



# **South Alta Rural Electrification Association Ltd.**

**Application to Alter Service Area Boundary**

**May 27, 2003**

**ALBERTA ENERGY AND UTILITIES BOARD**

Decision 2003-041: South Alta Rural Electrification Association Ltd.  
Service Area Boundary Alteration  
Application No. 1277912

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# **ALBERTA ENERGY AND UTILITIES BOARD**

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**Calgary Alberta**

## **SOUTH ALTA REA LTD. SERVICE AREA BOUNDARY ALTERATION**

**Decision 2003-041  
Application No. 1277912**

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### **1 DECISION**

After carefully considering all of the evidence prepared and presented by the parties, the Board denies South Alta Rural Electrification Association Ltd.'s (the REA or South Alta) application for an alteration to its service area boundary. In the Board's view, South Alta failed to demonstrate how the alteration would be in the public interest. South Alta provided no evidence to show that there were clear safety, efficiency, service, or cost advantages or, for that matter, any unique circumstances that would warrant approval of the Application.

Accordingly, the Board orders South Alta REA to transfer the ownership and operation of the Holtman Farms distribution line in its entirety to Aquila Networks Canada (Alberta) Ltd. (Aquila). Compensation to South Alta for the transfer should be at the cost of the construction of the line as stated at the Hearing. South Alta and Aquila shall endeavor to conclude the transaction at the earliest practical date following this Decision and shall notify the Board once the transfer has taken place.

### **2 INTRODUCTION**

#### **2.1 Application**

South Alta filed Application No. 1277912 (the Application) on September 11, 2002, requesting the approval of the Alberta Energy and Utilities Board (Board or EUB) to expand its service area boundary pursuant to section 25 of the Hydro and Electric Energy Act (H&EE Act or the Act) in order to serve a potential member/customer, Holtman Farms.

South Alta also applied for a service area boundary expansion to include sections 16, 18, 19, 20 and the West half of 21 Township 11 Range 14 W4M north of the Oldman River and Sections 9, 10, 14, 15, 16, 22, 23, 24 and the East halves of Sections 8 and 17 Township 11 Range 15 W4M north of the Oldman River ([See map in attached Figure 1](#)). However, at the hearing, South Alta amended its application to only include the route of the line to serve the potential member/customer.

#### **2.2 Intervention**

The application area is located in the service area of Aquila Networks Canada (Alberta) Ltd. (Aquila). Aquila objected to the Application on the grounds that Holtman Farms was located in its service area that it had the exclusive right to serve. With Aquila's objection to the Application, South Alta and Holtman Farms requested a hearing to resolve the issue.

## 2.3 Preliminary Matters

Holtman Farms required electrical service to a new irrigation system it was constructing and had contacted both South Alta and Aquila regarding electrical service for its irrigation system. Holtman Farms had contractual agreements that required it to have its irrigation system in place and operating by specific dates. In order to meet those dates, it was necessary to construct the line prior to the ground freezing. To facilitate this situation, South Alta offered to build the line prior to a Board decision on the service area and then allow the EUB to decide on its eventual ownership/operation. Aquila objected to that proposal on the grounds it had a statutory right to serve Holtman Farms.

On November 27, 2002, the EUB issued an interim directive to South Alta directing it to construct the line to Holtman Farms. On February 12, 2003, the EUB issued a further interim directive directing South Alta to energize and operate the service to Holtman Farms for testing purposes as required and, if necessary, full service until such time as the Board rendered its decision on the matter. Both interim directives stated that neither directive was to be construed as a change in service area boundaries or an indication of who would eventually own and operate the service.

## 2.4 Hearing

The Application was considered at a public hearing held in Lethbridge, Alberta on March 13, 2003 before Board Members T. McGee (Presiding Member), G. Lock, and Acting Board Member M. Asgar-Deen. Those who participated in the hearing are shown in [Appendix 1](#).

## 3 ISSUES

The Board considers that the only issue to be addressed in this report is whether it is in the public interest to extend South Alta's service area so that the REA may provide electrical service to Holtman Farms.

The Board believes that the lack of communication and co-operation between South Alta and Aquila was a major factor in causing the Application to be filed and, therefore, warrants comment. The Board will address this matter at the end of the report.

## 4 IS IT IN THE PUBLIC INTEREST TO EXTEND THE REA BOUNDARY

### 4.1 Legislation

In the Board's view, one section of each of the Electric Utilities Act (EU Act) and the Hydro and Electric Energy Act (H&EE Act) is relevant to its consideration of the Application. For convenience, these are repeated below.

