request from Flowell Electric Association, Inc. for authority to issue securities in the form of a secured promissory note.

10-028-01

In the Matter of the Application of Garkane Energy Cooperative, Inc. for Authority to Issue Securities:

Report and Order issued November 18, 2010. The Commission grants Garkane Energy Cooperative, Inc.'s Application for Authority to Issue Securities.

10-028-02

In the Matter of the Application of Garkane Energy Cooperative, Inc. for Authority to Issue Securities:

Report and Order issued January 11, 2011. The Commission approves the application of Garkane Energy Cooperative, Inc. for Authority to Issue Securities.

KEY: **Docket Number**Short Title

Status as of June 30, 2011.

10-035-13

In the Matter of the Application of Rocky Mountain Power for Alternative Cost Recovery for Major Plant Additions of the Ben Lomond to Terminal Transmission Line and the Dave Johnston Generation Unit 3 Emissions Control Measure:

Order Approving Settlement Stipulation issued December 21, 2010. The Commission approves a Settlement Stipulation providing for an annual increase in revenue requirement of \$33.29 million associated with the Populus to Ben Lomond transmission line and Dunlap I wind project major plant additions ("MPA II"). Per the terms of the Settlement Stipulation, the Commission also approves ratemaking treatment, effective January 1, 2011, for: 1) a \$33.29 million increase in revenue requirement associated with MPA II; 2) the \$30.8 million increase in revenue requirement approved in Docket No. 10-035-13 ("MPA I"); 3) \$15.7 million in the MPA I deferred balance account; and, 4) a \$3 million monthly rate credit to account for additional renewable energy certificate revenues not currently reflected in rates.

10-035-14

In the Matter of the Application of the Utah Association of Energy Users for a Deferred Accounting Order Directing Rocky Mountain Power to Defer Incremental REC Revenue for Later Ratemaking Treatment:

Report and Order on Deferred Accounting Stipulation issued July 14, 2010. The Commission approves the Stipulation and Joint Motion for Deferred Accounting Orders in Docket Nos. 09-035-15 and 10-035-14 and orders Pacifi-Corp to establish separate deferred accounts for incremental net power costs and incremental renewable energy credit revenues in accordance with the terms and conditions of the stipulation.

Order Approving Settlement Stipulation issued December 21, 2010. The Commission approves a Settlement Stipulation providing for an annual increase in revenue require-

KEY: **Docket Number**Short Title

Status as of June 30, 2011.

ment of \$33.29 million associated with the Populus to Ben Lomond transmission line and Dunlap I wind project major plant additions ("MPA II"). Per the terms of the Settlement Stipulation, the Commission also approves ratemaking treatment, effective January 1, 2011, for: 1) a \$33.29 million increase in revenue requirement associated with MPA II 2) the \$30.8 million increase in revenue requirement approved in Docket No. 10-035-13 ("MPA I") 3) \$15.7 million in the MPA I deferred balance account and, 4) a \$3 million monthly rate credit to account for additional renewable energy certificate revenues not currently reflected in rates.

10-035-38

In the Matter of the Application of Rocky Mountain Power for an Accounting Order Regarding Post-Retirement Prescription Drug Coverage Tax Benefits:

Order issued on September 13, 2010. The Commission authorizes PacifiCorp to record a regulatory asset of \$6.284 million to be amortized over a four-year period beginning October 1, 2010. The Commission further directs that no return on rate base is authorized for any unamortized portion of the asset and PacifiCorp shall remove the amortization from rates in its general or single item rate case anticipated to be filed in 2014.

10-035-39

In the Matter of the Petition for Review between Rocky Mountain Power and Tooele County for Consideration by the Utility Facility Review Board:

Order issued August 18, 2010. The Board denies Tooele County's Motion for Partial Stay of the Board's June 21, 2010, Order.

10-035-42

In the Matter of the Application of Rocky Mountain Power for Approval of Pole Attachment Agreement between Rocky Mountain Power and South Central Communications, Inc. and South Central Utah Telephone Association, Inc.:

Order Approving Pole Attachment Agreement issued August 16, 2010. The Commission approves the Pole Attachment Application and Agreement.

10-035-44

In the Matter of the Rocky Mountain Power Proposed Standardized Interconnection and Net Metering Service Agreements and Net Metering Facilities:

Report and Order and Notice of Technical Conference issued August 31, 2010. The Commission identifies improvements for and deficiencies in Rocky Mountain Power's proposed electrical interconnection forms and directs a technical conference to be held followed by resubmittal of the forms by the Rocky Mountain Power and review by the Division.

Report and Order issued March 23, 2011. The Commission approves Rocky Mountain Power's proposed electrical interconnection forms with modifications.

Report and Order issued April 21, 2011. The Commission approves Rocky Mountain Power's proposed electrical interconnection forms with minor modifications and directs the Company to file a complete finalized set of interconnection forms.

10-035-45

In the Matter of the Rocky Mountain Power Proposed Standardized Non-Net Metering Agreements:

Report and Order and Notice of Technical Conference issued August 31, 2010. The Commission identifies improvements for and deficiencies in Rocky Mountain Power's proposed electrical interconnection forms and directs a technical conference to be held followed by resubmittal of the forms by the Rocky Mountain Power and review by the Division.

Report and Order issued March 23, 2011. The Commission approves Rocky Mountain Power's proposed electrical interconnection forms with modifications.

Report and Order issued April 21, 2011. The Commission approves Rocky Mountain Power's proposed electrical interconnection forms with minor modifications and directs the Company to file a complete finalized set of interconnection forms.

10-035-57

In the Matter of the Rocky Mountain Power Demand-Side Management 2010 Semi-Annual Forecast:

Order issued August 2, 2010. The Commission directs PacifiCorp to file an updated report on the projected demand side management balancing account utilizing data through August 2010 as soon as practically possible. The Commission also specifies that interested parties will have 20 days from the date the updated report is filed to comment on the report itself and on what level the Demand Side Management surcharge rate should be set at on a going forward basis.

10-035-58

In the Matter of the Filing of Rocky Mountain Power's Net Metering Report for the period April 1, 2009 to March 31, 2010:

Report and Order Modifying Reporting Requirements issued on November 30, 2010. The Commission directs that the reporting requirements contained in Utah Administrative Code R746-312, with minor exceptions and clarifications, supersede and replace PacifiCorp's net metering reporting requirements in Docket Nos. 08-035-T04 and 08-035-78.

10-035-59

In the Matter of the Application of Rocky Mountain Power for Approval of a Pole Attachment Agreement between PacifiCorp and Alliant Techsystems, Inc.:

Order Approving Pole Attachment Agreement issued August 17, 2010. The Commission approves the Pole Attachment Application and Agree-

10-035-61

In the Matter of the Application of Rocky Mountain Power for Approval of a Pole Attachment Agreement between PacifiCorp and Manti Telecommunications Co., Inc.:

Report and Order Approving Pole Attachment Agreement issued August 17, 2010. The Commission approves the Application.

10-035-89

In the Matter of the Rocky Mountain Power Application for Alternative Cost Recovery for Major Plant Additions — Populus to Ben Lomond Transmission Line and Dunlap I Wind Project:

Decision on UIEC's Motion to Defer Recovery of Major Plant Addition Costs issued October 13, 2010. The Commission denies UIEC's motion to defer recovery of Major Plant Addition costs.

Decision on UIEC's Application for Review and Clarification of the Commission's Order Regarding UIEC's Motion to Defer Recovery of Major Plant Addition Costs issued November 16, 2010. The Commission determines the October 13, 2010, decision in this matter remains in effect.

Order Approving Settlement Stipulation issued December 21, 2010. The Commission approves a Settlement Stipulation providing for an annual increase in revenue requirement of \$33.29 million associated with the Populus to Ben Lomond transmission line and Dunlap I wind project major plant additions ("MPA II"). Per the terms of the Settlement Stipulation, the Commission also approves ratemaking treatment, effective January 1, 2011, for: 1) a \$33.29 million increase in revenue requirement associated with MPA II; 2) the \$30.8 million increase in revenue requirement approved in Docket No. 10-035-13 ("MPA I"); 3) \$15.7 million in the MPA I deferred balance account; and, 4) a \$3 million monthly rate credit to account for additional renewable energy certificate revenues not currently reflected in rates.

10-035-90

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

Order of Dismissal issued September 2, 2010. The Commission dismisses with prejudice the formal complaint.

KEY: **Docket Number** Short Title

Status as of June 30, 2011.

10-035-97

In the Matter of the Consolidated Application of Rocky Mountain Power for Approval of Standard Reciprocal and Non-Reciprocal Pole Attachment Agreements:

Order on URTA Motion to Dismiss Pole Attachment Issues or for Alternative Relief issued June 1. 2011, and Errata to Order issued on June 9, 2011. The Commission directs PacifiCorp to withdraw from Docket No. 10-035-124 all testimony and exhibits supporting changes to its rental rates for pole attachments and related non-recurring charges, except to the extent, if any, such testimony is relevant to establishing the test period costs of pole attachment activities. The Commission also directs that PacifiCorp may file the withdrawn testimony in Docket No. 10-035-97, and if and when it does so, PacifiCorp shall serve its testimony on all parties of record in Docket Nos. 10-035-97 and 04-999-03. In addition, the Commission orders that on or before June 9, 2011, PacifiCorp shall re-file in Docket No. 10-035-124 those portions of its previously-filed pole attachment testimony and exhibits that address the test period revenue requirement associated with pole attachment activities.

10-035-105

In the Matter of the Application of Rocky Mountain Power for Approval of Power Purchase Agreement between PacifiCorp and US Magnesium LLC:

Order Approving Power Purchase Agreement issued December 20, 2010. The Commission approves the Application and Agreement and directs PacifiCorp to provide to the Division of Public Utilities quarterly data reflecting hourly power purchased under the Agreement.

10-035-111

In the Matter of the Application of Rocky Mountain Power for Approval of a Power Purchase Agreement Between PacifiCorp and Tesoro Refining and Marketing Company:

Order Approving Power Purchase Agreement issued December 22, 2010. The Commission approves the Application and Agreement and directs PacifiCorp to provide to the Division of Public Utilities quarterly data reflecting hourly power purchased under the Agreement.

10-035-112

In the Matter of the Application of Rocky Mountain Power for Approval of the Power Purchase Agreement between PacifiCorp and Kennecott Utah Copper LLC (Smelter):

Order Approving Power Purchase Agreement issued December 20, 2010. The Commission approves the Application and Agreement and directs PacifiCorp to provide to the Division of Public Utilities quarterly data reflecting hourly power purchased under the Agreement.

10-035-113

In the Matter of the Application of Rocky Mountain Power for Approval of a Power Purchase Agreement between PacifiCorp and Kennecott Utah Copper LLC (Refinery):

Order Approving Power Purchase Agreement issued December 22, 2010. The Commission approves the Application and Agreement and directs PacifiCorp to provide to the Division of Public Utilities quarterly data reflecting hourly power purchased under the Agreement.

10-035-115

In the Matter of the Application of Rocky Mountain Power for Approval of an Electric Service Agreement between Rocky Mountain Power and Praxair, Inc.:

Report and Order issued December 16, 2010. The Commission approves the proposed Electric Service Agreement.

10-035-116

In the Matter of the Application of Rocky Mountain Power for Approval of an Electric Service Agreement between Rocky Mountain Power and Kennecott Utah Copper LLC:

Order Approving Electric Service Agreement issued December 28, 2010. The Commission approves the proposed Electric Service Agreement.

10-035-117

In the Matter of the Application of Rocky Mountain Power for Approval of Settlement Agreement with Heber Light & Power Company and Amendment of Certificate of Public Convenience and Necessity:

Report and Order issued March 9, 2011. The Commission approves the Settlement Agreement and General Release (Settlement Agreement) between Rocky Mountain Power and Heber Light & Power Company and amends Certificate of Public Convenience and Necessity No. 1343 issued to Rocky Mountain Power to delete the geographic area in Wasatch County in which Heber Light & Power has agreed in the Settlement Agreement to be responsible to provide electric service.

10-035-122

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

Order of Dismissal issued January 11, 2011. The Commission dismisses with prejudice the complaint.

10-035-124

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

Order on Test Period issued March 30, 2011. The Commission orders the test period in this docket will be July 1, 2011, through June 30, 2012, using average period rate base. The Commission also orders PacifiCorp to file its next Semiannual Results of Operations Report on April 15, 2011, together with a cost of service study covering the same period.

Order on Motion to Compel Discovery issued April 26, 2011. The Commission orders PacifiCorp: to disclose the arbitration decision to the UAE Intervention Group and any other requesting parties within seven calendar days of the date of this order; to

respond within five calendar days of receipt to any further UAE data requests pertaining to PacifiCorp's investment in any power plant environmental equipment at issue in this proceeding; and PacifiCorp and UAE to resolve any further disagreements concerning the disclosure or use of information provided in response to Data Request 2.1, in accordance with the direction provided in the Order.

Order on URTA Motion to Dismiss Pole Attachment Issues or for Alternative Relief issued June 1, 2011, and Errata to Order issued on June 9, 2011. The Commission directs PacifiCorp to withdraw from Docket No. 10-035-124 all testimony and exhibits supporting changes to its rental rates for pole attachments and related non-recurring charges, except to the extent, if any, such testimony is relevant to establishing the test period costs of pole attachment activities. The Commission also directs that PacifiCorp may file the withdrawn testimony in Docket No. 10-035-97, and if and when it does so, PacifiCorp shall serve its testimony on all parties of record in Docket Nos. 10-035-97 and 04-999-03. In addition, the Commission orders that on or before June 9, 2011, PacifiCorp shall re-file in Docket No. 10-035-124 those portions of its previously-filed pole attachment testimony and exhibits that address the test period revenue requirement associated with pole attachment activities.

Order on UIEC Motion to Compel Discovery issued June 28, 2011. The Commission orders PacifiCorp to disclose to UIEC within seven calendar days of the date of this Order all known information responsive to UIEC Data Request Nos. 10.3, 20.10, 20.11, 20.12, 20.13, 20.14, 20.15, 20.17, 20.18, 20.19, 20.20, 20.21, 20.22, 20.23, 20.24, 20.25, 20.26, 20.27, 20.30, and 20.31, to the extent such information pertains to the period of time during which PacifiCorp's current hedging policies were developed or in effect.

Key: **Docket Number** Short Title

Status as of June 30, 2011.

10-035-126

In the Matter of the Application of Rocky Mountain Power for Approval of a Significant Energy Resource Decision Resulting from the All Source Request for Proposals:

Confidential and Redacted Report and Order issued April 20, 2011. The Commission approves Pacifi-Corp's Significant Energy Resource Decision to acquire Lake Side 2 for service beginning June 2014, to be constructed by CH2M Hill. The Commission also conditionally grants PacifiCorp a certificate of convenience and necessity for Lake Side 2 pending written verification from PacifiCorp all necessary permits have been obtained.

Order issued June 14, 2011. The Commission denies the Division of Public Utilities' request for review or rehearing of limited portions of the April 20, 2011 Report and Order relating to the Apex Plant. The Commission expects the issues associated with the Apex Plant will be examined in PacifiCorp's pending general rate case. Further, the Commission requires PacifiCorp to maintain all records, documents, materials, and other information pertaining to the Apex project until further order of the Commission.

10-506-01

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

Report and Order issued March 14, 2011. The Commission authorizes Deseret Generation & Transmission Co-operative to secure a supplemental Secured Revolving Line of Credit from the National Rural Utility Cooperative Finance Corporation in the amount of up to \$20,000,000 and to provide security interests to secure repayment of the same

10-2508-01

In the Matter of the Formal Complaint of Uranium One Ticaboo Inc., against the Ticaboo Electric Improvement District:

Order of Dismissal issued January 11, 2011. The Commission dismisses the complaint.

