



0000178898

BEFORE THE ARIZONA CORPORATION COMMISSION

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

TOM FORESE
Chairman
BOB BURNS
Commissioner
DOUG LITTLE
Commissioner
ANDY TOBIN
Commissioner
BOYD DUNN
Commissioner

Arizona Corporation Commission

DOCKETED

APR 11 2017

DOCKETED BY
GB

IN THE MATTER OF THE JOINT
APPLICATION OF UNS ELECTRIC, INC.
AND MOHAVE ELECTRIC
COOPERATIVE, INCORPORATED FOR
AN ORDER APPROVING A BORDERLINE
AGREEMENT.

DOCKET NO. E-04204A-17-0038
E-01750A-17-0038

DECISION NO. 76065

ORDER

Open Meeting
April 5 and 6, 2017
Phoenix, Arizona

BY THE COMMISSION:

FINDINGS OF FACT

1. UNS Electric, Inc. ("UNS") and Mohave Electric Cooperative, Incorporated ("MEC") are engaged in providing electric service within portions of Arizona, pursuant to authority granted by the Arizona Corporation Commission ("Commission" or "ACC").

Background

2. On February 14, 2017, UNS and MEC filed a Joint Application and Borderline Agreement ("Joint Application") for MEC to provide electric service to residential customers, Mr. and Mrs. Van Houten ("Customer") located at 13075 East Marble Drive, Kingman, Arizona, ("Van Houten property").

Borderline Agreement

3. The Van Houten Property is located within UNS's certificated territory. According to the Joint Application, the Van Houten property is located approximately 4,000 feet from UNS's facilities, and the estimated cost to establish the requested single-phase service is \$65,000.

1 Alternatively, MEC is located in very close proximity to the Van Houten property, and the cost to
2 extend service is \$11,500.

3 4. MEC is willing to provide electric service to the Van Houten property subject to: 1)
4 Customer executing a non-member application for service; 2) Customer paying all costs for the
5 upgrade of MEC's existing facilities necessary to enable MEC to provide the requested service; 3)
6 Customer securing any and all easements and permits associated with MEC's provision of such
7 service; and 4) Customer paying all applicable deposits, fees, rates and charges associated with the
8 requested class of service approved by the Commission for MEC's retail customers.

9 5. In the event MEC intends to permanently cease providing power to the Van Houten
10 property, MEC will: 1) provide UNS and the Customer written notice of not less than 90 calendar
11 days prior to ceasing power to the Customer; and 2) coordinate with UNS the exchange of service at
12 no cost to UNS.

13 **Recommendations**

14 6. Staff believes the Borderline Agreement between UNS and MEC is a reasonable
15 solution to allow extension of electric service to the Van Houten property and is in the public interest.

16 7. Staff has recommended that the Commission approve the Borderline Agreement
17 between UNS and MEC.

18 8. Staff has recommended that MEC be required to notify the Commission prior to
19 exercising its right to provide service to the Van Houten property.

20 9. Staff has further recommended that the Commission specify in its Order that approval
21 of the Borderline Agreement at this time does not guarantee any future ratemaking treatment of the
22 Borderline Agreement between UNS and MEC.

23 CONCLUSIONS OF LAW

24 1. UNS and MEC are Arizona public service corporations within the meaning of Article
25 XV, Section 2, of the Arizona Constitution.

26 2. The Commission has jurisdiction over UNS and MEC and over the subject matter of
27 the Joint Application.

28 ...

1 3. The Commission, having reviewed the Joint Application and Staff's Memorandum
2 dated March 22, 2017, concludes that it is in the public interest to approve the Borderline Agreement
3 between UNS and MEC.

4 ORDER

5 IT IS THEREFORE ORDERED that the Borderline Agreement between UNS Electric, Inc.
6 and Mohave Electric Cooperative, Incorporated for service to the Van Houten property is hereby
7 approved as discussed herein.

8 IT IS FURTHER ORDERED that Mohave Electric Cooperative, Incorporated notify the
9 Commission prior to executing its right to provide service to the Van Houten property.

10 ...
11 ...
12 ...
13 ...
14 ...
15 ...
16 ...
17 ...
18 ...
19 ...
20 ...
21 ...
22 ...
23 ...
24 ...
25 ...
26 ...
27 ...
28 ...


1 IT IS FURTHER ORDERED that approval of the Borderline Agreement at this time does
2 not guarantee any future ratemaking treatment of the Borderline Agreement between UNS Electric,
3 Inc. and Mohave Electric Cooperative, Incorporated.

4 IT IS FURTHER ORDERED that this decision shall become effective immediately.

5
6 BY THE ORDER OF THE ARIZONA CORPORATION COMMISSION

7 

8 CHAIRMAN FORESE

9 

10 COMMISSIONER DUNN

11 

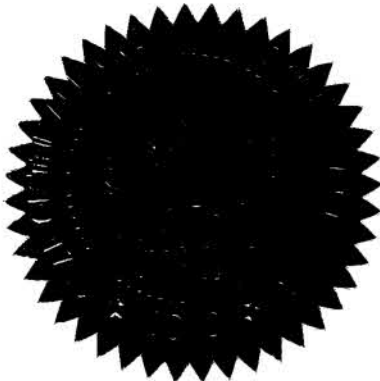
12 COMMISSIONER TOBIN

13 

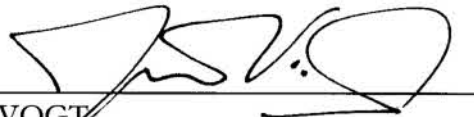
14 COMMISSIONER LITTLE

15 

16 COMMISSIONER BURNS



17 IN WITNESS WHEREOF, I, TED VOGT, Executive
18 Director of the Arizona Corporation Commission, have
19 hereunto, set my hand and caused the official seal of this
20 Commission to be affixed at the Capitol, in the City of
21 Phoenix, this 11th day of APRIL, 2017.

22 

23 TED VOGT
24 EXECUTIVE DIRECTOR

25 DISSENT: _____

26 DISSENT: _____

27 EOA:BLS:red/BH

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

SERVICE LIST FOR: UNS Electric, Inc. and Mohave Electric Cooperative, Incorporated
Docket Nos. E-04204A-17-0038 and E-01750A-17-0038

Mr. William P. Sullivan
LAW OFFICES OF WILLIAM P. SULLIVAN, P.L.L.C.
501 East Thomas Road
Phoenix, Arizona 85012

Mr. Jonathan Coury, Esq.
HOOL COURY LAW. PLC
2329 East Camelback Road
Suite 1020
Phoenix, Arizona 85016

Mr. Bradley S. Carroll
UNS ELECTRIC, INC.
88 East Broadway, MSHQE910
PO Box 711
Tucson, Arizona 85702

Mr. Timothy La Sota
ARIZONA CORPORATION COMMISSION
Acting Director- Legal Division
1200 West Washington Street
Phoenix, Arizona 85007
LegalDiv@azcc.gov
Eabinah@azcc.gov

Consented to Service by Email