#### The Electric Utilities Act

- 5(1) A person wishing to obtain electricity for use on property must buy the electricity from the owner of the electric distribution system in whose service area the property is located.

### **The Hydro and Electric Energy Act**

- 25(1) Notwithstanding anything in any other act or in any approval or order pursuant to any other act, no person shall construct or operate an electric distribution system or alter the service area of an electric distribution system without the approval of the Board, which approval shall include the designation by the Board of the person's service area.
- (2) Approval under this section shall not be given unless the Board is satisfied, having regard to the availability of any other source of electric energy and to any other circumstances, that it is in the public interest having regard to those circumstances and the present and future need for the extension of electric service throughout Alberta.

In addition, the Board notes that while generation and retail services have been deregulated through the restructuring of the Alberta Electric Industry and are now open to competition and, thus, customer choice, the wires part of the industry is still regulated, providing no opportunity for a customer to choose his own wire services provider.

#### **4.2 Views of South Alta**

South Alta stated that it was formed six years ago as a result of the amalgamation of nine previous REAs. It stated that it exists as a non-profit association in order to provide quality service to its members. It further stated that its vision is to supply its members with clean, efficient, cheap, and reliable energy.

South Alta testified that it had 14 fulltime employees comprised of 8 field personnel and 6 office staff. It suggested that its emergency response time is quick and efficient with one lineman per every 300 customers with emergency backup support from two cities and all the other REAs in Alberta. It stated that it maintains one shop at Bow Island and another in the Taber area.

South Alta stated that Holtman Farms is north of the Oldman River and, in that area, the REA lies mainly to the south of the river. It further stated that portions of the REA lie to the east and west of Holtman Farms with the closest part being one and a half miles (approximately two and a half kilometres) due west on the property of Cameron Farms which is owned by the Hutterian Brethren who are served by the REA.

South Alta testified that it received a request from Holtman Farms for service, but advised it that it should contact Aquila. It further testified that when Holtman Farms persisted, South Alta requested approval from Aquila to serve Holtman Farms, but was refused. South Alta stated that it then advised Holtman Farms that the REA could apply to the EUB for a boundary expansion. It further stated that on August 27, 2002, Holtman Farms advised South Alta that it wished to become an REA member. Subsequently, South Alta's Board of Directors voted to support Holtman Farms and submitted its application to the EUB.

South Alta stated that its construction quote of \$99,995.00 represented only the costs of materials and construction with no administrative costs. South Alta stressed that it provided the quote notwithstanding the fact that Holtman Farms is not a member and may never be a member. South Alta pointed out that it had willingly supplied a service to a non-member at no cost and with no obligations.

The REA confirmed that it was aware that by agreement that it is prohibited from quoting to Aquila customers and also that it was aware that section 5 of the Electric Utilities Act requires

that a person obtain service from the utility in whose service area he is located in. South Alta stated that its Application was due to [EUB Decision 99-6](#), wherein South Alta was told it had acted in contravention of the H&EE Act, and as a result, it made sure that Aquila and the EUB had been notified of its intentions in this case.

South Alta stated that if its Application were denied, it would only pass along the cost of construction as quoted to Holtman Farms. Further, South Alta testified that it would not charge a connection fee for Aquila to connect its line to that of South Alta's since it desired that Holtman Farms be no worse off than if it were served by the REA.

South Alta concluded by stating that it is dedicated to providing electrical service to agricultural operations and, therefore, it believed it was in the public interest to enlarge its boundaries so that it might serve more of the agricultural community.

#### **4.3 Views of Holtman Farms**

Holtman Farms testified that it has invested nearly \$1.5 million into its project, which involves growing potatoes on nine quarter sections of land just north of the Oldman River. The project includes a full irrigation system using water from the river and a holding pond with a maximum capacity of 7 million gallons of water. It stated that in the 40 sections of land lying south of Highway 875 to the river and between the two portions of the existing South Alta service area, there are only prairie trails and two landowners, itself, and Cameron Farms.

Holtman Farms stated that the first quote it received from Aquila was so high it decided to investigate alternative energy supplies. It stated that it considered natural gas and diesel alternatives but rejected both options as unsuitable. Holtman Farms then re-contacted Aquila in June 2002, seeking another quote for the provision of electricity to its farm. Holtman Farms testified that Aquila failed to respond to this request so it again contacted Aquila on July 10, 2002. Holtman Farms stated that after meeting with an Aquila field representative on July 17, 2002, it was informed by Aquila that the farm was located in South Alta's service area and that it should contact the REA for service.