11-025-01

In the Matter of the Application of Empire Electric Association, Inc. for Authority to Issue Securities:

Report and Order issued January 26, 2011. The Commission approves the Application of Empire Electric Association, as amended by its letter of January 28, 2011, to issue securities.

11-035-05

In the Matter of the Application of Rocky Mountain Power for Approval of the Pole Attachment Agreement between PacifiCorp and CentraCom Interactive:

Order Approving Pole Attachment Agreement issued April 5, 2011. The Commission approves the application for Pole Attachment Agreement between PacifiCorp and CentraCom Interactive.

11-035-10

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

Report and Order issued March 15, 2011. The Commission grants Rocky Mountain Power's Motion to Dismiss and dismisses the formal complaint with prejudice.

11-035-17

In the Matter of the Application of PacifiCorp for Approval of an Electric Service Agreement for Milford Wind Corridor Phase II, LLC:

Interim Order Approving Electric Service Agreement (Milford II) issued January 31, 2011. The Commission approves the Electric Service Agreement between Rocky Mountain Power and Milford II on an interim basis, effective as of January 27, 2011, pending the Commission's final order on Rocky Mountain Power's Application.

11-035-44

In the Matter of the Application of Rocky Mountain Power for Approval of a Promotional Program Pursuant to R746-404:

Report and Order issued April 13, 2011. The Commission approves PacifiCorp's Application for Approval of a Promotional Program.

11-035-45

In the Matter of the Application of Rocky Mountain Power for Approval of an Electric Service Agreement between Rocky Mountain Power and Magnum Holdings, LLC:

Report and Order issued May 5, 2011. The Commission approves the Agreement and directs Pacifi-Corp to promptly file with the Commission any subsequent changes or cancellation involving the Agreement, the Power Purchase Agreement with Los Angeles Department of Water and Power, or the Interconnection Agreement with Intermountain Power Authority.

11-035-46

In the Matter of the Application of the Utah Industrial Energy Consumers for a Deferred Accounting Order Directing Rocky Mountain Power to Defer Incremental REC Revenue for Later Ratemaking Treatment:

Order Denying Motion to Dismiss issued June 20, 2011. The Commission denies PacifiCorp's Motion to Dismiss.

11-035-47

In the Matter of the Application of the Utah Office of Consumer Services for a Deferred Accounting Order Directing Rocky Mountain Power to Defer All Bonus Depreciation Allowed for 2010 through 2011 by the Small Business Jobs Act as Amended:

Order Denying Motion to Dismiss issued June 2, 2011. The Commission denies PacifiCorp's Motion to Dismiss.

Tariff Changes

07-035-T14

In the Matter of: The Solar Incentive Program is a pilot program and will gather information on the viability of a photo voltaic program funded by the Company, participating customers and tax credit:

Order on the 2009 Annual Report issued September 15, 2010. The Commission acknowledges the 2009 Annual Report for the Solar Incentive Program subject to comments and conditions.

Order on the Three-Year Solar Assessment issued February 10, 2011. The Commission acknowledges the Three-Year Solar Incentive Program Report subject to comments and conditions.

08-035-T04

In the Matter of: Rocky Mountain Power is proposing changes to its Schedule 135 to make it consistent with requirements set forth in Utah's recently passed Senate Bill 88:

Report and Order Modifying Reporting Requirements issued on November 30, 2010. The Commission directs that the reporting requirements contained in Utah Administrative Code R746-312, with minor exceptions and clarifications, supersede and replace PacifiCorp's net metering reporting requirements in Docket Nos. 08-035-T04 and 08-035-78.

10-031-T02

In the Matter of the revision to Mt. Wheeler Power's Rule 6 is our corrective action to address items that have the potential to impact our electric distribution system in a negative manner:

Tariff Acknowledgment Letter issued August 19, 2010. The Commission acknowledges the proposed tariff revision with an effective date of July 13, 2010.

Key: Docket Number

Short Title

Status as of June 30, 2011.

10-035-T04

In the Matter of: Pursuant to page 24 of the Commission order received on February 12, 2009 in Docket 08-035-78, the Company submits the average retail rates for the previous year's Federal Energy Regulation Commission Form No. 1 for the valuation of net excess generation credits for large non-residential customers and submits further changes to its Schedule 135 in accordance with recent interconcection rules adopted in R746-312 clarifying aggregation and when a disconnect switch is required:

Tariff Approval Letter issued August 12, 2010. The Commission approves the proposed tariff revisions with modifications effective July 1, 2010.

10-035-T05

In the Matter of: The purpose of this filing is to propose changes to the Home Energy Savings program, which is offered through Schedule III:

Report and Order issued July 19, 2010. The Commission approves the proposed program measure changes effective September 1, 2010, with minor changes, and requirements.

Tariff Approval Letter issued September 1, 2010. The Commission approves the proposed tariff revisions effective September 1,

10-035-T06

In the Matter of: This filing submits tariff revisions in compliance with the Commission's Report and Order on Rate Design in Docket 09-035-23 dated June 2, 2010:

Tariff Approval Letter issued July 6, 2010. The Commission approves the proposed tariff revisions effective June 8, 2010.

10-035-T07

In the Matter of: This filing is in compliance with the direction in the February 12, 2009 order in Docket 08-035-78 on Net Metering Service, the Utah Commission directed the Company to "update the avoided cost pricing in Schedule No. 37 annually, concurrent with the approval and establishment of rates for larger commercial and industrial customers based on the FERC form No. 1 method:

Tariff Approval Letter issued July 7, 2010. The Commission approves the proposed tariff revisions with corrections and clarifications effective July 6, 2010.

10-035-T08

In the Matter of: The purpose of this filing is to propose two changes to the Availability paragraph of Schedule 31, Back-Up, Maintenance, and Supplementary Power:

Tariff Approval Letter issued July 29, 2010. The Commission approves the proposed tariff revisions effective July 8, 2010.

10-035-T09

In the Matter of: Through this filing, the Company is proposing modifications to the Commercial and Industrial Energy Efficiency Incentives Optional for Qualifying Customers program ("FinAnswer Express"), which is administered through Schedule 115:

Tariff Approval Letter issued July 29, 2010. The Commission approves the proposed tariff revisions effective June 24, 2010.

10-035-T10

In the Matter of: Through this filing, Rocky Mountain Power is proposing to add language to Schedule 70 ("Blue Sky Block program") which will enable the Company to encourage eligible Utah customers to participate in the Blue Sky Block program through promotional concession campaigns:

Report and Order issued August 9, 2010. The Commission approves Rocky Mountain Power's proposed 2010 Blue Sky Program public awareness campaign with minor modifications. The Commission denies the proposed addition of Special Condition 7 to Schedule

10-035-T12

In the Matter of: Rocky Mountain Power files proposed changes to Schedule 135, Net Metering Service:

Tariff Approval Letter issued January 4, 2011. The Commission approves the proposed tariff revisions effective December 31, 2010.

10-035-T13

In the Matter of: The Housekeeping change to the tariff sheet is to correct the power charge for customers not participating in the time-of-day program to \$5.75 per kW:

Tariff Approval Letter issued January 10, 2011. The Commission approves the proposed tariff revisions effective January 8, 2011.

10-035-T14

In the Matter of: The purpose of this filing is to propose a reduction to the Schedule 193 (the "DSM Tariff Rider") collection rate:

Tariff Approval Letter issued January 4, 2011. The Commission approves PacifiCorp's request to reduce the Demand Side Management tariff rider effective January 1, 2011.

10-035-T15

In the Matter of: This filing is the Compliance filing for Docket No. 10-035-89 regarding the proposed tariff pages associated with Tariff P.S.C.U. No. 47:

Tariff Approval Letter issued December 30, 2011. The Commission approves the proposed tariff revisions effective January 1, 2011.

11-028-T01

In the Matter of: Revised rates for Residential and General Service net metering customers:

Tariff Acknowledgment Letter issued June 22, 2011. The Commission acknowledges Garkane Energy Cooperative, Inc's tariff revisions effective February 28, 2011.

11-031-T01

In the Matter of: The purpose of this filing is to revise Mt. Wheeler Power Inc.'s Rule 6 and to address items that have a potential to impact their electric distribution system in a negative manner:

Tariff Acknowledgment Letter issued April 27, 2011. The Commission acknowledges Mt. Wheeler Power Inc's tariff revisions effective November 9, 2010.

11-035-T01

In the Matter of: The purpose of this filing is to propose the addition of a new evaporative cooling technology to the list of technologies eligible for incentive under the premium measures of the Cool Cash program:

Order Approving Tariff Modifications issued March 17, 2011. The Commission approves the proposed tariff revisions with modifications, effective March 15, 2011.

11-035-T02

In the Matter of: The purpose of this filing is to make revisions to Schedule 107, Solar Incentive Program, in compliance with the Commission's order in Docket No. 07-035-T14 dated February 10, 2011:

Tariff Approval Letter issued April 4, 2011. The Commission approves the proposed tariff revisions effective March 24, 2011.

11-035-T03

In the Matter of: The purpose of this filing is to propose modifications to the Cool Keeper Program tariff (Schedule 114):

Order Suspending Tariff Modification issued April 27, 2011. The Commission suspends the tariff filing pending further investigation of the proposed tariff change.

Order issued June 22, 2011. The Commission approves with modification the revised tariff sheets filed by PacifiCorp on June 9, 2011, effective May 27, 2011.

11-035-T04

In the Matter of: The purpose of this filing is to propose a modification to a measure incentive within the Company's ENERGY STAR New Homes program, which is administered through Schedule 110:

Tariff Modification Approval Order issued May 19, 2010. The Commission approves the proposed tariff revisions effective May 21, 2011. In addition, the Commission directs PacifiCorp to: file Program modifications to meet ENERGY STAR Version 2.5 requirements as soon as is practical to allow a thorough review by parties prior to the EPA July 1, 2011 implementation

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date for Version 2.5; file proposed Program modifications relevant to the ENERGY STAR Version 3.0 standards to be implemented by EPA on January 1, 2012, prior to requesting tariff changes and present relevant Program modifications to the DSM Advisory Group well in advance of the January 1, 2012 implementation date; include a sensitivity analysis on Program cost effectiveness and Program participation rates at proposed incentive levels, commensurate with the updated EPA standards and subsequent Program modifications expected to occur in July 2011 and January 2012 and present this information at a meeting of the DSM Advisory Group in advance of filing for any further tariff modifications; and immediately notify authorized Program participants of ordered modifications and post notice of all changes on its website.

11-035-T05

In the Matter of: In its February 12, 2009 order in Docket 08-035-78, the Commission directed Rocky Mountain Power to update annually the valuation of net excess generation credits for large non-residential customers in Schedule 135, Net Metering Service, to reflect the average retail rates for the previous year's Federal Energy Regulation Commission Form No. 1:

Tariff Approval Letter issued June 29, 2011. The Commission approves the proposed revisions to Schedule No. 135 effective July 1, 2011.

11-066-T01

In the Matter of: The revisions include additions to the fee schedules for trip charges and account set up and maintenance fees:

Tariff Acknowledgment Letter issued March 9, 2011. The Commission acknowledges Dixie Escalante Rural Electric Association's proposed tariff revisions effective February 17, 2011.

11-2508-T01

In the Matter of: Revised Rate Schedules:

Tariff Acknowledgment Letter issued April 25, 2011. The Commission acknowledges Ticaboo Electric Improvement District's tariff revisions effective January 1, 2011.

Electric Utility Companies

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

Bridger Valley Electric

40014 Business Loop I-80 PO Box 339 Mountain View WY 82939-0399 Tel: (307) 786-2800 (800) 276-3481 Fax: (307) 786-4362

Deseret Generation & Transmission Cooperative

www.bvea.net

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

Dixie Escalante Rural Electric

71 E. Highway 56 HC 76 Box 95 Beryl, UT 84714-5197 Tel: (435) 439-5311 Fax: (435) 439-5352 www.dixiepower.com

Empire Electric Association

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

Flowell Electric Association

495 N. 3200 W. Fillmore, UT 84631 Tel: (435) 743-6214 Fax: (435) 743-5722

Garkane Energy 120 W. 300 S.

PO Box 465 Loa, UT 84747-0465 Tel: (435) 836-2795 (800) 747-5403 Fax: (435) 836-2497

Fax: (435) 836-2497 www.garkaneenergy.com

Moon Lake Electric Association

188 W. 200 N. PO Box 278 Roosevelt, UT 84066-0278 Tel: (435) 722-5428 Fax: (435) 722-5433 www.mleainc.com

MT Wheeler Power

1600 Great Basin Blvd. PO Box 151000 Ely, NV 89315 Tel: (775) 289-8981 (800) 977-6937 Fax: (775) 289-8987 www.mwpower.net

PacifiCorp

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One Utah Center
201 S. Main St. Suite 2300
Salt Lake City, UT 84140
Tel: (801) 220-2000
Fax: (801) 220-2798
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Raft River Rural Electric

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

South Utah Valley Electric Service District

803 N. 500 E. PO Box 349 Payson, UT 84651-0349 Tel: (801) 465-8020 Fax: (801) 465-8017 www.strawberryelectric.com

Strawberry Water Users Association

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

Ticaboo Electric Service District Highway 276

Ticaboo, UT 84533 Tel: (435) 788-2115 Fax: (801) 465-4580

Wells Rural Electric Company

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

Natural Gas

Natural Gas Utilities Overview

Questar Gas Company is the only natural gas utility regulated by the Utah Public Service Commission for rate making purposes. Questar Gas currently provides natural gas distribution services to over 880,000 customers in Utah and, unlike other natural gas utilities, also owns natural gas production resources which provide about 60 percent of its supply needs.

Rate Changes

Under Utah Code Ann. § 54-4-4, the Commission is responsible for determining just and reasonable rates for Questar Gas. The Commission approves rate adjustments during

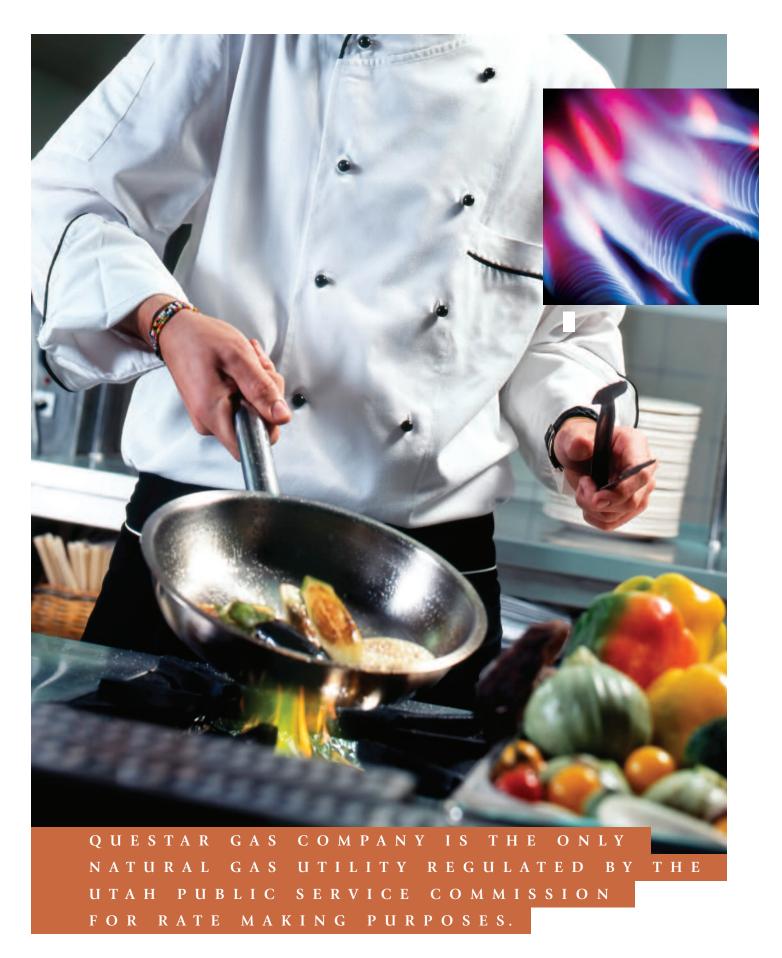
general rate case proceedings when the costs for distribution of natural gas are evaluated. The Commission also approves rate changes for non-distribution-related costs which are tracked in several separate balancing accounts.

