

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

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THE APPLICATION OF THE TOWN OF)	
FREDERICK TO HAVE CERTAIN AREAS)	DOCKET NO. 89A-266E
ADDED TO ITS CERTIFICATED SERVICE)	
ELECTRIC SERVICE AREA IN WELD)	COMMISSION ORDER
COUNTY, COLORADO.)	APPROVING APPLICATION

- - - - -
June 21, 1989
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STATEMENT, FINDINGS, AND CONCLUSIONS

BY THE COMMISSION:

1. This application was filed on May 8, 1989. Proper notice was issued by the Commission on May 12, 1989. No requests to intervene were filed nor were any protests filed with the Commission. This matter is non-contested and may be considered by the Commission under § 40-6-109(5), C.R.S., and Rule 24 for the Commission's Rules of Practice and Procedures.

2. The Applicant is the Town of Frederick (Frederick), which is a political subdivision of the State of Colorado. Frederick owns and operates a municipal electric system within its boundaries. In accordance with an agreement entered into on behalf of Frederick and the Union Rural Electric Association (Union) dated December 8, 1988, Union has agreed to transfer the rights and duties to provide electric service in a parcel of territory generally referred to as the Community of Evanston in Weld County to Frederick. A legal description of the area at issue is attached to the application as Exhibit B and is incorporated into this decision as a description of the area at issue. Approximately 108 consumers may be affected by this change. Notice of the proposed transfer was sent to the affected customers by letter dated April 18, 1989.

3. Frederick is ready, willing, and able to provide the electric service needed for the area at issue.

4. Attached to the application are the proposed rates to be charged by Frederick, which are four percent less than those presently charged the affected customers. However, the rates proposed vary from those provided by Frederick within the town limits and, therefore, are subject to Commission review and approval in accordance with § 40-3.5-102, C.R.S. Frederick states that the reason the rates vary is because it cannot provide identical rates without incurring substantial

losses because its wholesale rates for this area are higher than those for service within the town limits.

5. Approval of the application is in the public interest and is in compliance with appropriate statutory requirements. The exchange is required by the public's convenience and necessity.

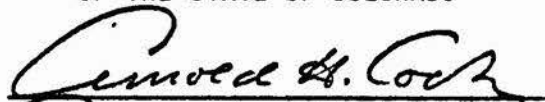
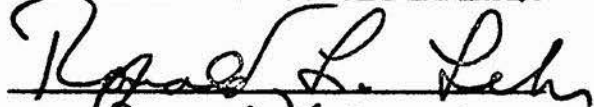

THEREFORE THE COMMISSION ORDERS THAT:

1. The application filed in Docket No. 89A-266E is approved.
2. Union Rural Electric Association shall transfer the property at issue in this application more fully described in Appendix A to this Decision to the Town of Frederick for the provision of electric service.
3. The area described in Appendix A shall be deleted from the area served by Union Rural Electric Association, and shall be added to the territory served by the Town of Frederick.
4. The Town of Frederick and Union Rural Electric Association shall file new service area maps and legal descriptions for their respective certificated areas with the Commission within 60 days from the effective date of this Decision.
5. The proposed rates attached to the application as Exhibit F are just and reasonable and shall become effective on less than one day's notice. The appropriate tariff sheets shall be filed within ten days with the Commission for administrative purposes.

This Decision is effective immediately.

DONE IN OPEN MEETING June 21, 1989.

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO




Commissioners

1096n/td/srs

(Decision No. C89-878-E)

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

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THE APPLICATION OF THE TOWN OF
FREDERICK TO HAVE CERTAIN AREAS
ADDED TO ITS CERTIFICATED SERVICE
ELECTRIC SERVICE AREA IN WELD
COUNTY, COLORADO.

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DOCKET NO. 89A-0266E

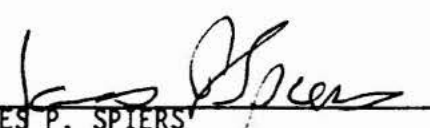
ERRATA NOTICE

(Decision No. C89-878)
(Issued June 21, 1989)

On Page 2, Ordering Paragraphs 2. and 3. should read as follows:

2. Union Rural Electric Association shall transfer the property at issue in this application more fully described in Exhibit B to the Application to the Town of Frederick for the provision of electric service.
3. The area described in Exhibit B to the Application shall be deleted from the area served by Union Rural Electric Association, and shall be added to the territory served by the Town of Frederick.

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO


JAMES P. SPIERS
Executive Secretary

Dated at Denver, Colorado this 19th
day of September 1989.