Holtman Farms said that it contacted South Alta only to be told once again that it was located in Aquila's service area. Holtman Farms stated that when it told South Alta that Aquila had sent it to the REA, South Alta responded that it could not provide service since Holtman Farms was definitely an Aquila customer.

Holtman Farms said that on August 24, 2002, it got a firm quote from Aquila of \$137,840.61 resulting in a net cost of \$122,090.61 if Holtman Farms qualified for a government subsidy of \$15,750.00. Believing Aquila's quote to be too high, Holtman Farms testified that on August 27, 2002, it requested a written quote from South Alta with the intention of becoming an REA member. It further testified that South Alta returned with a quote of \$99,995.50. Holtman Farms stated that the REA cost included the government subsidy although neither Aquila nor the REA could confirm that Holtman Farms qualified for the subsidy.

Holtman Farms stated that South Alta was well informed, organized and efficient, and was willing to meet the farm's deadlines. On the other hand, Aquila seemed bureaucratic, confused, and impersonal. Further, Holtman Farms suggested that Aquila seemed more concerned about battling South Alta than with meeting its customer's needs. Holtman Farms also noted that South

Alta was willing to provide a fixed cost for electricity for several years whereas Aquila wanted to have the ability to charge a fluctuating rate according to the current energy price.

Based on its dealings with the two utilities, Holtman Farms was of the opinion that it would not have a good working relationship with Aquila. Holtman Farms stated that it wanted to become a member of the REA and be served by it because it believed it would get more efficient and personalized service from South Alta as compared to Aquila.

Holtman Farms stated that construction of the line would cost it approximately \$100,000. It noted that if the Board approved the application, it would have an ownership interest in the REA facilities. If the Board denied the application, however, Holtman Farms pointed out that it would have no ownership interest in the line. Faced with a choice between the two options, Holtman Farms stated it would prefer to be served by the REA.

#### **4.4 Views of Cameron Farms**

Cameron Farms stated that it had the opportunity to deal with South Alta in 1999 since it was already a REA member. It further stated that South Alta built a line for it and it was still dealing with the REA. Cameron Farms indicated that it had no concern with Holtman Farms being connected to the same line.

Cameron Farms said that its biggest concern is good service. It cited two examples of service it had required in the recent past. First it said that, last year a harvester hit an underground REA line and two hours later the line was back in service. The second example it cited was that when it was 25 degrees below zero, its Aquila line went out. It testified that it called Vauxhall where the service man is located, but was told to call Edmonton to register the complaint.

#### **4.5 Views of Mr. Tverkutes**

Mr. Tverkutes stated that he owned a farm eight miles east of Taber and received his electrical service from Aquila. He told the Board that Aquila has not provided satisfactory service to his farm. Mr. Tverkutes stated that Aquila's costs are too high and noted that he had not yet received a billing for one of his sites for last year's consumption. He said that he had replaced his electrical pumps with diesel pumps due to the high cost of electricity. Mr. Tverkutes also stated that when he phoned Aquila he does not get a real person, but instead ended up talking to a machine.

Mr. Tverkutes suggested that Aquila should provide an educational service to help the farmers understand how to read their meters of which there are two types, an older mechanical version and a newer digital version. He further suggested that Aquila could hold a meeting in an area school or hall to help the farmers understand how to read their meters and interpret the power bills.

#### **4.6 Views of Aquila**

Aquila argued that South Alta had not provided sufficient information to justify the expansion of its service area boundary, especially in the area of public interest. Aquila suggested that the EUB should approve a set of principles that could be used to define the public interest in cases involving expansions of service area boundaries.

Aquila explained that the reason Holtman Farms was originally referred to South Alta was that Aquila's service people may have been confused by whose service it was, but they were trying to respect right of service. Aquila affirmed that South Alta had exclusive rights to serve its members as defined in the Master Agreement and Aquila had the right to serve all other customers within its service areas. Aquila explained that when Holtman Farms' request came in, the regular service man was on vacation and when his replacement observed that there was an REA line close by, he erred on the side of safety and suggested that Holtman Farms check with South Alta. Aquila further explained that the area manager was also on vacation at the time and his replacement also was not sure of the boundary due to inexperience in the area.