At least twice annually, as permitted by law, Questar Gas files a "pass-through" application to adjust its rates in order to recover the costs of producing its own gas and purchasing gas from others (collectively referred to in rates as the gas commodity rate element), and the costs associated with gas gathering, storage, and interstate transportation (collectively referred to in rates as the supplier-non gas, or SNG, rate element). In 2010, approximately 65 percent of the total cost of providing natural gas service to cus-



tomers in Utah, some \$490 million annually, was recovered by means of these passthrough proceedings. When actual costs vary from those projected, the difference is maintained in a special balancing account and an appropriate rate adjustment is made in a pass-through proceeding.

The Commission has also approved several other balancing accounts which were agreed to in settlement stipulations, each supported by a diverse group of parties. These balancing accounts track costs and revenues associated with: the Conservation Enabling



Natural Gas



Tariff which allows Questar to collect a fixed revenue-per-customer on a monthly basis in exchange for promoting energy efficiency programs, demand side management/energy efficiency (DSM) programs, replacement of aging pipeline infrastructure between general rate cases, and a low income assistance program. Rate adjustments associated with these accounts are normally filed concurrent with the pass-through proceedings.

During fiscal year 2011, the Commission approved several changes to Questar Gas Company's rates. The following information presents the approved revenue change and, in parentheses, the associated percent change in a typical residential customer's annual bill. A typical customer is defined as one using 82 decatherms per year of natural gas. On August 1, 2010, a \$42 million rate increase reflecting the following elements was implemented: 1) a \$2.6 million (2.2 percent) increase reflecting the resolution of a general rate case; 2) a \$1.5 million (0.18 percent) increase for the implementation of a Low Income Assistance Program; 3) a \$48.3 million (5.5 percent) increase for the gas pass-through balancing account; 4) a \$3.5 million (0.71 percent) decrease associated with the Conservation Enabling Tariff account balance; and 5) a \$6.9 million (0.85 percent) decrease associated with the Demand Side Management account balance.

On January 1, 2011, a \$10.3 million rate decrease reflecting the following elements was implemented: 1) a \$6.6 million (0.73 percent) decrease for the gas pass-through balancing account; 2) a \$6.9 million (0.85 percent) decrease associated with the Conservation Enabling Tariff balancing account; and 3) a \$3.2 million (0.40 percent) increase associated with the Infrastructure Tracker balancing account.

On May 1, 2011, a \$0.18 million decrease associated with the Infrastructure Tracker balancing account was implemented. This resulted in a 0.02 percent decrease to a typical residential customer's bill.

And on June 1, 2011, a \$9.7 million decrease reflecting the following elements was implemented: 1) a \$13.3 million (1.48 percent) decrease for the gas pass-through balancing account; 2) a \$2.4 million (0.33 percent) decrease associated with the Conservation Enabling Tariff balancing account; and 3) a \$6.0 million (0.76 percent) increase associated with the Demand Side Management balancing account.



Resource Planning

The Commission requires Questar Gas to prepare and file an annual integrated resource plan (IRP) which it uses as a guide in meeting the natural gas requirements of its customers on both a day-to-day and long-term basis. The standards and guidelines on which the IRP is based are intended to ensure Questar's present and future customers are provided natural gas energy services at the lowest costs consistent with safe and reliable service, the fiscal requirements of a financially healthy utility, and the long-run public interest. The IRP is based on a 20-year planning horizon, focusing on the immediate future.

As part of the IRP process, Questar uses data and information on natural gas supply and demand; energy efficiency and conservation; system constraints and capabilities; gas drilling, gathering, transportation and storage; as well as results from a cost-minimizing stochastic model, to develop a resource acquisition plan and strategy. In the 2011 IRP for plan year June 1, 2011, through May 31, 2012, Questar Gas identified a balanced portfolio of 45.2 million decatherms of purchased gas and 70.1 million decatherms of Companyowned natural gas is necessary to meet its annual demand. Questar also identified several potential future system upgrades and replacement projects to ensure safe, adequate service. Questar concluded it should undertake price stabilization measures for purchased gas contracts to mitigate the risk of volatility in the marketplace, continue to monitor and manage producer imbalances, and incorporate into its DSM program cost-effective energy efficiency measures.

In October 2010, the Commission provided guidance to Questar on its 2010 Integrated Resource Plan and future plans. In conjunction with Questar's IRP process, the Commission held a series of technical conferences addressing, among other things: Questar's modeling and planning provisions, Questar's request for proposal for gas commodity resources, gas interchangeability, gas avoided costs, and producer imbalances.



Natural Gas Conservation and Energy Efficiency

The Commission reviews and approves Questar's annual plan and budget for demand side management activities. This plan is based on the efforts of Questar, in collaboration with a Commission-established Demand Side Management Advisory Group, to design, implement, evaluate and revise cost-effective programs to encourage residential and commercial customers to conserve energy through education and the use of energy-efficiency products and appliances.

The programs currently offered by Questar Gas are: ThermWise Appliance Rebates Program, ThermWise Builder Rebates Program, ThermWise Business Rebates Program, ThermWise Weatherization Rebates Program, ThermWise Home Energy Audit Program, Low Income Weatherization Assistance Program, ThermWise Business Custom Rebates Program, and a comprehensive Market Transformation initiative. These programs offer rebates, fund training and grants, and provide information to Questar Gas Company's customers with the goal of decreasing energy consumption. The ThermWise Multifamily rebate program was eliminated in 2011 as a stand-alone Program and incorporated into the Appliance, Builder, and Weatherization programs.

In December 2010 the Commission approved Questar's estimated \$32.2 million budget for its 2011 demand side management programs and market transformation initiative. In comparison, Questar's 2010 budget for demand side management programs was \$36.1 million. Due to changes and refinements made to the 2011 programs, Questar expects approximately 119,000 customers will participate in the programs, which is slightly lower than 2010 levels of participation. Questar estimates its 2011 DSM programs will reduce natural gas consumption annually by 790,075 decatherms, which is equivalent to the annual natural gas consumption of approximately 9,900 homes based on an annual average usage of 80 decatherms.



As directed by the Commission, Questar Gas Company filed, and the Commission reviewed, several quarterly reports and assessments pertaining to the status of DSM activities.

Low-Income Assistance Program

Utah Code Ann. § 54-7-13.6 enables the Commission to approve low income assistance programs for low-income natural gas customers and provides program development and implementation guidelines. Further, unrebutted testimony in a general rate case argued it is in public interest to keep low income customers on Questar Gas Company's utility system and avoid arrearages and reconnections. So long as variable costs are recovered and the customer contributes to the recovery of distribution fixed costs, such a program would be in the public interest.

Following a task force report evaluating alternatives to accomplish this goal, on July 29, 2010, the Commission approved Questar's unopposed Low-Income Assistance Program proposal with minor amendments and reporting requirements, effective August 1, 2011. The program was developed with input from AARP and Salt Lake Community Action Programs as well as other interested parties on the task force and is limited to an annual cost of \$1.5 million. The program provides an annual energy assistance credit of \$37 for qualified low income customers. A qualified low income customer is one certified by the Utah Department of Community and Culture as eligible for the Utah Home Energy Assistance Target (HEAT) Program. Questar recovers costs associated with administering the Low-Income Assistance Program and the credits given to the eligible customers through a per decatherm surcharge collected from all rate classes on an equal percentage basis, subject to a monthly per-customer cap of \$50.

Natural Gas



Investigation of Bonus Depreciation

Utah Code Ann. § 54-4-4 enables the Commission to conduct investigations pertaining to natural gas-related issues. In December 2010, at the request of the Division of Public Utilities, the Commission opened a docket to explore the issues surrounding the Federal Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (Tax Relief Act), which extended provisions for bonus depreciation of certain assets, and its applicability to Questar Gas.

As part of this investigation the Commission sponsored a technical conference in which issues pertaining to bonus depreciation were discussed with Questar and other interested parties. Based upon its independent investigation, the Division of Public Utilities concluded the impact of the extension of bonus depreciation applicable to Questar Gas was already being passed to rate payers through a lower rate base captured in the Infrastructure Tracker. The Division recommended closing the bonus depreciation investigative docket for Questar Gas.

Legislative Changes and Federal Standards

During the 2011 Utah legislative general session, Senate Bill 111 Utilities - Underground Facilities and Pipelines was passed and enacted resulting in modification to Utah Code Ann. § Title 54 Chapter 8a — Damage to Underground Utility Facilities. Senate Bill 111 defines "location" for utility facility marking purposes and provides for: 1) the marking of underground utilities; 2) a utility facility operator's optional waiver of limitations on excavation with power tools in the vicinity of a utility facility; 3) liability for an operator that fails to mark a facility leading to damage of another operator's facility; and 4) a penalty for violations of Title 54, Chapter 13, Natural Gas Pipeline Safety. This bill also addresses communication between excavators and operators of utility facilities; increases the amount of civil penalty for certain violations; and makes technical changes.

Natural Gas DOCKETS

10-057-06

In the Matter of the Questar Gas Company's Integrated Resource Plan for Plan Year: June 1, 2010 to May 31, 2011:

Report and Order issued October 27, 2010. The Commission provides guidance on Questar Gas Company's 2010 Integrated Resource Plan.

10-057-08

In the Matter of the Application of Questar Gas Company for a Tariff Change Implementing a Low-Income Assistance Program:

Report and Order issued July 29, 2010. The Commission approves the application with minor modifications and reporting requirements.

10-057-09

In the Matter of the Pass-through Application of Questar Gas Company for an Adjustment in Rates and Charges for Natural Gas Service in Utah:

Report and Order issued July 28, 2010. The Commission approves the application on an interim basis, pending final Division audit. The changes shall become effective August 1, 2010.

10-057-10

In the Matter of the Application of Questar Gas Company to Amortize the Conservation Enabling Tariff Balancing Account:

Report and Order issued July 28, 2010. The Commission approves the application on an interim basis, pending final Division audit. The changes shall become effective August 1, 2010.

10-057-11

In the Matter of the Application of Questar Gas Company to Amortize the Demand Side Management Deferred Account Balance:

Report and Order issued July 28, 2010. The Commission approves the application on an interim basis, pending final Division audit. The changes shall become effective August 1, 2010.

KEY: **Docket Number** Short Title

Status as of June 30, 2011.

10-057-13

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

Order of Dismissal issued September 14, 2010. The Commission dismisses the complaint with prejudice.

10-057-14

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

Order of Dismissal issued October 26, 2010. The Commission dismisses the complaint.

10-057-15

In the Matter of the Application for Approval of the 2011 Year Budget for Energy Efficiency Programs and Market Transformation Initiative:

Report and Order issued January 12, 2011. The Commission approves the 2011 budget, as modified by Questar Gas Company's comments, and directs Questar Gas Company to make a compliance filing of tariff sheets which reflect the discussion and findings of the Report and Order.

10-057-17

In the Matter of the Pass-through Application of Questar Gas Company for an Adjustment in Rates and Charges for Natural Gas Service in Utah:

Report and Order issued December 28, 2010. The Commission approves the application on an interim basis, pending final Division audit. The approval is effective January 1, 2011.

10-057-18

In the Matter of the Application of Questar Gas Company to Amortize the Demand Side Management Deferred Account Balance:

Report and Order issued December 28, 2010. The Commission approves the application on an interim basis, pending final Division audit. The approval is effective January 1, 2011.

Natural Gas Dockets (Continued)

10-057-19

In the Matter of the Application of Questar Gas Company to Amortize the Conservation Enabling Tariff Balancing Account:

Report and Order issued December 28, 2010. The Commission approves the application on an interim basis, pending final Division audit. The approval is effective January 1, 2011.

10-057-20

In the Matter of the Application of Questar Gas Company to Include the Infrastructure Rate Adjustment:

Report and Order issued December 28, 2010. The Commission approves the application on an interim basis, pending final Division audit. The approval is effective January 1, 2011.

Report and Order issued April 27, 2011. The Commission conditionally approves the application, pending the Company's filing of the updated tariff and review by the Division.

11-057-01

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

Order of Dismissal issued March 21, 2011. The Commission dismisses the complaint with prejudice.

11-057-02

In the Matter of the Pass-through Application of Questar Gas Company for an Adjustment in Rates and Charges for Natural Gas Service in Utah:

Report and Order issued May 31, 2011. The Commission approves the application on an interim basis, pending final Division audit. The approval is effective June 1, 2011.

11-057-03

In the Matter of the Application of Questar Gas Company to Amortize the Conservation Enabling Tariff Balancing Account:

Report and Order issued May 31, 2011. The Commission approves the application on an interim basis, pending final Division audit. The approval is effective June 1, 2011.

KEY:

Docket Number Short Title

Status as of June 30, 2011.

11-057-04

In the Matter of the Application of Questar Gas Company to Amortize the Demand Side Management Deferred Account Balance:

Report and Order issued May 31, 2011. The Commission approves the application on an interim basis, pending final Division audit. The approval is effective June 1, 2011.

11-057-05

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

Order Approving Stipulation (Conditional) issued June 23, 2011. The Commission conditionally approves a stipulation between the Division of Public Utilities and Questar Gas with the condition that it be amended to include Questar Gas Company's submission of reports from first-, second, and third-party dig-ins.

10-057-T03

In the Matter of: This filing is to comply with multiple Commission orders: 1) Commission order dated June 3, 2010, in Docket No. 09-057-16, Application of Questar Gas Company to Increase Distribution Non-Gas Rates and Charges and Make Tariff Modifications. 2) Commission order dated July 29, 2010, in Docket No. 10-057-08, Application of Questar Gas Company for a Tariff Change Implementing a Low-Income Assistance Program. 3) Commission order dated July 28, 2010, in Docket No. 10-057-09, Application of Questar Gas Company for an Adjustment in Rates and Charges for Natural Gas Service in Utah; Docket No. 10-057-10, Application of Questar Gas Company to Amortize the Conservation Enabling Tariff Balancing Account; and Docket No. 10-057-11, Application of Questar Gas Company to Amortize the Demand Side Management Deferred Account Balance:

Tariff Approval Letter issued September 2, 2010. The Commission approves the proposed tariff revisions with an effective date of August 1, 2010.

10-057-T04

In the Matter of: This filing is to comply with the Commission order dated December 28, 2010, in Docket Nos. 10-057-17, Pass-Through Application of Questar Gas Company for an Adjustment in Rates and Charges for Natural Gas Service in Utah; 10-057-18, Application of Questar Gas Company to Amortize the Demand Side Management/Energy Efficiency Deferred Account Balance; 10-057-19, Application of Questar Gas Company to Amortize the Conservation Enabling Tariff Balancing Account, and 10-057-20, Application of Ouestar Gas Company to Include the Infrastructure Rate Adjustment:

Tariff Approval Letter issued December 30, 2010. The Commission approves the proposed tariff revisions with an effective date of January 1, 2011.

11-057-T01

In the Matter of: This filing is to comply with the Commission order dated January 12, 2011, in Docket No. 10-057-15, Application for Approval of the 2011 Year Budget for Energy Efficiency Programs and Market Transformation Initiative:

Tariff Approval Letter issued February 14, 2011. The Commission approves the proposed tariff revisions with an effective date of January 1, 2011.

