



SPANISH FORK POWERLINE
PURCHASE



UTAH CODE 10-2-421

Electric Utility Service in annexed Area—
Reimbursement for Value of Facilities—
Liability—
Arbitration.

Amended in 2021 of the General Session



CODE SUMMARY

- The receiving party (Spanish Fork) shall write a letter of intent to the transferring party (Springville City Power)

- Unless otherwise agreed by the parties, the reimbursement for the transfer of each facility shall include:
 1. Cost of preparing the inventory
 2. The value of each transferred facility calculated by the current replacement cost of the facility less depreciation based on facility age.
 3. The cost incurred by physical separation of each facility

- If the age of the facility may be readily determined by the transferring party, the transferring party shall use that age to determine the facility's depreciation.



CODE SUMMARY

- If the parties cannot agree on each facility to be transferred or the respective reimbursement amount, the parties shall:
 - Proceed with the facility transfer and the reimbursement based on the inventory submitted by the transferring party.
 - The parties shall, share equally in the costs of mediation or arbitration







- Springville Power Energized 7 new spans of line to feed the Rocky Mountain Large Animal Clinic, around November of 1999
- Spanish Fork Power agreed to pay the depreciation value for the entire line based on these seven spans of newer line
- Line is in the county right-of-way so there is no easement involved
- There will be at least 3 more of these buyouts in the future associated with the 1600 South UDOT project. Does council want to see a presentation on them?



QUESTIONS?