Aquila stated that a review of its agreement with South Alta confirms that the REA may only provide service within the boundaries of the REA. Aquila further noted that the agreement also provides that in the event of a dispute, the utility contacted provides service, and that any concerns over service can be decided later. It was Aquila's contention that it was the first utility contacted and, therefore, should have been the utility to provide service to Holtman Farms.

Aquila confirmed that Holtman Farms would receive service at no extra cost for construction if the Board determines that Aquila was the appropriate franchise holder. Aquila's interpretation of the formula used to take over facilities would result in just the cost of new construction being applied in this case. Aquila stated that if South Alta had not built the line, it would have constructed the line along the same route as the REA used.

Aquila suggested a number of principles that the Board could use when faced with future applications for a change in service area boundaries. First, Aquila suggested that when a new load requiring interconnection is located well within a service area, the service should be provided by the party within whose service territory the load is located. Second, Aquila suggested that the Board should only consider a boundary change when new load is relatively close to a service area boundary. Aquila suggested that a good benchmark for determining what "relatively close" means would be the length of an average farm tap, which is 270 m. Aquila also suggested that the Board should consider whether the new load is adjacent to, or straddles a service area boundary.

Aquila argued that the decision as to how any new service area connection should be physically interconnected should be made on the basis that it results in the most cost effective and sufficiently reliable and safe solution in the long run. Aquila added that this would generally mean that the customer is interconnected by the shortest possible line, and that the line should be owned and operated by the same party that owns and operates the majority of the system. Aquila emphasized that a critical component of the principle is the reciprocal or symmetrical nature of the determination.

Aquila conceded that the Board's determination with respect to the line in question would likely not have a significant impact on the orderly, economic, and efficient operation of Alberta's electrical distribution system. Aquila stressed, however, that it was crucial that the Board reinforce the importance of having clearly defined service areas and adhering to them. Aquila explained that interconnection points are regularly added to lines and each interconnection point adds complexity so the utilities have to find a safe way of working together under the patchwork quilt system that exists. It further explained that it might appear that the complexity would be decreased if the line were left to South Alta to operate. However, to do that, the service area must increase and when that occurs there is the potential for even more complexity down the road.

Aquila stated that there are currently no other customers in the area since it is an area where limited development is expected but if someone were to strike oil or gas, several customers could develop in a short time.

Aquila stated that the line, as built by South Alta, was not constructed to Aquila's standards but agreed that it did meet minimum standards. However, it submitted that should the line require upgrading to meet Aquila specifications, the upgrading would not result in further costs to Holtman Farms. Aquila was of the view that the South Alta boundaries were no more or less complex than boundaries throughout the rest of Alberta. Aquila said that it had maps of its services in the area, both in electronic and paper format. Aquila noted that it had previously reached an agreement on map sharing with South Alta, but the parties had yet to produce any common maps.

Aquila asserted that it could supply the same quality of service to Holtman Farms as South Alta would. Aquila stated that when it gets a call, it dispatches the call as quickly as possible. Aquila noted that there were times in the past when its service men arrived first and other instances when South Alta's men arrived first and that this depended on the circumstances.

When questioned on how it could win back the confidence of unhappy customers, Aquila explained that the problem relates to the complexities introduced by deregulation where one company reads the meters and another handles the information and issues the bills. It was of the opinion that the multiple handling of information had introduced many complexities and, therefore, it would take some time before it could fully restore customer confidence. Aquila indicated that it had a goal to serve its customers in a timely and efficient manner and it was taking measures to give better service.

With regard to the concerns expressed about its complaint handling, Aquila stated that routing callers through its Edmonton call center was the most efficient way to meet customer needs. With regard to the confusion surrounding the provision of service to Holtman Farms, Aquila offered an apology to Holtman Farms. Aquila said that as a result of the confusion over service area boundaries, the farm may have developed the impression that Aquila was not interested in providing the farm service, which was not the case. Aquila offered to put Holtman Farms in touch with the local people who would serve it as well as its Rural Electrification Association Administrator. Aquila stated that it needed to recover from a series of mistakes and committed to show Holtman Farms that it valued its business.

#### **4.7 Views of the Board**

The Board notes that South Alta is, to a large extent, a movement<sup>1</sup> with a mandate to serve the needs of its members. Therefore, it is not surprising that South Alta would be of the view that it is in the public interest that REA members have the ability to see growth<sup>2</sup> of its territory. The Board considers that this view of the public interest is too far reaching and believes that, in the particular circumstances of this Application, it must take its guidance as to what constitutes the public interest from the relevant sections of the EU Act and the H&EE Act and also from the Alberta Government policy and framework for restructuring the electric industry.