11-057-T02

In the Matter of: The Application of Questar Gas Company to Make Tariff Modifications to Clarify the Method for Determining Allowances for Residential Main and Service Line Extensions:

Tariff Approval Letter issued May 3, 2011. The Commission approves the proposed tariff revisions with an effective date of April 18, 2011.

11-057-T03

In the Matter of: This filing is to comply with the Commission letter dated April 27, 2011, in Docket No. 10-057-20, Updated Application of Questar Gas Company to Update the Infrastructure Rate Adjustment:

Tariff Approval Letter issued April 28, 2011. The Commission approves the proposed tariff revisions with an effective date of May 1, 2011.

11-057-T04

In the Matter of: This filing is to comply with the Commission order dated May 31, 2011, in Docket Nos. 11-057-02, Pass-Through Application of Questar Gas Company for an Adjustment in Rates and Charges for Natural Gas Service in Utah; 11-057-03, Application of Questar Gas Company to Amortize the Conservation Enabling Tariff Balancing Account; and 11-057-04, Application of Questar Gas Company to Amortize the Demand Side Management/ Energy Efficiency Deferred Account Balance:

Tariff Approval Letter issued June 29, 2011. The Commission approves the proposed tariff revisions with an effective date of June 1, 2011.

Natural Gas

Utility Companies

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

Regulatory Affairs

Questar Gas Company 180 E. 100 S.

PO Box 45360 Salt Lake City, UT 84145-0360 Tel: (801) 324-5555 Emergency: (800) 541-2824 www.questargas.com

Wendover Gas Company

285 S. 1st St. PO Box 274 Wendover, UT 84083 Tel: (775) 664-2291

(775) 664-3081 Fax: (775) 664-4422

Telecom

Telecommunications Utilities Overview

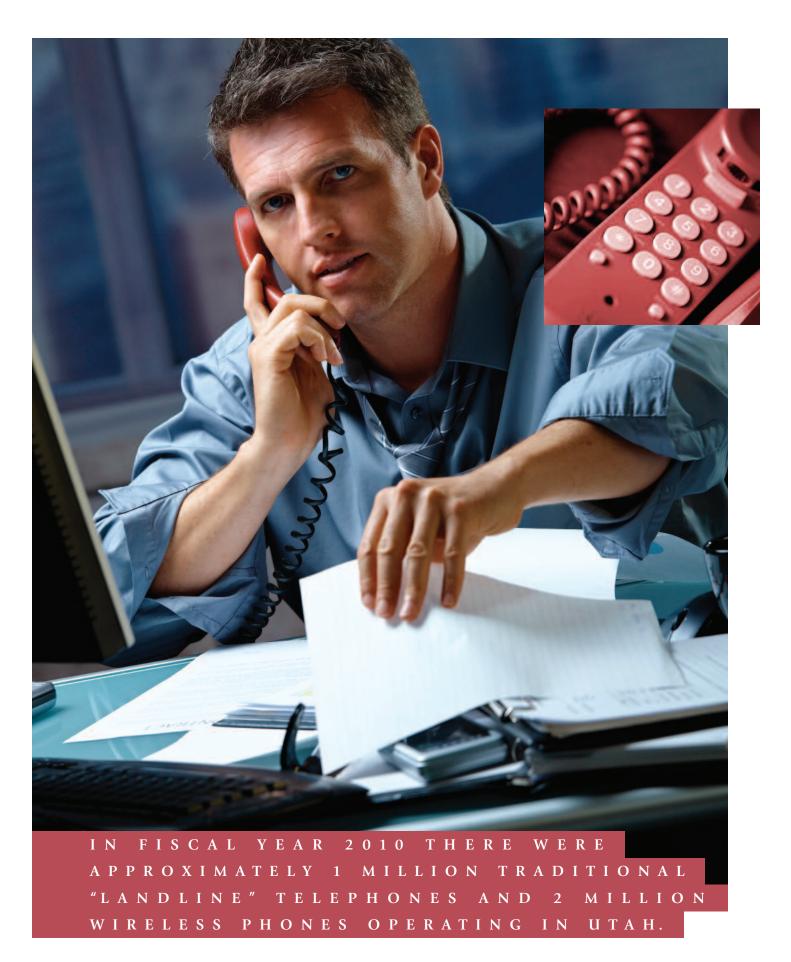
In fiscal year 2011 there were approximately 950,000 traditional "land line" telephones operating in Utah. There were about 2.3 million wireless phones, and an unknown, but increasing number of voice over internet protocol (VoIP) accounts within the state. Overall the local telecommunications industry in Utah is characterized by intra-industry competition through competitive local exchange companies, and inter-modal competition through wireless and VoIP companies. As a result of consumers having more options, the total number of

traditional land line phone accounts in Utah has been declining recently, even as the population and the number of businesses have been increasing.

The regulation of telecommunications companies providing telephone service in Utah has changed significantly over the past 15 years. These changes are due to significant alterations in the number and type of firms in the industry, the types of technologies used, consumer preferences, and the legal landscape.



Qwest (which completed a merger with CenturyLink this year) is the largest telecommunications company in Utah. It operates under state pricing flexibility rules and faces both intra- and inter-industry competition. Qwest primarily offers service to customers located along the Wasatch Front and much of the I-15 corridor from Logan to St. George. Qwest's service territory includes about 90 percent of the state's population. The Commission subjects Qwest to the same service quality regulation as its competitors.



Telecom



Since 1995 there have been 275 applications for Certificates of Public Convenience and Necessity (certificates) and the Commission has issued 211 certificates to competitive local exchange companies (CLECs) in Qwest's service territory. In fiscal year 2011, there were 101 CLECs (certificate holders), 61 of whom are active, meaning they produced some intra-state revenues during the year. Most of those active CLECs provide service only to business customers. Most CLECs provide services over Qwest's public telephone network but Comcast offers VoIP over its own cable network and interconnects with Qwest's public telephone network.

Currently the Commission sets rates through traditional rate-of-return regulation only for the 16 independent incumbent telephone companies providing land line service in the more rural areas of the state. These independent incumbents generally do not face competition from CLECs, but, like Qwest, face competition from wireless and VoIP service providers. The Commission does not directly regulate wireless providers, toll resellers, and VoIP providers.

Recent Activity

During the 2011 fiscal year, Utah continued to see interest from potential competitors to Qwest through the addition of 12 applications for certification to compete in the state. Two competitive local exchange carriers also left the state. Additionally a few companies expressed interest in competing in the rural areas of the state. In the past several years the Commission addressed requests from companies desiring to either compete in the service territories of incumbent providers or to provide service in un-served rural areas of the state.

In one request, an affiliate of Beehive Telephone Company, Inc., All American Telephone Company, Inc. ("All American"), petitioned the Commission for a certificate to provide service in both Qwest's service territory and un-served areas. In Docket No. 08-2469-01, the Commission determined All American did not intend to provide service in either of these areas, but rather desired to serve only as a destination point for billable inter-state traffic. The Commission rescinded this certificate based on deficiencies in the application and the inappropriate practices of the company.



In another request, a cable company, Bresnan Broadband of Utah, LLC (Bresnan), applied to compete with the local incumbent exchange company, UBTA-UBET Communications, Inc. (UBTA-UBET), in the Vernal area. The Commission granted Bresnan a certificate in Docket No. 07-2476-01, however, UBTA-UBET would not allow Bresnan to interconnect with its facilities. The Commission ordered UBTA-UBET to interconnect with the cable company and resolved several interconnection disputes in subsequent proceedings. UBTA-UBET eventually purchased the assets of Bresnan in the Vernal area, thereby eliminating this competitive alternative for customers in the area.

Pricing Flexibility

In 2005 and 2009 the Utah Legislature enacted amendments to the 1995 Utah Telecommunications Reform Act (1995 Act). These amendments removed the incumbent tariff obligations from Qwest and generally placed the company on an equal footing with its competitors. In 2005 Qwest was required to offer a basic residential phone line at the existing tariff rate but was granted pricing flexibility for all other residential and business services. In 2009 the requirement to offer a tariffed residential service was removed as well. [U.C.A. Title 54-8b-2.3 (1) (b) (iii)]. As a result Qwest now has pricing flexibility for all retail services it offers. The law allows all local exchange companies (incumbent or competitive) in Qwest's service area to implement new prices five days after filing them with the Commission. The law also allows the Commission to review whether the new prices are just and reasonable either during the five days after filing, or after the pricing change is implemented.

In 2001, Qwest received federal approval to move into long-distance markets in Utah, and subsequently offered new options to customers. Qwest is now competing "head-to-head" with competitors by offering bundled packages of services, including: local, long-distance, wireless, internet, and some limited video services at market-determined rates.



Implementation of Competition

In implementing the federal 1996 Telecommunications Act (Act), the Federal Communications Commission (FCC) and the courts have disagreed on the obligations the Act imposes on the major telecommunications carriers. Initially the FCC required the major carriers to lease, at rates determined by state commissions, most of the unbundled network elements a CLEC might need to provide service. In subsequent years, this requirement has been scaled back in various ways. The current rules embody a dramatically reduced obligation for Qwest to lease portions of its network to CLECs. Under the current rules, CLECs generally must either build their own networks or enter into commercial agreements with Qwest, at higher than previous prices. As a result, Qwest faces less competition from CLECs. However, the market for telecommunications services has evolved and now Qwest faces greater competition primarily from wireless and VoIP providers. Potential competitors have emerged in the form of cable, internet, or wireless providers who are bundling "voice services" with other product offerings. The Commission will continue to review the level of competition in the market place to ascertain if sufficient competition remains to protect consumers' general interests.

The Commission observes an additional change in the market place which is occurring with more frequency. This is the practice wherein real estate developers and property owners or managers enter into exclusive arrangements with telecommunications or other types of audio and video service providers in order to offer voice, video and data services within their developments to the exclusion of all other providers. Typically these arrangements preclude competition among service providers because potential competitors are not granted access to rights-of-way or easements, and the selected provider will only lease portions of its network at prices other local exchange companies find uneconomic. Since the developers can restrict access to rights-of-way and easements, it is not possible for a competing service provider to place network facilities. As a result the residents or commercial tenants in such developments have no choice of service providers. While the Commission views these arrangements as contrary to the state and federal legislative intent to promote competition, it lacks the necessary legal authority to require access for competing providers.



CenturyLink Quest Merger

CenturyLink (previously known as CenturyTel) and Qwest completed a merger at the holding company level during fiscal year 2011, with CenturyLink being the surviving entity at the holding company level. The Commission approved the merger in Docket No. 10-049-16.

Certificates of Public Convenience and Necessity and Interconnection Agreements

As explained above the Commission continues to grant and revoke certificates of Public Convenience and Necessity. In fiscal year 2011 there were 101 authorized CLECs, 61 of whom are actively serving customers in the state. In order to serve customers, a CLEC must interconnect its facilities with other carriers. The Commission continues to arbitrate and review "interconnection agreements" and "commercial agreements," i.e. terms by which the incumbent and competitors interconnect facilities to provide effective and efficient service. These agreements facilitate competition by providing a means for competitor's and Qwest's networks to communicate.

Telecommunication Dockets

Of the hundreds of telecommunications dockets the Commission addressed this year, most concern the entry or exit of competitors, and the interaction between Qwest and competitors as the marketplace adjusts to, and implements the relatively new FCC rules regarding inter-carrier relationships. These dockets addressed Certificate applications and cancellations, mergers and acquisitions, approval and enforcement of interconnection agreements, resolution of inter-carrier complaints, approval of special contracts for regulated services, and other service issues. In addition there were three general rate cases for the independent incumbent providers in rural areas which included setting universal service fund receipt levels, one stand alone universal service fund eligibility determination, and 14 dockets addressing formal customer complaints.

Telecommunications DOCKETS

Rate Cases

08-046-01

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

Report and Order: By this Report and Order, the Commission approves the Revised Confidential Settlement Stipulation and establishment of Balancing Account.

10-052-01

In the Matter of South Central Utah Telephone Association, Inc.'s Notice of Intent to File an Application for Additional USF Eligibility:

Report and Order: The Stipulation providing for interim USF support is approved and its terms are incorporated into this Order as if set forth here.

Extended Area Service Applications

10-042-01

In the Matter of the Extended Local Calling Area Service (EAS) for Carbon and Emery Counties:

Interim Order: Conduct a public interest survey of residential customers within Emery and Carbon Counties according to the criteria in Utah Admin Code R746-347-5.

10-042-01

In the Matter of the Extended Local Calling Area Service (EAS) for Carbon and Emery Counties:

Report and Order: The Commission approves the request to implement the EAS.

10-042-01

In the Matter of the Extended Local Calling Area Service (EAS) for Carbon and Emery Counties:

Supplemental Report and Order: The Commission further approves the rates as recommended by the Division, i.e. rates at a monthly cost of \$5.0 for Carbon/Emery residential subscribers and \$2.00 for Emery residential subscribers; and at a monthly cost for business customers, of \$3.50 and \$1.50 in Emery and Carbon counties, respectively.

KEY: **Docket Number**Short Title

Status as of June 30, 2011.

Tariff Approval or Price List Filing

10-042-T01

In the Matter of the Emery Telephone Tariff Filing:

Report and Order: The tariff as amended is approved, and the 30-day notice period is waived. The Company shall be permitted to assess the new rates beginning November 1, 2010.

10-2413-P01

In the Matter of the Price List Filing of BullsEye Telecom:

Order Rejecting Price List Filing: All of the exchanges referenced in the Company's letter are subject to the foregoing exclusion except the Moab Exchange. Consequently, the filing must be rejected. The Company is free to re-submit a filing that confines the services it intends to offer to its authorized service territory.

11-050-T01

In the Matter of the Navajo Communications Company Tariff Filing Regarding Introduction of a New Condition Addressing Facility Relocation Requests:

Order Rejecting Tariff: Based on the findings and recommendation of the Division, the tariff is rejected. This rejection is without prejudice and a new tariff may be approved by the Commission once the required clarification is made.

11-041-T01

In the Matter of the Citizens Telecommunications Company of Utah d/b/a Frontier Communications of Utah Tariff Filing Regarding Introduction of a New Condition Addressing Utility Facility Relocation Requests:

Order Rejecting Tariff: Based on the findings and recommendation of the Division, the tariff is rejected. This rejection is without prejudice and a new tariff may be approved by the Commission once the required clarification is made.

USF Eligibility or ETC Eligibility

09-2511-01

In the Matter of the Petition of TracFone Wireless, Inc. for Designation as an Eligible Telecommunications Carrier in the State of Utah for the Limited Purpose of Offering Lifeline Service to Qualified Households:

Report and Order: The Commission reviewed TracFone's Petition, comments submitted by the public, evidence and testimony received at the hearing, and reviewed post-hearing briefs submitted by the parties. Based on the evidence before the Commission, the Commission finds the ETC designation should be granted, but subject first to a determination of the costs to DCC for determining eligibility for Lifeline applicants.

09-2511-01

In the Matter of the Petition of TracFone Wireless, Inc. for Designation as an Eligible Telecommunications Carrier in the State of Utah for the Limited Purpose of Offering Lifeline Service to Qualified Households:

Amended Report and Order and Order on Request for Limited Reconsideration: The Commission reviewed TracFone's Petition. comments submitted by the public, evidence and testimony received at the hearing, and reviewed post-hearing briefs submitted by the parties. Based on the evidence before the Commission, the Commission grants the requested ETC designation subject to conditions, and requires TracFone to submit the required eligibility documentation for each Lifeline applicant.

The Commission also issues its Order on TracFone's Request for Limited Reconsideration or Rehearing, amending its September 13, 2010 Order, and making TracFone's ETC designation effective immediately, with the condition that TracFone shall be responsible for paying expenses determined in Docket No. 10-2528-01 or other applicable proceeding in connection with the verification of continuing Lifeline eligibility.

