

(Decision No. C90-1238)

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

* * *

APPLICATION OF UNITED POWER, INC.,)	
FORMERLY KNOWN AS UNION RURAL)	
ELECTRIC ASSOCIATION, INC., FOR A)	DOCKET NO. 90A-525EF
CERTIFICATE OF PUBLIC CONVENIENCE)	
AND NECESSITY TO EXERCISE FRANCHISE)	COMMISSION DECISION GRANTING
RIGHTS IN THE TOWN OF FREDERICK,)	APPLICATION BY CERTIFICATE
WELD COUNTY, COLORADO, FOR THE)	OF PUBLIC CONVENIENCE AND
PURCHASE, TRANSMISSION,)	NECESSITY TO EXERCISE
DISTRIBUTION, AND SALE OF)	FRANCHISE RIGHTS
ELECTRICAL ENERGY IN SAID TOWN OF)	
FREDERICK.)	

September 19, 1990

STATEMENT

BY THE COMMISSION:

On August 28, 1990, United Power, Inc. (United), formerly known as Union Rural Electric Association, Inc., filed the application in the within docket for a certificate of public convenience and necessity to exercise franchise rights in the Town of Frederick, Weld County, Colorado, for the purchase, transmission, distribution, and sale of electric energy in the Town of Frederick.

Ten-day notice of the application was given to all interested persons, firms, and corporations on August 30, 1990. No protests or motions to intervene have been filed in connection with this application, and it is noncontested and unopposed. Accordingly, it may be determined without the necessity of a formal oral hearing pursuant to the provisions of § 40-6-109(5), C.R.S., and Rule 24 of the Commission's Rules of Practice and Procedure.

FINDINGS OF FACT

1. United is a cooperative corporation organized and existing under Colorado law whose business address is 18551 E. 160th Avenue, Brighton, Colorado 80601. Its operations are conducted under the name of United Power, Inc.

2. United seeks authority to exercise franchise rights granted it by the Town of Frederick to furnish and sell electricity to all persons in United's exclusive service territories, certificated to it by this Commission, within the west half of Section 32, Township 2 North,

Range 67 West of the 6th P.M. and which are annexed to the Town of Frederick subsequent to December 8, 1986. United is a public utility in accordance with § 40-1-103, C.R.S., which furnishes electric service to all customers within its exclusive service areas, certificated to it by this Commission by Decision No. 63322 in Application No. 20428. United's exclusive Service Area B surrounds the Town of Frederick. Those parts of United's service areas in the west half of Section 32, Township 2 North, Range 67 west of the 6th P.M. and those parts annexed to Frederick on or after December 8, 1986, are areas to be served under the franchise. Exhibit A indicates those areas United will serve as of the date of Exhibit A.

3. United is a member of (and thereby affiliated with) Tri-State Generation and Transmission Association, Inc. (Tri-State), its wholesale supplier of electric energy. Pursuant to its Certificate of Public Convenience and Necessity described above, United holds authority to serve within those areas for which it seeks this additional certificate authorizing it to serve under franchise rights. Tri-State does not hold such authority.

4. Since United currently serves all of the area in question and owns all facilities in place, no feasibility study has been prepared. A review of United's balance sheets and statements of income and retained earnings, submitted with its application, does not raise any concern with regard to its feasibility to serve in the area requested.

5. A copy of United's tariff showing the proposed rates, rules and regulations for the areas in question is on file with the Public Utilities Commission and is attached to this application as Exhibit C in its application in Docket No. 89A-381F.

6. A copy of the balance sheet as of December 31, 1989, is attached to the application as Exhibit B. A copy of the balance sheet as of June 30, 1990, is attached as Exhibit C.

7. A copy of a statement of income and retained earnings (state of operations) for the year ending December 31, 1989, is attached to the application as Exhibit D. A copy of a statement of income and of retained earnings for the six-month period ending June 30, 1990, is attached to the application as Exhibit E.

8. The Town of Frederick, Colorado, provides similar service near the area involved in this application.

9. The public interest and public convenience and necessity require the granting of this application for the following reasons:

- a. The Town of Frederick has annexed (and may continue to annex) property which is within the exclusive service area of United as certificated by this Commission in Decision No. 63322.

- b. United has served these areas for many years, has planned to serve the areas for the foreseeable future, and has facilities in place to serve all existing and future loads.
- c. United has more than adequate power supply, financing, and personnel to serve all present and foreseeable customers and loads in the areas.
- d. The public interest and the Colorado doctrine of regulated monopoly are served because United will remain the sole utility within its exclusively certificated service area, thereby avoiding improper duplication, increased costs, and danger to the consuming public.
- e. By Decision No. C87-950 in Application No. 37131, as modified by Decision Nos. C87-1035 and C87-1159, this Commission determined that United should retain its exclusive service territories, regardless of any municipal annexation from and after February 2, 1987. The granting of the franchise by Frederick and the issuance of a certificate to United by this Commission pursuant to §§ 40-5-102, and 103, C.R.S., authorizing United to exercise those franchise rights, is consistent with, and serves the objectives of Decision Nos. 63322 and C87-950, as modified.

10. A certified copy of the franchise ordinance and amendments, proof of publication, and adoption and acceptance by United are attached to the application as Exhibit F. The number of customers served or to be served by United under this franchise is 23. The total population of the Town of Frederick is approximately 1,200.

11. A copy of the Notice to Exercise Franchise Rights to be published in The Frederick Farmer and Miner in accordance with Rule 55(d) of the Commission's Rules of Practice and Procedure is attached to the application as Exhibit G.

CONCLUSIONS ON FINDINGS OF FACT

Granting the application is in the public interest.

THEREFORE THE COMMISSION ORDERS THAT:

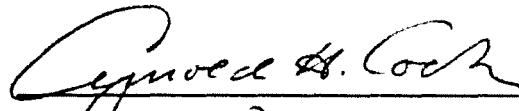

United Power, Incorporated is authorized to exercise franchise rights in the Town of Frederick, Colorado, County of Weld, Colorado for the purchase, transmission, distribution, and sale of electrical energy

in the Town of Frederick, Colorado, in accordance with Ordinance No. 311 adopted by the Board of Trustees of the Town of Frederick on May 11, 1989, Ordinance No. 318 adopted on November 9, 1989, and Ordinance No. 322 adopted on May 10, 1990, and this Decision and Order shall be a certificate of public convenience and necessity therefor.

This Decision is effective immediately.

DONE IN OPEN MEETING September 19, 1990.

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO



Commissioners

COMMISSIONER RONALD L. LEHR ABSENT.

JEA:srs:2703J