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<sup>1</sup> Transcript, page 229.

<sup>2</sup> Letter from South Alta to the EUB dated November 13, 2002.

The Board has a mandate to provide for the economic, orderly, and efficient development and operation, in the public interest, of Alberta's electric distribution system. The Board notes, in that regard, that customer choice of distribution services is not an option for Alberta consumers, and that distribution wire services remain fully regulated. The Board further notes, that although there have been occurrences of the Board modifying utility franchise boundaries, these have been rare and only approved where exceptional circumstances warranted such action.

The assignment of service areas coincided with the introduction of the H&EE Act, which gave the Energy Resources Conservation Board (the EUB's predecessor) regulatory authority over electric distributions systems. Since that time minor alterations to service area boundaries have taken place, but by and large, the service areas have remained in place and have helped to define who is allowed to develop and operate the electric distribution system in any particular area. In the Board's view, the establishment of clearly defined and enduring service areas is a major component of an orderly and efficient electric distribution system.

The Board recognizes that its governing legislation contemplates changes to service area boundaries, however it is of the view that such changes would only be appropriate where clear and compelling reasons establish that such an alteration would be in the public interest. While the determination of the public interest would generally involve an assessment of the application's impacts on safety, costs, and security of service, the Board considers each application to be unique.

The Board notes that none of the participants raised safety concerns with respect to the application except to say that more than one operator in the same area increases the level of complexity. The Board further notes that although both South Alta and Aquila stated that a system with as few interconnection points as possible was preferred, neither suggested that the operation of the new line by the other would give rise to safety issues. The Board agrees with the parties on this issue and is satisfied that the addition of one interconnection point would not necessarily affect the safety of the system.

Similarly, the Board is not convinced that the requested change in service area would necessarily result in a cost advantage to Holtman Farms. The Board notes, in that regard, that the construction costs payable by Holtman Farms would be the same regardless of which service provider owns and operates the line.

With respect to Holtman Farms' concern about access to the set energy price provided by the REA, the Board is satisfied that a similar service is available to the end of 2005 through Aquila's Regulated Rate Option. Further, the evidence provided at the proceeding established that if the Application were denied, Holtman Farms would not be charged exit or interconnection fees by the REA. Finally, the Board heard no specific evidence showing that Aquila's distribution costs were significantly greater than South Alta's.

Likewise, both operators testified that they have knowledgeable and effective servicemen stationed in close proximity to the line, and that any service problems would be addressed promptly and efficiently. Although the Board is confident that Aquila has sufficient resources in the area to service the line in a timely and effective manner, it has concerns with the customer service problems that Aquila has experienced since it took over the distribution system. These problems include Aquila's initial and ongoing uncertainty with respect to its service area boundary, its misplacement of Holtman Farms' request for a second quote for construction, the

billing inconsistencies described by Mr. Tverkutes, and the apparent difficulties in contacting an Aquila customer service representative.

For all of the above reasons, the Board concludes that South Alta failed to demonstrate how the alteration would be in the public interest. No evidence was provided to show that there were clear safety, efficiency, service, or cost advantages or, for that matter, any unique circumstances that would warrant approval of the Application.

With respect to the general principles proposed by Aquila to guide future boundary alterations, the Board is not prepared to adopt the suggested approach at this time. As noted previously, each application for service area alteration is unique and must be considered on its own merits. The Board would only approve a boundary change application when it has been demonstrated that such a change would be clearly in the public interest.

## **5 COMMUNICATION AND CO-OPERATION BETWEEN SOUTH ALTA AND AQUILA**

As the distribution service provider is generally the primary contact between Alberta's consumers and the electricity sector and, given the monopolistic nature of distribution services, the Board's believes that prompt and effective customer service by the distribution services provider is of paramount importance. Having regard to the evidence tendered at the proceeding, it is the Board's view that Aquila's customer service is capable of significant improvement. While the Board appreciates that Aquila offered to provide Holtman Farms with personal contact information for Aquila's Rural Electrification Association Administrator, the Board notes that this will not provide systemic improvement.

In the Board's view, many of the problems that arose in relation to this Application could have been avoided by better communication between Aquila and the REA. The Board was surprised to learn that the parties do not regularly update common maps to confirm service area boundaries. It is the Board's view that consistent and cooperative information exchanges between South Alta and Aquila would provide significant benefit for both the service providers and their customers resulting in the more orderly and efficient operation of the distribution system.