09-2511-01

In the Matter of the Petition of TracFone Wireless, Inc. for Designation as an Eligible Telecommunications Carrier in the State of Utah for the Limited Purpose of Offering Lifeline Service to Qualified Households:

Order on Reconsideration: We affirm the grant of TracFone's Petition for ETC designation.

10-2227-01

In the Matter of Sprint Spectrum L.P. dba Sprint's Request for Relinquishment of Eligible Telecommunications Carrier Designation in Utah: Order Granting Request to Relinquish ETC Designation:

Sprint's request to relinquish its ETC designation in Utah is granted, effective immediately.

10-2521-01

In the Matter of Virgin Mobile USA, L.P. Petition for Limited Designation as an Eligible Telecommunications Carrier:

Report and Order: The Commission grants Virgin Mobile USA, L.P. limited ETC designation, subject to specified conditions.

10-2526-01

In the Matter of the Petition of i-wireless, LLC for Designation as an Eligible Telecommunications Carrier in the State of Utah for the Limited Purpose of Offering Lifeline Service to Qualified Households:

Report and Order: The Company's Petition is granted, subject to the Conditions stated in this Order.

Certificate Applications

10-2523-01

In the Matter of the Application of iNetworks Group, Inc. For a Certificate of Public Convenience and Necessity to Provide Competitive Local Exchange Service within the State of Utah:

Report and Order: By this Report and Order, the Public Service Commission of Utah (Commission) converts this matter to an informally adjudicated matter. Additionally, the Commission grants the request (Application) of iNetworks Group, Inc. (Applicant) for a Certificate of Public Convenience and Necessity (Certificate)

Telecommunications Dockets (Continued)

authorizing Applicant to provide public telecommunications services within Utah, excluding those local exchanges having fewer than 5,000 access lines of an incumbent telephone corporation with fewer than 30,000 access lines in the state.

10-2524-01

In the Matter of the Petition of McGraw Communications, Inc. for Authority to Compete as a Telecommunications Corporation and to offer Interexchange and Public Local Exchange Telecommunications Services:

Report and Order: By this Report and Order, the Public Service Commission of Utah (Commission) converts this matter to an informally adjudicated matter. Additionally, the Commission grants the request (Application) of McGraw Communications, Inc (Applicant) for a Certificate of Public Convenience and Necessity (Certificate) authorizing Applicant to provide public telecommunications services within Utah, excluding those local exchanges having fewer than 5,000 access lines of an incumbent telephone corporation with fewer than 30,000 access lines in the state.

10-2530-01

In the Matter of the Application of Mobilitie, LLC for a Certificate to Provide Public Telecommunications Services in Utah:

Report and Order: By this Report and Order, the Public Service Commission of Utah (Commission) converts this matter to an informally adjudicated matter. Additionally, the Commission grants the request (Application) of Mobilitie, LLC (Applicant) for a Certificate of Public Convenience and Necessity (Certificate or CPCN) authorizing Applicant to provide public telecommunications services within Utah, excluding those local exchanges having fewer than 5,000 access lines of an incumbent telephone corporation with fewer than 30,000 access lines in the state.

KEY: **Docket Number**Short Title

Status as of June 30, 2011.

10-2531-01

In the Matter of the Application of Zayo Group, LLC for a Certificate of Public Convenience and Necessity to Provide Resold and Facilities-Based Local Exchange Services within the State of Utah:

Report and Order: By this Report and Order, the Public Service Commission of Utah (Commission) converts this matter to an informally adjudicated matter. Additionally, the Commission grants the request (Application) of Zayo Group, LLC (Applicant) for a Certificate of Public Convenience and Necessity (Certificate) authorizing Applicant to provide public telecommunications services within Utah, excluding those local exchanges having fewer than 5.000 access lines of an incumbent telephone corporation with fewer than 30,000 access lines in the

10-2532-01

In the Matter of the Petition of Crexendo Business Solutions, Inc. for Authority to Compete as a Telecommunications Corporation and to Offer Interexchange and Public Local Exchange Telecommunications Services:

Report and Order: By this Report and Order, the Public Service Commission of Utah (Commission) converts this matter to an informally adjudicated matter. Additionally, the Commission grants the request (Application) of Crexendo Business Solutions, Inc. (Applicant) for a Certificate of Public Convenience and Necessity (Certificate) authorizing Applicant to provide public telecommunications services within Utah, excluding those local exchanges having fewer than 5,000 access lines of an incumbent telephone corporation with fewer than 30,000 access lines in the state.

11-2536-01

In the Matter of the Application of Zayo Group, LLC for a Certificate of Public Convenience and Necessity to Provide Resold and Facilities-Based Local Exchange and Interexchange Telecommunications Services:

Report and Order: By this Report and Order, the Public Service Commission of Utah (Commission) converts this matter to an informally adjudicated matter. Additionally, the Commission grants the request (Application) of Zayo Group, LLC (Applicant) for a Certificate of Public Convenience and Necessity (Certificate) authorizing Applicant to provide public telecommunications services within Utah, excluding those local exchanges having fewer than 5,000 access lines of an incumbent telephone corporation with fewer than 30,000 access lines in the state.

11-2537-01

In the Matter of the Application of Teltrust Corporation for a Certificate of Public Convenience and Necessity to Provide Resold and Facilities-Based Local Exchange and Interexchange Telecommunications Services:

Report and Order: By this Report and Order, the Public Service Commission of Utah (Commission) converts this matter to an informally adjudicated matter. Additionally, the Commission grants the request (Application) of Teltrust Corporation (Applicant) for a Certificate of Public Convenience and Necessity (Certificate) authorizing Applicant to provide public telecommunications services within Utah, excluding those local exchanges having fewer than 5,000 access lines of an incumbent telephone corporation with fewer than 30,000 access lines in the

11-2538-01

In the Matter of the Application of Windstream NuVox, Inc. for a Certificate of Public Convenience and Necessity to Provide Resold Local Exchange Access Telecommunications Services in the State of Utah:

Report and Order: By this Report and Order, the Public Service Commission of Utah (Commission) converts this matter to an informally adjudicated matter. Additionally, the Commission grants the request (Application) of Windstream NuVox, Inc. (Applicant) for a Certificate of Public Convenience and Necessity (Certificate) authorizing Applicant to provide public telecommunications services within Utah, excluding those local exchanges having fewer than 5,000 access lines of an incumbent telephone corporation with fewer than 30,000 access lines in the state.

11-2539-01

In the Matter of the Application of GC Pivotal, LLC for a Certificate of Public Convenience and Necessity to Provide Resold and Facilities-Based Local Exchange Services within the State of Utah:

Report and Order: By this Report and Order, the Public Service Commission of Utah (Commission) converts this matter to an informally adjudicated matter. Additionally, the Commission grants the request (Application) of GC Pivotal, LLC (Applicant) for a Certificate of Public Convenience and Necessity (Certificate) authorizing Applicant to provide public telecommunications services within Utah, excluding those local exchanges having fewer than 5,000 access lines of an incumbent telephone corporation with fewer than 30,000 access lines in the

Certificate Cancellations

10-2415-01

In the Matter of the Request to Cancel Syniverse Technologies, Inc., f/k/a TSI Telecommunications Network Services, Inc.'s Certificate of Public Convenience and Necessity:

Order Cancelling Certificate Number 2415: The Company's certificate number 2415 is cancelled with immediate effect.

10-2476-01

In the Matter of the Application of Bresnan Broadband, LLC, for the Termination of a Certificate of Public Convenience and Necessity to Provide Public Telecommunications Services within the Vernal Exchange in and around Vernal, Utah:

Report and Order: Bresnan's CPCN to serve in the Vernal exchange (in and around the Vernal, Utah area) is cancelled

10-2452-01

In the Matter of the Joint Application of Comtel Telcom Assets, LP and Matrix Telecom, Inc. for Waiver of Utah Code Ann. § 54-8b-18 and Utah Admin. Rule 746-349-5:

Order Cancelling CPCN 2463: Based on the representations of Comtel and Matrix, and on the previous order of the Commission, Comtel's CPCN No. 2463 is cancelled.

Telecommunications Dockets (Continued)

10-2463-01

In the Matter of the Cancellation of the Certificate of Comtel Telcom Assets, LP:

Order Cancelling CPCN 2463: Based on the representations of Comtel and Matrix, and on the previous order of the Commission, Comtel's CPCN No. 2463 is cancelled.

10-2427-01

In the Matter of the Application of SBC Long Distance, LLC to Discontinue the Provision of Local Exchange Data Service for Business Consumers in the State of Utah:

Order Cancelling CPCN 2427: The application is granted. The applicant's CPCN No. 2427 is cancelled.

10-2306-02

In the Matter of the Application of American Fiber Network, Inc. to Withdraw its Certificate of Authority: Order Cancelling CPCN 2306:

The Commission, finding good cause for granting the application of AFN to cancel its CPCN, hereby orders CPCN number 2306 cancelled.

11-2429-01

In the Matter of the Application of CommPartners, LLC to Cancel Certificate of Public Convenience and Necessity (CPCN):

Order Cancelling CPCN 2429: The Company's certificate, number 2429 is cancelled.

10-2246-01

In the Matter of the Application of Global Crossing Telemanagement, Inc. and Global Crossing Local Services, Inc. for Authority to Transfer Certificate:

Report and Order and Order Cancelling CPCN 2397: The CPCN of Global Crossing Telemanagement, Inc. is cancelled with an effective date of December 31, 2010.

11-2397-01

In the Matter of the Cancellation of Global Crossing Telemanagement, Inc.'s CPCN:

Report and Order and Order Cancelling CPCN 2397: The CPCN of Global Crossing Telemanagement, Inc. is cancelled with an effective date of December 31, 2010.

Interconnection

11-049-21

In the Matter of the Interconnection Agreement between Qwest Corporation and Adams Technology Group Corp.:

Rejecting Interconnection
Agreement: The proposed interconnection agreement involved
an entity that does not possess a
Certificate of Public Convenience
and Necessity (CPCN) and is
therefore discriminatory, against
the public interest, convenience
and necessity. It is rejected.

11-049-21

In the Matter of the Interconnection Agreement between Qwest Corporation and Adams Technology Group Corp.:

Order Vacating Rejection of Interconnection Agreement: The April 5, 2011 order rejecting the interconnection agreement is vacated. The Commission will issue an acknowledgement of the receipt of the Interconnection Agreement.

Carrier-to-Carrier Complaints

09-049-37

In the Matter of the Complaint of Qwest Corporation against McLeodUSA Telecommunications Services, Inc., d/b/a PAETEC Business Services:

Report and Order: grants Qwest's Motion and denies McLeodUSA's Motion.

09-049-37

In the Matter of the Complaint of Qwest Corporation against McLeodUSA Telecommunications Services, Inc., d/b/a PAETEC Business Services:

Order on Reconsideration: grants Qwest's Motion and denies McLeodUSA's Motion.

08-2476-02

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

Order Vacating May and August 2009 Orders: We hereby vacate the Orders entered in this Docket on May 21, 2009 and August 3, 2009.

Customer Complaints

10-049-06

In the Matter of the Formal Complaint of Utah Refractories Corporation against Qwest Corporation:

Order of Dismissal: Therefore, the formal complaint of the Company is dismissed with prejudice.

10-049-23

In the Matter of the Formal Complaint of Basad Inc. against Qwest Communications:

Order of Dismissal: On August 10, 2010, Basad, Inc. notified the Commission that it no longer wished to maintain its formal complaint. Therefore, its formal complaint is dismissed with prejudice.

10-049-36

In the Matter of the Formal Complaint of Ted H. Olsen against Qwest Communications:

Order of Dismissal: Therefore, finding good cause appearing for the dismissal, the Commission orders the formal complaint

Violations/ Investigations

08-2469-01

In the Matter of the Consideration of the Rescission, Alteration, or Amendment of the Certificate of Authority of All American to Operate as a Competitive Local Exchange Carrier within the State of Utah:

Order on Application for Review and Rehearing and Request for Reconsideration: We affirm the April 26, 2010 Order denying AATCO's petition to amend its CPCN, revoking its CPCN, and ordering AATCO's withdrawal from Utah.

Administrative Regulatory

09-2383-01

In the Matter of the Joint Application for Waiver of Comcast Phone of Utah, LLC and CIMCO Communications, Inc.:

Order Cancelling CPCN 2383: Therefore, based on the representations of CIMCO and based on the previous order of the Commission, CIMCO's CPCN No. 2383 is cancelled.

09-2383-01

In the Matter of the Joint Application for Waiver of Comcast Phone of Utah, LLC and CIMCO Communications, Inc.:

Order Vacating the Cancellation of CPCN 2383: On August 16, 2010, the Commission issued an order cancelling certificate of public convenience and necessity (CPCN) number 2383. That CPCN number belongs to Comcastwho has purchased CIMCO, and is still in effect. Therefore, the previously entered order cancelling CPCN 2383 is vacated. Comcast shall file with the Commission a clarification regarding previous representations to the Commission regarding CIMCO's purported CPCN.

KEY: **Docket Number**Short Title

Status as of June 30, 2011.

Telecommunications Dockets (Continued)

10-049-22

In the Matter of the Qwest Corporation Petition for Commission Approval of 2010 Additions to Non-Impaired Wire Center List:

Report and Order Approving
Tier 2 Designation of Qwest's
Salt Lake City East Exchange and
Tier 1 Status of Salt Lake City
West Exchange: The Commission
approves Qwest Corporation's
("Qwest") designation of the Salt
Lake City East exchange as a Tier
2 wire center and its addition as
such to Qwest's non-impaired
wire center list. The Commission
approves Qwest's designation of
the Salt Lake City West exchange
as a Tier 1 wire center.

10-049-22

In the Matter of the Qwest Corporation Petition for Commission Approval of 2010 Additions to Non-Impaired Wire Center List:

Errata Report and Order:
Approving Tier 2 Designation
of Qwest's Salt Lake City East
Exchange and Tier 1 Status of
Salt Lake City West Exchange:
The Commission approves Qwest
Corporation's ("Qwest") designation of the Salt Lake City East
exchange as a Tier 2 wire center
and its addition as such to Qwest's
non-impaired wire center list. The
Commission approves Qwest's
exchange as a DS3 Loop wire
center.

Mergers/Acquisitions/ Certificate Consolidations

10-2476-02

In the Matter of the Application of Bresnan Broadband of Utah, LLC for Informal Adjudication of Indirect Transfer of Control:

Report and Order: The Application for the approval of the indirect transfer of control of Bresnan Broadband of Utah, LLC to Cablevision System Corporation is granted.

10-2512-01

In the Matter of the Joint Application of NewPath Networks, Inc., NewPath Networks, LLC and Crown Castle Solutions Corp. for Approval of the Indirect Transfer of Control of NewPath Networks LLC to Crown Castle Solutions Corp.:

Order Approving Indirect Transfer of Control: For the foregoing reasons, the Commission approves the indirect transfer of control of NewPath Networks, LLC to Crown Castle Solutions Corp.

10-2353-01

In the Matter of the Joint Application of Zayo Group, LLC and American Fiber Systems, Inc. for the Indirect Transfer of Control of American Fiber Systems, Inc. to Zayo Group, LLC:

Order Approving Indirect Transfer of Control: For the foregoing reasons, the Commission approves the indirect transfer of control of American Fiber Systems, Inc. to Zayo Group, LLC, including the name change to "Zayo Metro, Inc."

10-2246-01

In the Matter of the Application of Global Crossing Telemanagement, Inc. and Global Crossing Local Services, Inc. for Authority to Transfer Certificate:

Report and Order: The Application for the Approval of the merger of and transfer of certificate is approved.

10-049-16

In the Matter of the Joint Application of Qwest Communications International, Inc. and CenturyTel, Inc. for Approval of Indirect Transfer of Control of Qwest Corporation, Qwest Communications Company, LLC and Qwest LD Corporation:

Report and Order: The Joint Applicants' Motion is granted in part and denied as explained herein. The Joint Applicants shall, within 5 days of the issuance of this order, submit a PO based on Attachment A, except that references to any SEO provision shall be deleted. No other alterations shall be made, except minor formatting/grammatical corrections or changes.

10-049-16

In the Matter of the Joint Application of Qwest Communications International, Inc. and CenturyTel, Inc. for Approval of Indirect Transfer of Control of Qwest Corporation, Qwest Communications Company, LLC and Qwest LD Corporation:

Report and Order: Qwest Communications International, Inc. and CenturyTel, Inc. (Joint Applicants) applied for Commission approval of a merger. Based on the record before the Commission, including the settlements submitted, the Commission finds the merger is in the public interest, subject to the provisions in the settlements. The Commission declines to impose additional conditions.

10-2389-01

In the Matter of the Joint Application of TechInvest Holding Company, Inc., Cypress Communications Operating Company, LLC, and The Broadvox Holding Company, LLC for Approval of a Transfer of Control of an Authorized Telecommunications Provider:

Order Approving Indirect Transfer of Control: The Commission grants the uncontested request for approval of the indirect transfer of control of Cypress Communications Operating Company, LLC to The Broadvox Holding Company, LLC.

11-2287-01

In the Matter of the Notification Regarding the Indirect Transfer of Control of CTC Communications Corp. to EarthLink, Inc.:

Report and Order: The parties shall notify the Commission of the consummation of the merger resulting in the indirect transfer of control of CTC to EarthLink.

10-2287-01

In the Matter of the Notification Regarding the Indirect Transfer of Control of CTC Communications Corp. to EarthLink, Inc.:

Report and Order: The parties shall notify the Commission of the consummation of the merger resulting in the indirect transfer of control of CTC to EarthLink.

11-2539-02

In the Matter of the Global Capacity Group, Inc., Global Capacity Direct, LLC f/k/a Vanco Direct USA, LLC Transfer of Assets to GC Pivotal, LLC:

Order Approving Transfer of Assets: This matter is converted to an informal proceeding.

11-2266-01

In the Matter of the Joint Application of Level 3 Communications, Inc., Apollo Amalgamation Sub, Ltd., Level 3 Communications, LLC, Broadwing Communications, LLC, and Global Crossing North America, Inc., Global Crossing Telecommunications, Inc., Global Crossing Local Services, Inc. for Approval of the Transfer of Control and Related Transactions:

Report and Order: The Application for the approval of the transfer of control is granted.

11-2246-01

In the Matter of the Joint Application of Level 3 Communications, Inc., Apollo Amalgamation Sub, Ltd., Level 3 Communications, LLC, Broadwing Communications, LLC, WilTel Communications, LLC, and Global Crossing North America, Inc., Global Crossing Telecommunications, Inc., Global Crossing Local Services, Inc. for Approval of the Transfer of Control and Related Transactions:

Report and Order: The Application for the approval of the transfer of control is granted.

KEY: **Docket Number** Short Title

Status as of June 30, 2011.

Incumbent Local Exchange Carriers (ILECs)

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

Albion Telephone Company *d/b/a ATC Communications* 225 W. North St.

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

All West Communications

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

Baldwin County Internet/DSSI Service, LLC

1240 Commerce Drive Suite A Gulf Shores, AL 36542 Tel: (919) 454-4176 (251) 224-7531 www.baldwininternet.com

Bear Lake Communications

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

Beehive Telephone

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

Carbon/Emery Telecom

455 E. Hwy. 29

PO Box 421 Orangeville, UT 84537-0421 Tel: (435) 748-2223 Fax: (435) 748-5222 www.emerytelcom.net **Central Utah Telephone**

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

Citizens
Telecommunications
Company of Utah
d/b/a FC of Utah

PO Box 708970 Sandy, UT 84070-8970 Tel: (801) 298-0757 (888) 340-9545 Fax: (801) 298-0758 www.frontieronline.com

Direct Communications Cedar Valley, LLC

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

Emery Telephone *d/b/a Emery Telecom* 455 E. Hwy. 29

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

Farmers Telephone Company 26077 Hwy. 666 PO Box 369

PO Box 369 Pleasant View, CO 81331-0369

Tel: (970) 562-4211 (877) 828-8656 Fax: (970) 562-4214 www.farmerstelcom.com

Gunnison Telephone

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

455 E. Hwy. 29 PO Box 629 Orangeville, UT 84537-0711 Tel: (435) 748-2223 Fax: (435) 748-5222 www.emerytelcom.net

Manti Telecommunications Company Inc. 34 W. Union St.

Manti, UT 84642-1356 Tel: (435) 835-3391 (877) 835-3391 Fax: (435) 835-7192 www.mantitel.com

d/b/a Frontier Navajo

Navajo Communications Company Inc.

Communications Company PO Box 708970 Sandy, UT 84070-8970 Tel: (801) 298-0757 (888) 340-9545 Fax: (801) 298-0758 www.frontieronline.com

Qwest Corporation 250 Bell Plaza, Room 1603

Salt Lake City UT 84111 Tel: (801) 237-7200 (888) 642-9996 (800) 244-1111 Customer service

www.qwest.com

Skyline Telecom

www.cut.net

35 S. State St. PO Box 7 Fairview, UT 84629-0007 Tel: (435) 427-3331 (800) 427-8449 Fax: (435) 427-3200 **South Central Utah Telephone Association** *d/b/a South Central Communications*

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

Uintah Basin Telecom *d/b/a UBTA Communications*

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

Union Telephone Company

850 N. Hwy. 414 PO Box 160 Mountain View WY 82939-0160 Tel: (307) 782-6131 (800) 646-2355 Fax: (307) 782-6913 www.union-tel.com

RCC (Radio Common Carrier)

In the provision of Public Mobile Service, which is not also in the business of providing landline local exchange telephone service. These carriers were formerly called "miscellaneous common carriers."

Industrial Communications
David R Williams d/b/a
c/o General Telephone
1171 S West Temple
Salt Lake City, UT 84101

(801) 533-1111

Competitive Local Exchange Carriers (CLECs)

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

360Networks (USA) Inc.

2101 4th Avenue Suite 2000 Seattle, WA 98121 Tel: (206) 239-4360 (877) 360-7360 Fax: (303) 854-5100 www.360.networks.com

Abovenet Inc.

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

Access Point Inc.

1100 Cresent Green Suite 109 Cary, NC 27511 Tel: (919) 851-4838 (800) 957-6468 Fax: (919) 851-5422 www.accesspointinc.com

ACN Communications Service, Inc.

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

Affinity Network, Inc.

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

All American Telephone Company, Inc.

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

All West Utah Inc. d/b/a All West World Connect

50 W. 100 N.

PO Box 588 Kamas, UT 84036-0588 Tel: (435) 783-4361 (866) 255-9378

Fax: (435) 783-4928 www.allwest.net

American Fiber Network Inc.

d/b/a AFN 9401 Indian Creek Pkwy. Suite 140 Overland Park, KS 66210-2005 Tel: (913) 338-2658 (800) 864-0583 Fax: (913) 661-0538 www.afnltd.com

American Fiber Systems

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

AT&T Communications of the Mountain States, Inc.

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

Baldwin County Internet/DSSI Service, LLC

1240 Commerce Drive, Ste A Gulf Shores, AL 36542 Tel: (919) 454-4176 (251) 224-7531 www.baldwininternet.com

Bandwidth.com CLEC, LLC

4001 Weston Parkway Suite 100 Cary, NC 27513 Tel: (919) 439-3571 Tel: (800) 808-5150 Fax: (919) 238-9903 www.bandwidth.com

Beehive Telecom, Inc.

2000 E. Sunset Rd. Lake Point, UT 84074-9779 Tel: (435) 837-6000 (800) 629-9993 Fax: (435) 837-6109 www.beehive.net

Bell South Long Distance d/b/a AT&T Long Distance

400 Perimeter Center Terrace Suite 400 Atlanta, GA 30346-1231 Tel Res: 888-757-6500

800-228-6075

BLC Management LLC *d/b/a Angles Communication Solutions*

www.bellsouth.com

Arlington, TN 38002
Tel: (901) 373-310
Tel: (877) 264-5375
Fax: (901) 758-4511

www.anglescs.com Bresnan Broadband

Tel Bus:

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

Broadband Dynamics, LLC

8757 E. Via De Commercio 1st Floor Scottsdale, AZ85258 Tel: (408) 941-0444 Tel: (800) 277-1580 Fax: (480) 941-1143

Broadview Networks, Inc.

100 Renaissance Boulevard King of Prussia, PA 19406 Tel: (610) 775-4877 (800) 276-2384

(267) 537-0074 www.broadviewnet.com

Broadvox Holding Co., LLC

1228 Euclid Ave., Suite 390 Cleveland, OH 44115 Tel: (216) 373-4623 (877) 884-6597 Fax: (216) 373-4699 www.broadvox.com

BT Communications Sales LLC

f/k/a Concert Communications Sales LLC 11440 Commerce Park Dr. Reston, VA 20191-1555 Tel: (703) 755-6730 Fax: (703) 755-6740 www.bt.com

Bullseye Telecom Inc. 25925 Telegraph Road

Suite 210 South Field, MI 48033 Tel: (248) 784-2500 (877) 638-2855 Fax: (248) 784-2501 www.bullseyetelecom.com

Central Telcom Services *d/b/a CentraCom Interactive* 35 South State St.

PO Box 7 Fairview, UT 84629 Tel: (435) 427-0656 (800) 427-8449 Fax: (435) 427-0306 www.cutel.com

Chase Com

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

Comcast Phone of Utah LLC f/k/a AT&T Broadband

Phone of Utah LLC 440 Yauger Way SW Olympia WA 98502-8153 Tel: (360) 705-2537 ext 3404

(800) 288-2085 Fax: (360) 754-5811 www.comcast.com

Comm Partners, LLC

3291 N. Buffalo Dr. Suite 8 Las Vegas, NV 89129 Tel: (702) 367-8647 Fax: (702) 365-8647 www.commpartners.us

Comtech 21 LLC

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

Cypress Communications

15 Piedmont Center 3575 Piedmont Rd., Suite 100 Atlanta, GA 30305 Tel: (404) 869-2500 (888) 528-1788

(888) 528-1788 Fax: (404) 338-8798 www.cypresscom.net

Dieca Communications d/b/a Covad

Communications Co.
7901 Lowry Bvld.
Denver, CO 80230-6906
Tel: (408) 616-6500
(888) 462-6823
Fax: (408) 616-6501
www.dpiteleconnect.com

DPI Teleconnect LLC

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

DSLNet Communications LLC

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

Easton Telecom Services LLC

3040 Brecksville Road Summitt II Suite A Richfield, OH 44286 Tel: (330) 659-6700 (800) 222-8122 Fax: (330) 659-9379 www.eastontelecom.com

Electric Lightwave, LLC

1201 NE Lloyd Blvd.
Portland, OR 97232-1259
Tel: (503) 453-8000
(888) 621-4239
Fax: (503) 453-8221
www.integratelecom.com

CLECs (Continued)

Emery Telecommunications & Video Inc.

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

Entelegent Solutions, Inc.

3800 Arco Corporate Dr. Suite 310 Charlotte, NC 28273 Tel: (704) 936-2365 (800) 975-7192 Fax: (866) 295-0471 www.entelegent.com

Ernest

Communications, Inc. 5275 Triangle Pkwy., Ste. 150 Norcross, GA 30092-6511 Tel: (770) 242-9069 (800) 456-8353 Fax: (770) 448-4115 www.ernestgroup.com

Eschelon Telecom of Utah Inc.

www.eschelon.com

730 2nd Ave. South Suite 1200 Minneapolis, MN 55402-3400 Tel: (612) 376-4400 (888) 372-4356 Fax: (612) 376-4411

FirstDigital Telecom LLC

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

France Telecom Corporate Solutions LLC

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

Frontier Communications of America

a/k/a Citizens
Telecommunications Company
d/b/a Citizens Long Distance
PO Box 708970
Sandy, UT 84070-8970
Tel: (801) 298-0757
(888) 340-9545
Fax: (801) 298-0758
www.czn.com

GC Pivotal, LLC

Fax:

200 South Wacker Drive Suite 1650 Chicago, IL 60606 Tel: (312) 673-2400 (888) 226-4244

Global Connection of America

3957 Pleasant Dale Rd. Atlanta, GA 30340 Tel: (678) 966-8444 (678) 458-6773

Global Crossing Telemanagement

1080 Pittsford Victor Rd. Pittsford, NY 14534 Tel: (585) 255-1427 (800) 414-1973 Fax: (585) 381-7592 www.globalcrossing.com

Granite Telecommunicat

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

Greenfly

IDT America Corp.

520 Broad Street Newark, NJ 07102 Tel: (973) 438-4854 Fax: (973) 438-1455 http://www.idt.net

Impact Telecom, LLC

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

InContact, Inc.

f/k/a UCN, Inc. 14870 S. Pony Express Rd. Bluffdale, UT 84065-4801 Tel: (801) 320-3200 (888) 826-2344 or 0002 Fax: (800) 352-8848 www.inContact.com

Industrial Communications, Inc.

PO Box 610 Bountiful, UT 84011 Tel: (801) 532-3500 Fax (801) 533-1111

iNetworks Group Inc.

125 S. Wacker Dr. Suite 2510 Chicago, IL 60606 Tel: (312) 212-0822 Fax: (312) 422-9201 www.inetworksgroup.com

Integra Telecom of Utah LLC 1201 NE Lloyd Blvd.

Suite 500 Portland, OR 97232-6902 Tel: (503) 453-8000 (888) 621-4239 (503) 453-8018

www.integratelecom.com

IntelePeer

2855 Campus Drive Suite 200 San Mateo, CA 94403 Tel: (650) 525-9200 Fax: (650) 287-2628 www.intelepeer.com/ contractus/contactus.php/

Intrado

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

InTTec Inc.

1001 S. Douglas Hwy. Suite 201 P.O. Box 2799 Gillette, WY 82717-2799 Tel: (307) 685-5536 Fax: (307) 682-2519 http://www.inttec.biz

Level 3 Communications LLC

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

(877) 453-8353 Fax: (720) 888-5127 www.level3.com

Liberty Bell Telecom, LLC 2460 W. 26th Avenue

Suite 380-C Denver, CO 80211 Tel: (720) 855-2444 (866) 664-2355 Fax: (303) 831-1988 www.libertybelltelecom.com

Lifeconnex Telecom, LLC 13700 Perdido Key Drive

Unit B222 Perdido Key, FL 32507 Tel: (850) 308-1616 (866) 744-0946 Fax: (850) 492-5085 www.lifeconnex.net

Lightyear Network Solutions LLC

1901 Eastpoint Parkway Louisville, KY 40223 Tel: (866) 406-7253 Fax: (501) 515-4138 www.lightyear.net

LSSI Corp.

101 Fieldcrest Ave. Edison, NJ 08837 Tel: (800) 210-9021 Fax: (732) 512-2103 www.lssi.net

Matrix Telecom Inc.

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

McGraw

Communications, Inc. 228 E. 45th St. New York, NY 10017 Tel: (212) 849-2367 Fax: (646) 619-4734 www.mcgrawcom.net

MCI Communications

Services, Inc. *d/b/a Verizon Business Services*201 Spear St., 9th Floor
San Francisco CA 94105
Tel: (415) 228-1072
(800) 893-7589
Fax: (415) 228-1094
www.verizon.com

MCI Metro Access Transmission

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

McLeod USA Telecommunications

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

Metropolitan Telecommunications of Utah

44 Wall St., 6th Floor New York, NY 10005-2401 Tel: (212) 607-2000 (800) 876-9823 Fax: (866) 667-3900 www.mettelangents.com

Mitel Netsolutions, Inc.

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

(312) 673-2422

CLECs (Continued)

Mobilitie LLC

660 Newport Center Drive Suite 200 Newport Beach, CA 92660 Tel: (949) 515-1500 www.mobilities.com

Momentum Telecom, Inc.

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

Nettalk.com, Inc.

1100 NW 163rd Dr. North Miami, FL 33169 Tel: (305) 621-1200 Fax: (305) 621-1201 www.nettalk.com

Neutral Tandem — Utah, LLC

Richard Monto, General Counsel 550 W. Adams St., Suite 900 Chicago, II. 60661 Tel: (312) 384-8090 Fax: (312) 346-3276 Email:

rmonto@neutraltandem.com www.neutraltandem.com

New Edge Network, Inc.

d/b/a New Edge Networks 3000 Columbia House Blvd. Suite 106 Vancouver, WA 98661-2969 Tel: (360) 693-9009

(877) 725-3343 Fax: (360) 737-0828 www.newedgenetworks.com

New Path Networks, LLC

Nextg Networks of Calif. 2216 Otoole Avenue

San Jose, CA 95131-1326 Tel: (408) 954-1580 Fax: (408) 383-5397

www.nextgnetworks.net

Nextgen Communications, Inc. 275 West St. Annapolis, MD 21401 Tel: (410) 349-7090

Fax: (410) 295-1884 www.telecomsy.net

North County Communications Corp. 3802 Rosecrans St., Suite 485

3802 Rosecrans St., Suite 48 San Diego, CA 92110 Tel: (619) 364-4750 Fax: (619) 364-4710 www.nccom.com **Orbitcom Inc.**

1701 N. Louise Ave. Sioux Falls, SD 57101 Tel: (866) 834-7837 Fax: (866) 869-9350 www.orbitcom.biz

Pac-West Telecom Inc.

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

Paetec Communications

600 Willowbrook Office Parks One Paetec Plaza Fairport, NY 14450-4223 Tel: (877) 340-2600 Fax: (585) 340-2801 www.paetec.com

Preferred Long Distance Inc.

16380 Ventura Blvd., Suite 350 Encino, CA 91436-1716 Tel: (888)-235-2026 Fax: (818)-380-7054 or 7099 www.pldtel.com

Quantumshift Communications, Inc.

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

Questar Infocom, Inc.

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

Fax: (801) 324-5131 www.questarinfo.com

Qwest Communication Corporation

180Î California Street Denver, CO 80202 Tel: (303) 965-3524 (888) 642-9996 Fax: (303) 992-6433 www.qwest.com

Redline Phone, Inc.

770 E. Main Street #105 Lehi, UT 84043 Tel: (801) 228-1512 Fax: (801) 990-3977 www.

redlinecommunications.com

Sage Telecom, Inc. 805 Central Expressway South Suite 100 Allen, TX 75013-2789 Tel: (214) 495-4884 Fax: (214) 495-4795 www.sagetelecom.net Sierra Pacific Communications

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

Sorenson

Communications, Inc. f/k/a Sorenson Media, Inc. 4192 S.Riverboat Rd., Suite 300 Salt Lake City, UT 84123 Tel: (801) 287-9400 Fax: (801) 287-3294 www.sorenson.com

South Central Communications Telcom Services, LLC

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

Sprint Communications Company LP

Overland Park
KS 66241-2400
Tel: (913) 315-4279
(800) 829-0965
Fax: (913) 315-3303
www.sprint.com

MS: ksopht0101-Z2400

6391 Sprint Pkwy.

TCG Utah

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

Telequality Communications, Inc.

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

Trans National Communications International, Inc. (TNCI)

2 Charlesgate West Boston, MA 02215 Tel: (800) 800-8400 Fax: (800) 800-8874 www.tncii.com

TW Telecom of Utah, LLC f/k/a Time Warner Telecom of Utah LLC 10475 Park Meadows Dr.

Littleton, CO 80124 Tel: (760) 832-6275 (800) 829-0420 Fax: (760) 778-6981

Fax: (760) 778-6981 www.twtelecom.com

Velocity The Greatest Phone Company Ever, Inc. 7130 Spring Meadows West Dr.

Holland, OH 43528 Tel: (419) 868-9983 (866) 983-5624 Fax: (419) 868-9986 www.velocity.org

Veracity Networks, LLC 379 North University Avenue Suite 301

Provo, UT 84601-2878 Tel: (800) 370-1106 (801) 379-3000 Fax: (801) 370-1104 www.veracitycom.net

WiMac Tel., Inc.

1882 Porter Lake Drive, Suite 101 Sarasota, FL 34240 Tel: (888) 476-0881 Fax: (403) 398-0714 www.wimactel.com

Wiltel Communications LLC

a/k/a Williams
Communications LLC
One Technology Center
Mail Drop TC-7B
Tulsa, OK 74103
Tel: (918) 547-6000
(800) 924-8903
Fax: (918) 547-9446

www. wiltelcommunications.com

X5 Solutions 1520 4th Ave., Suite 500 Seattle, WA 98101 Tel: (206) 973-5800

(888) 973-5899 www.x5solutions.com

Xmission Networks LLC

51 E. 400 S., Suite 200 Salt Lake City, UT 84111 Tel: (801) 303-0819 www.xmission.com

XO Communications Services, Inc.

8851 S. Sandy Parkway Sandy, UT 84070 Tel: (801) 983-1600 (888) 575-6398 Fax: (801) 983-1667 www.xo.com

Ymax Comm. Corp.

5700 Georgia Ave Palm Beach, FL 33405 Tel: (561) 856-3380 (888) 230-0060 Fax: (561) 856-2328 www.ymaxcorp.com

Zayo Metro, Inc.

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

Relay Service

Telecommunications Relay Service & Equipment Distribution Program

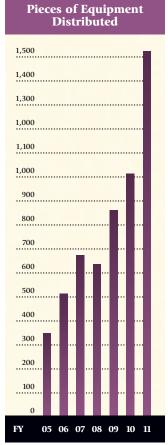
- Specialized telecommunication equipment distribution increased 55% due to the efforts of four equipment specialists and outreach.
- The number of professionally certified American Sign Language (ASL) interpreters in Utah has more than doubled in the last six years.

Above are just two of the notable accomplishments achieved in Fiscal Year 2011. Not only was there growth, but there was also a change in funding sources for Relay Utah and its programs and services. Commission staff had been observing significant reductions in available funds for several years as the number of landlines decreased and cellular lines increased. State Bill 209 "Telecommunications Amendments" was sponsored by Senator Curtis Bramble, in order to broaden the base while lowering the rate of the surcharge collected through assessing the surcharge on landlines as well as cellular lines. This bill became effective in the state of Utah on May 12, 2011. As a result, the Public Service Commission (PSC) lowered the surcharge rate from \$.10 to \$.06 and that rate became effective August 1, 2011.

The State of Utah is in its second year of contracting with Hamilton Relay Service for its telecommunications relay service (TRS) and captioned telephone (CapTel) relay service. Currently there is a Hamilton Relay in-state outreach coordinator traveling the state publicizing the services available throughout Utah. An equipment specialist representing the Commission is assisted by three other part-time equipment distributors to provide qualified applicants with the appropriate amplified, text, wireless, and captioned telephones and the necessary training as well as simple repairs on equipment.

The Utah Public Service Commission began providing relay services in 1988. According to government statistics, approximately 220,000 Utahns are deaf or hard of hearing. Prior to the relay service, people who were deaf relied on hearing children or hearing neighbors or family in order to make a telephone call. When relay services were initiated, a person who was deaf had the option to use a text telephone (TTY) and TRS. Now a person who is deaf, hard of hearing, or speech disabled has a myriad of service and equipment options available: video relay service, internet protocol relay, wireless pagers, captioned telephones, and amplified telephones — wireless or landline. Now in addition to TRS, relay services include Spanish language, Speech-to-Speech, Voice Carry Over/CapTel, and Hearing Carry Over. The equipment and technology available continues to improve, and the Commission has witnessed enormous growth in the program over the last few years as the Commission continues with education, advertising, outreach, and public relations targeted towards people who are deaf or hard-of-hearing.





| Fiscal Year | Pieces of Equipment Distributed |
|----------------|---------------------------------------|
| 2005 | 338 |
| 2006 | 515 |
| 2007 | 674 |
| 2008 | 641 |
| 2009 | 865 |
| 2010 | 1,016 |
| 2011 | 1,521 |
| Total | 5,570 |

The number of applicants, customers, and users of the programs and services has continued to grow as residents become aware of PSC programs. This is timely as the hard-of-hearing population continues to grow. Specialists predict as baby boomers age with excellent health services and longevity of life, more people will experience hearing loss.

Outreach

The Commission has continued its working relationship with Penna Powers Brian Haynes (PPBH) over the last nine years. PPBH assists with education, outreach, public relations, and grassroots activities for relay services and equipment distribution. Each year PPBH and the PSC utilize print, television, and radio to raise awareness of all that Relay Utah offers. With respect to print, PPBH advertised in the Shakespearean Festival Playbills, the Fall Stage Arts Programs, in the Senior Blue Book in Utah's Senior Review, and in Utah Prime Times. On television, Relay Utah was featured on the KJZZ Senior Spotlights which are two-minute features. Relay Utah ran 30 second PSA's on radio. PPBH was also able to secure 15 and 30 second spots on KJZZ 14, KSL 5, and KUTV 2 and also had an annual sponsorship with KBYU. Overall, Relay Utah was advertised on television for a grand total of 2,183 spots. Live interviews were held this last fiscal year on local talk shows such as KSL - Studio 5, KTVX-4 Good Things Utah, and KUTV Fresh Living.

Through grassroots efforts, the Commission reached approximately 3,500 seniors this year. This extraordinary number of potential applicants for equipment was reached through booths at senior health fairs and expositions as well as doing power point presentations at senior centers, senior housing facilities, and area agencies on aging.

Equipment Distribution

Due to the statewide presentations by Commission staff and Hamilton Relay's outreach representative as well as advertising efforts, applications for specialized telecommunication equipment continue to grow year after year. Statewide distribution rose 66% in FY 2011 with 1,521 telecommunication devices such as amplified phones and captioned phones. Currently one Commission staff member works full time to distribute equipment and provide the necessary educational opportunities and training. Three part-time employees assist the PSC with equipment distribution and training. Four equipment specialists travel the entire state and provide unrivaled one-on-one training to each and every consumer.

American Sign Language Interpreter Training Programs

In the past, the Public Service Commission contracted with three interpreter training programs to meet a shortage in the industry of certified American Sign Language interpreters. Salt Lake Community College (SLCC), the ICAN Program through the Division of Services for the Deaf and Hard of Hearing, and Utah Valley University were the three programs funded to provide classes, on-the-job training and/or mentoring. It was a fortunate time for those studying sign language interpreting in the State because of the availability of three different training programs able to meet a variety of needs between Orem and Salt Lake, as well as the eventual addition of a mentoring program in St. George. These programs not only raised the number of certified interpreters but also allowed for the creation of new, paid positions for teachers and mentors. The PSC had to scale back its interpreter training program to assist these ASL programs due to dwindling funds, so the ICAN program is in its second year of its contract due to its unique mentoring program.

According to the Utah Interpreter Program, the entity overseeing the testing and certification of interpreters, the number of professionally certified sign language interpreters is at 152 for FY 2011. This number had remained flat for years at about half that amount prior to the PSC initiating the procurement process. The following table shows the number of professional certifications for ASL interpreters has more than doubled in the past 6 years

| Fiscal Year | Number of Professional Certifications |
|-------------|--|
| 2005 | 74 |
| 2008 | 107 |
| 2009 | 126 |
| 2010 | 137 |
| 2011 | 152 |

National Deaf Blind Education Distribution Program (NDBEDB)

President Barack Obama signed into law the Twenty-First Century Communications and Video Accessibility Act which caused the Federal Communications Commission (FCC) to create a program whereby people who are deaf-blind have access to the appropriate telecommunications equipment. The National Deaf Blind Equipment Distribution Program, a two-year pilot project was born. This pilot program will start on or before July 1, 2012. The FCC intends to certify one entity per state, whether it can provide all services on its own or contract some services, or to a collaboration/partnership. The PSC has been meeting with the Division of Services for the Blind and Visually Impaired, Utah School for the Deaf

Relay Services





and Blind, and the Division of Services for the Deaf and Hard of Hearing in order to ensure that Utahns who are deaf-blind will receive the specialized equipment necessary to effectively access telecommunications services, Internet access services, and advanced communication services.

The FCC is looking for groups or agencies in each state with expertise in deaf-blindness, communication with people who are deaf-blind through sign language and Braille materials, staffing and resources to handle administration of the program, experience with distribution of equipment, ability to train consumers how to use equipment, and familiarity with telecommunications, Internet, advanced communication services such as instant messaging and e-mail.

The NDBEDP pilot program provides different financial guidelines from those used by Relay Utah's equipment distribution program. The FCC is providing monies for equipment for consumers who are deaf-blind and are at 400% of poverty level as opposed to Utah's guidelines which are set at 125%. Utah's allocation will be set up at approximately \$111,961 which is "use it or lose it" funding for each year. There are six month reporting requirements and guidelines for data collection for reimbursement, but Utah will file for a funding reimbursement request alternative for monthly refunds because of PSC funding shortages. Fifteen percent (\$16,794.15) of the funding can be used for administrative costs involved with running the program, while the remaining is to be spent on assessment, equipment, installation, training, and related travel costs.

The Public Service Commission has been collaborating for over 10 years with the Division of Services for the Blind and Visually Impaired and looks forward to ensuring that Utah residents who are deaf-blind have the necessary equipment, installation, and training as requested by the FCC. The Commission will be applying for FCC certification on behalf of the Division and Relay Utah prior to November 21, 2011 that is the FCC filing deadline.

Equipment continues to change, and the Commission constantly strives to add more technologically appropriate telecommunications equipment for all disability types. In FY 2010, the Commission added the Jitterbug® to the distribution program. This cellular phone is designed to be simple in design and use. It was originally intended for senior citizens, but people who are technologically challenged and/or hard of hearing are benefitting as well. Convenient volume controls and hearing-aid compatibility make it ideal for people with hearing loss. Operators are even available 24 hours a day to assist customers with making telephone calls if necessary. It has large buttons which are easy on the eyes and the fingers, and it has an adjustable speaker to meet the various amplification needs of Utah clients. The Jitterbug was voted in the top five of the "Best Cell Phones" category in About.com's Reader's Choice Awards. Relay Utah customers have been satisfied with this addition to the equipment distribution program.

Funding

Funding for Relay Utah, the equipment distribution program, and the sign language interpreter training programs derives from a monthly surcharge on Utah residential and business telephone landlines as well as recently added cellular lines. The mandated maximum was not to exceed \$.25 per month per telephone line, but that cap was changed in S.B. 209, "Telecommunications Amendments" to \$.20 per line. The monthly surcharge amount paid by customers is set by the Public Service Commission, and the current surcharge was recently lowered from \$.10 to \$.06 per line per month. The passage of S.B. 209, made it possible to broaden the revenue base and lower the per line rate charged to customers. During Fiscal Year 2010, the total amount received from the local exchange carriers was \$1,098,373. The surcharge covers Relay Utah services, finances the equipment distribution programs; including outreach, training, and repairs, pays for outreach and education, pays for the amounts awarded to the interpreter training program, as well as covers the related administrative costs for the PSC to run the program. During FY 2011, the Commission spent \$1,150,658. The Commission has relied upon surplus funds to bridge the gap between expenditures and revenues. There still remains a looming mandate whereby the FCC may delegate fiscal liability back to each state for the provision of alternative relay services such as VRS and/or IP Relay for the state. These services have been funded by the National Exchange Carrier Association now handled and managed by Rolka Loube Saltzer rather than expecting state entities to provide the funding. The Legislature has ensured some level of stability of services through the wireless surcharge for future FCC mandates.

LOCAL EXCHANGE CARRIER SURCHARGE AMOUNTS

| Fiscal Year | Surcharge Amount Collected by PSC |
|-------------|-----------------------------------|
| 2005 | \$1,312,480 |
| 2006 | \$1,355,700 |
| 2007 | \$1,367,500 |
| 2008 | \$1,364,600 |
| 2009 | \$1,261,130 |
| 2010 | \$1,146,813 |
| 2011 | \$1,098,373 |

Relay Utah Consumer Council (RUCC)

Utah Code 54-8b-10 (7) states, "The Commission shall solicit the advice, counsel, and physical assistance of severely hearing or speech impaired persons and organizations serving them in the design and implementation of the program." In order to comply with this rule, in FY 2010 the Public Service Commission held quarterly meetings with the Relay Utah Consumer Council. This council is comprised of representatives of different groups or organizations: individuals who are deaf, hard of hearing, or speech disabled; and also individuals who use the services provided by the Commission. Council members also represent various areas of the state, not just the Wasatch Front.

The RUCC meetings are currently held in conjunction with Hamilton Relay, Utah's TRS and CTRS provider as of January, 2010. Members of RUCC are active in providing feedback and ideas of how to best meet the needs of relay consumers in Utah. Through these meetings and continued contact with relay consumers, the Commission is able to gather information for better implementation of the relay services and the equipment distribution program.

Relay Utah Updates

During FY 2011, the office handling equipment distribution was relocated from the Public Service Commission Offices at the Heber M. Wells Bldg. 4th Floor, Salt Lake City, Utah 84111 to the West Regional Bldg., Suite 103, 168 North 1950 West, Salt Lake City, Utah 84116. This is beneficial to the program because the Outreach Coordinator for Hamilton Relay can work closely in-office with the Relay Utah program staff. Relay Utah is also proud to announce that Utah will be hosting conferences in Salt Lake City, for the National Association of State Relay Administrators (NASRA) and the Telecommunications Equipment Distribution Program



Association (TEDPA) conferences in 2011. The NASRA conference will be held October 19-22, 2011, and the TEDPA conference will be held October 24 – 27, 2011. Both conferences will be held at the Salt Lake City Sheraton Hotel. A great deal of planning and preparation has gone into preparing for these conferences.

The Public Service Commission is committed to improving and maintaining the quality of Relay Utah services and equipment. The Commission constantly strives to be proactive by providing the most functionally equivalent forms of telecommunications devices available for people who are deaf, hard of hearing, and/or speech disabled. As technology evolves and new FCC pilot programs and/or rules are added, these advancements continue to bring Relay Utah closer to what standard telephone users experience and enjoy every day. The Commission looks forward to future technological developments and innovations while providing the best customer service available.

In Summary

The Public Service Commission, Relay Utah, and those administering the Utah Hearing Impaired Fund are committed to improving and maintaining high quality products and services for Utah deaf and hard of hearing customers. The Commission constantly strives to provide functional equivalent products and services as well as the most up-to-date robust equipment that meets the changing needs of Utah clients. The Commission and Relay Utah have endeavored to provide additional cell phone products this fiscal year because of the many requests by customers. One of the products that clients have requested is the Jitterbug cell phone because of its attractive look with color choices, enhanced volume, larger numbers, phone simplicity, and no contract requirement. As new products and services evolve, and FCC requirements change, these advancements continue to bring Relay Utah customers closer to what standard telephone users experience and enjoy every day. The PSC administrators look forward to embracing the changing technologies and providing them to Utah clients as we strive to provide the best customer service available.

Water

Water Utilities Overview

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

The Commission is charged with ensuring that customers of privately owned water companies have access to water at just and reasonable rates. The Commission has no juris-

diction over municipal systems, quasi-governmental special improvement districts, or water districts. Neither does it have jurisdiction over irrigation cooperatives.

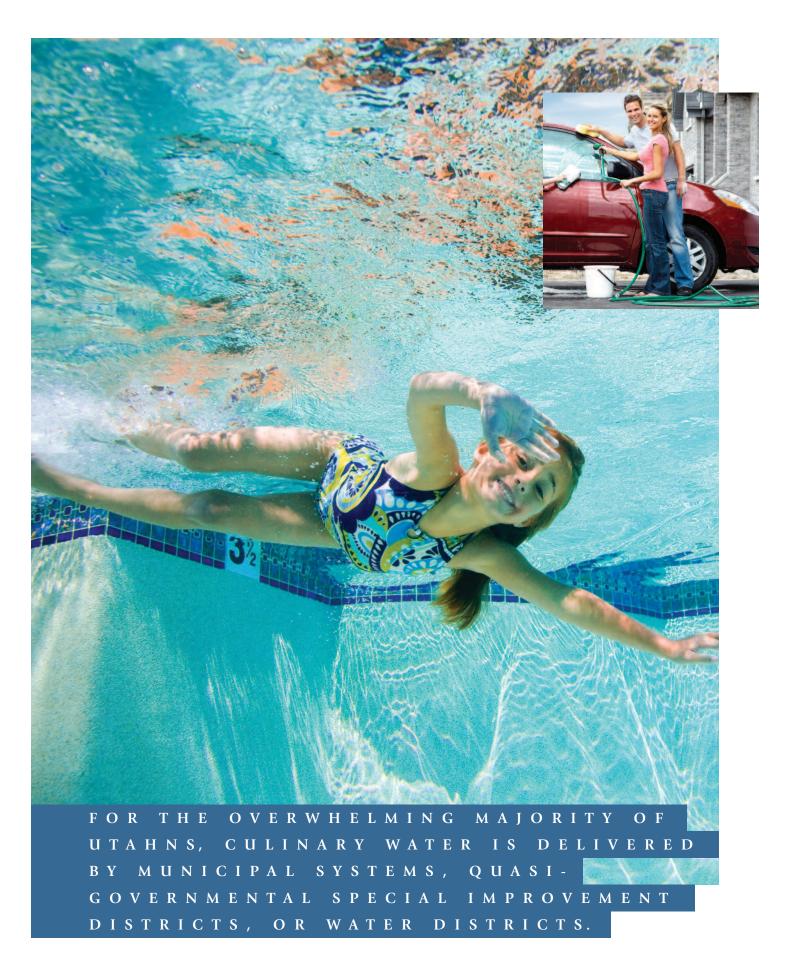
Most Utah residents who are customers of private water companies, reside primarily in sparsely populated rural areas. In recent years, relatively few new culinary water companies have been organized. Most privately owned water companies formed recently have been formed more with a view toward serving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

Water Companies

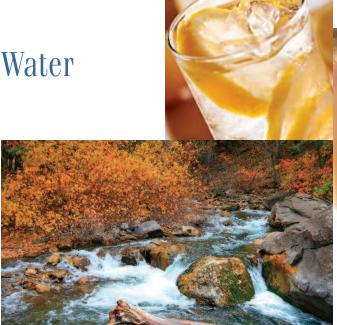
This being the case, many of the new water companies have been set up as non-

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 as required by law.

In uncontested cases, the Commission adjudicates the status of a water company informally. Those companies, which appear to be bona-fide cooperatives, are issued informal letters of exemption without the formal entry of a Commission order. Those companies found to be subject to Commission jurisdiction are issued Certificates of Public Convenience and Necessity by formal Commission order. Currently there are 20 investor-owned private water utilities and 19 homeowners' associations operating water utilities that are regulated by the Commission.

Commission Jurisdiction

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



During fiscal year 2011, the Commission issued three letters of exemption, ruled on rate increases requested by two water utilities, began several investigations concerning certificates of convenience and necessity held or requested by water entities, dismissed a complaint, and approved various tariff changes.

Some of the major issues the Commission dealt with this year were determination of whether an entity was a public utility, water conservation rates, tiered rate structures, and the implementation of capital reserve accounts in water companies applying for a rate increase. One of the trends the Commission has been trying to remedy, per the Division of Public Utilities' recommendations, is the lack of capital reserve accounts by water utilities. Without capital reserves, water utilities face significant exposure to the risk of an inability to provide safe, clean culinary water to their customers, when faced with significant repair costs or emergencies. The Commission has ordered the implementation of capital reserve accounts in new rate cases, and has issued guidelines for the use and monitoring of those funds.

Water DOCKETS

11-019-01

In the Matter of Wilkinson Cottonwood Mutual Water Company's Request for a Name Change to Cottonwood Mutual Water Company:

The Commission granted the Wilkinson Cottonwood Mutual Water Company petition to change its name to Cottonwood Mutual Water Company.

11-097-02/11-540-01

In the Matter of Ronald J. Catanzaro's Intent to Sell Mountain Sewer Corporation and Lakeview Water Corporation:

The president of Mountain Sewer Corporation provided notice to the Commission that he intended to sell the corporation to a new owner. This matter is still pending.

11-097-03

Notice of Intent of Mountain Sewer Corporation to File a General Rate Case:

Mountain Sewer Corporation provided notice to the Commission that it intended to file a general rate case. The Commission is awaiting the filing.

11-2297-01

In the Matter of the Dissolution of the Manila Culinary Water Company:

Manila Culinary Water Company was purchased by the city of Pleasant Grove and Cedar Hills, and was to become an interlocal entity. As such, it would no longer be subject to Commission jurisdiction. The Commission approved its dissolution, pending final resolution of the interlocal agreement.

KEV. **Docket Number** Short Title

Status as of June 30, 2011.

11-2423-01

In the Matter of the Application of Cedar Ridge Distribution Company for a Certificate of Convenience and Necessity (CPCN) to Operate as a Public Utility Rendering Culinary Water Service or Expansion of Service Area:

Cedar Ridge Distribution Company applied for a CPCN to serve 33 connections. The Commission held a hearing in Deweyville, Utah to hear public witness testimony on the approval. The Commission approved the CPCN, approved an interim tariff, and approved a water meter installation project. (The application for a rate increase is being considered in the companion docket, Docket No. 11-2423-02).

11-2423-02

In the Matter of the Application of Cedar Ridge Distribution Company for an Increase in Rates:

Cedar Ridge Distribution Company is applying for an increase in rates. The matter is currently being litigated before the Commission and will be heard later in 2011. (The application for a CPCN is being considered in the companion docket, Docket No. 11-2423-01).

11-2533-01

In the Matter of the Application of Six Feathers Water Company for an Exemption from Public Service Commission Regulation:

The Company petitioned for an exemption from Commission regulation. The Division of Public Utilities inspected the water system and company operations. In accordance with the Division's recommendations, the Commission determined the company is exempt from regulation.

11-2534-01

In the Matter of the Application of North Valley Ranches Culinary Water Corporation for an Exemption from Public Service Commission Regulation:

The Corporation serves only its shareholders, and does not serve members of the general public. Therefore, the Commission found it should be exempt from its jurisdiction. The letter of exemption was granted.

11-2535-01

In the Matter of the Ownership Change of Mountain Valley Ranches Community Water Association, Inc.

The ownership of the Water Association was updated.

Water Utility Companies

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

Apple Valley Water Company

1518 N. Apple Blossom Lane Apple Valley, UT 84737 Tel: (435) 877-1182 Fax: (435) 877-1072

Boulder King Ranch Estates Water PO Box 1519

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

Bridge Hollow Water Association

600 Bridge Hollow Drive Wanship, UT 84017

Bridgerland Water Company, Inc.

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

Canaan Springs Water Company

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

Cedar Point Water Company

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

Community Water c/o Norwest Corporation

1840 Sunpeak Dr. Park City, UT 84098 Tel: (435) 615-4840 Fax: (435) 615-4855

Coyotes 'N Cowboys' Linecamp Subdivision, LLC

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

Dammeron Valley Water Company

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

Durfee Creek Homeowners Association

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

Eagles Landing Water Company, LLC

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

Elk Ridge Estates Water Company

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

Falcon Crest Water Company c/o Lonepeak Realty & Mgt.

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

Harmony Heights Water Company

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

Harmony Mountain Ranch Water Company 2116 N. Canyon Greens Dr.

Washington, UT 84780-1963 Tel: (435) 531-1717 Fax: (435) 627-9383

Hidden Creek Water Company

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

Fax: (801) 277-6691

Water Utility Companies (Continued)

Highlands' Water Company Inc. 5880 Highland Drive Morgan, UT 84050 Tel: (801) 876-2510 Cell: (801) 391-1105

Horseshoe Mountain Ranch Estates 10160 Roseboro Road Sandy, UT 84092 Tel: (801) 572-4728

Fax: (801) 572-7456

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

Lake Front Estates Water Users Association PO Box 567

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

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

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

Long Valley Estates Water Company 610 San Miguel Canyon Road Royal Oaks, CA 95076-9024 Tel: (831) 224-5059

Mountain Sewer Corporation 932 S. 6525 E. Huntsville, UT 84317 Tel: (801) 391-4682 Fax: (801) 392-7729

Tel: (435) 586-2436

Mountain Valley Ranches Water Service 2274 W. 5875 N. Cedar City, UT 84720-5917 **New Paria Water Company** 71 S. 7th Ave.

Page, AZ 86040-0340 Tel: (928) 645-9478 Fax: (928) 645-5745

North Creek Ranch HOA 2425 N. 530 E.

PO Box 2030 Beaver, UT 84713-2030 Tel: (435) 438-6308 Fax: (435) 738-2455

North Fork Water Company Zion Mt. Resort 9065 W. Hwy 9

Mt. Carmel, UT 84755 (435) 632-6310 (866) 648-2555 Fax: (435) 648-3302

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

Pineview West Water Co. 6084 S. 900 E. #202

Salt Lake City, UT 84121 Tel: (801) 521-7330 Sherwood Water Co.

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

South Duchesne Culinary Water Inc. 289 W. Main St.

PO Box 294 Duchesne, UT 84021-0294 Tel: (435) 738-6000 Fax: (435) 738-6003

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

Wanship Cottage Site Water Co. 340 S. Main St. PO Box 176 Coalville, UT 84017-0176

Tel: (435) 336-5584 Fax: (435) 336-2380



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

West Slope Water Company 94 E. 2530 N. PO Box 1081 Cedar City, UT 84721-1081

Tel: (435) 586-7688 Fax: (435) 867-1001

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

Wolf Creek Water Company 3718 N. Wolf Creek Drive PO Box 658 Eden, UT 84310-0658

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

Resolutions

Complaint Resolution Overview

Monopolies

If a privately owned company is a monopoly, it is in a 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 should, 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. A walk-in, visit, a local call, or a toll-free 800 number connects the customer with the staff of the Division of Public Utilities. Division staff constructs a factual statement, through discussions with both the complainant and the utility regarding the problem. Often, this is enough to resolve the difficulty.

In other instances, after Division contact, the utility itself takes action to correct the problem. At times, a customer facing service difficulty may ask the Office of Consumer Services for assistance and 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 with the Commission.





Formal Complaints

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

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

The following table shows the number of informal complaints processed by the Division of Public Utilities in FY 2011. Of these, eight became formal complaints before the Commission during FY 2011 requiring a hearing by an Administrative Law Judge.

| Utility Complaint | fy 2011 |
|--------------------------|----------------|
| Electric | |
| Natural Gas | 212 |
| Telecom – ILEC* | 165 |
| Telecom - CLEC* | 47 |
| Telecom - Long Distance | 34 |
| Water and Sewer | 8 |
| Total | 659 |

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

Public Service Commission of Utah

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Electricity Natural Gas Telecommunications Water