The Board would also encourage Aquila to adopt Mr. Tverkutes' request for meter reading information sessions with its customers. In the Board's view such an approach could improve customer relations and would likely benefit both Aquila and its customers.

The confusion about service area boundaries, which initially gave rise to this Application, cannot exclusively be assigned to Aquila in the Board's view. While it acknowledges that Aquila's initial response to Holtman Farms was the genesis of this dispute, it is mindful that South Alta also contributed to the ensuing confusion. Once the REA determined that Holtman Farms was not in its service area, the Board believes that South Alta should not have provided a construction quote for the new line.

In the Board's view, a more effective approach would have been for South Alta to contact Aquila with respect to this matter and the parties could then have resolved the confusion. Had the parties used such an approach, the Board believes that the matter could have been resolved and the hearing would have been avoided. The Board expects that the parties will adopt such an

approach in the future, especially with respect to minor boundary disputes involving a single customer. It is the Board's opinion that such cases should rarely warrant its intervention. The Board points out that the arbitration of these disagreements is provided for within the Master Agreement that governs the conduct of the two parties and encourages the parties to exhaust their remedies within that arena before seeking the assistance of the Board. The Board is of the opinion that Holtman Farms experienced unnecessary delays in receiving service as well as the incorrect impression that it could choose its wire service provider.

The current regulatory regime in Alberta allows for the operation of REAs within the service territories allocated to the major utilities. While the Board understands that this arrangement may give rise to additional complexity in the overall distribution system, it is of the view that the system can be operated in a safe and efficient manner if the distribution service providers work together in a pro-active and co-operative manner. In that regard, the Board expects that Aquila and South Alta would continue to work with a more co-operative approach to the provision of distribution services. While the Board anticipates that the ratification of a new Master Agreement between the parties may help to improve relations between these parties, it believes that both parties must actively work towards this goal.

## **6 BOARD FINDINGS AND DIRECTIONS**

After carefully considering all of the evidence prepared and presented by the parties, the Board denies South Alta's application for an alteration to its service area boundary. In the Board's view, South Alta failed to demonstrate how the alteration would be in the public interest. South Alta provided no evidence to show that there were clear safety, efficiency, service, or cost advantages or, for that matter, any unique circumstances that would warrant approval of the Application. Accordingly, the Board orders South Alta REA to transfer the ownership and operation of the Holtman Farms distribution line in its entirety to Aquila. Compensation to South Alta for the transfer should be at the cost of the construction of the line as stated at the Hearing. South Alta and Aquila shall endeavor to conclude the transaction at the earliest practical date following this Decision and shall notify the Board once the transfer has taken place.

The Board notes that this is the second dispute between South Alta and Aquila that it has had to deal with through a public hearing process. The Board further notes that the Master Agreement contains a dispute resolution process. In the Board's view a concerted effort by both parties at using the dispute resolution process in the current and previous disputes, could have resulted in a resolution of the disputes, thereby eliminating the need for a public hearing. Accordingly, the Board directs the parties to attempt to resolve future service area boundary disputes through the dispute resolution process in the Master Agreement. Parties will be required to demonstrate to the Board that good faith negotiations took place, before an application is accepted. As a further help to resolving these types of issues, the Board directs Aquila and South Alta to ensure that the area maps are consistently updated and that both parties operate their systems using the most up to date maps.

The Board further directs South Alta not to provide quotes to customers who it recognizes are clearly outside its boundaries. Instead, should the REA desire to help the customer, South Alta should cooperate with Aquila to see that the customer gets the most efficient service possible. For customers, whose locations make it questionable who their service provider should be, the Board would direct the two parties, through cooperation and the use of the master service agreement to come to a timely and amicable agreement with the customer's best interests at heart.

The Board also directs Aquila to examine its customer service process with a view to finding possible improvements that it could make to more efficiently and effectively serve its customers in the future. Specifically, the Board would expect that Aquila's field staff and supervisors, including relief staff, be provided with proper maps and information so that they would be able to properly determine who their customers are. In addition, the Board would strongly encourage Aquila to consider holding meetings with its customers such as suggested by Mr. Tverkutes.

Dated in Calgary, Alberta on May 27, 2003.

#### **ALBERTA ENERGY AND UTILITIES BOARD**

*[Original signed by]*

T. McGee  
Presiding Member

*[Original signed by]*

R. G. Lock, P.Eng.  
Member

*[Original signed by]*

M. L. Asgar-Deen, P.Eng.  
Acting Board Member



**APPENDIX 1 - HEARING PARTICIPANTS**

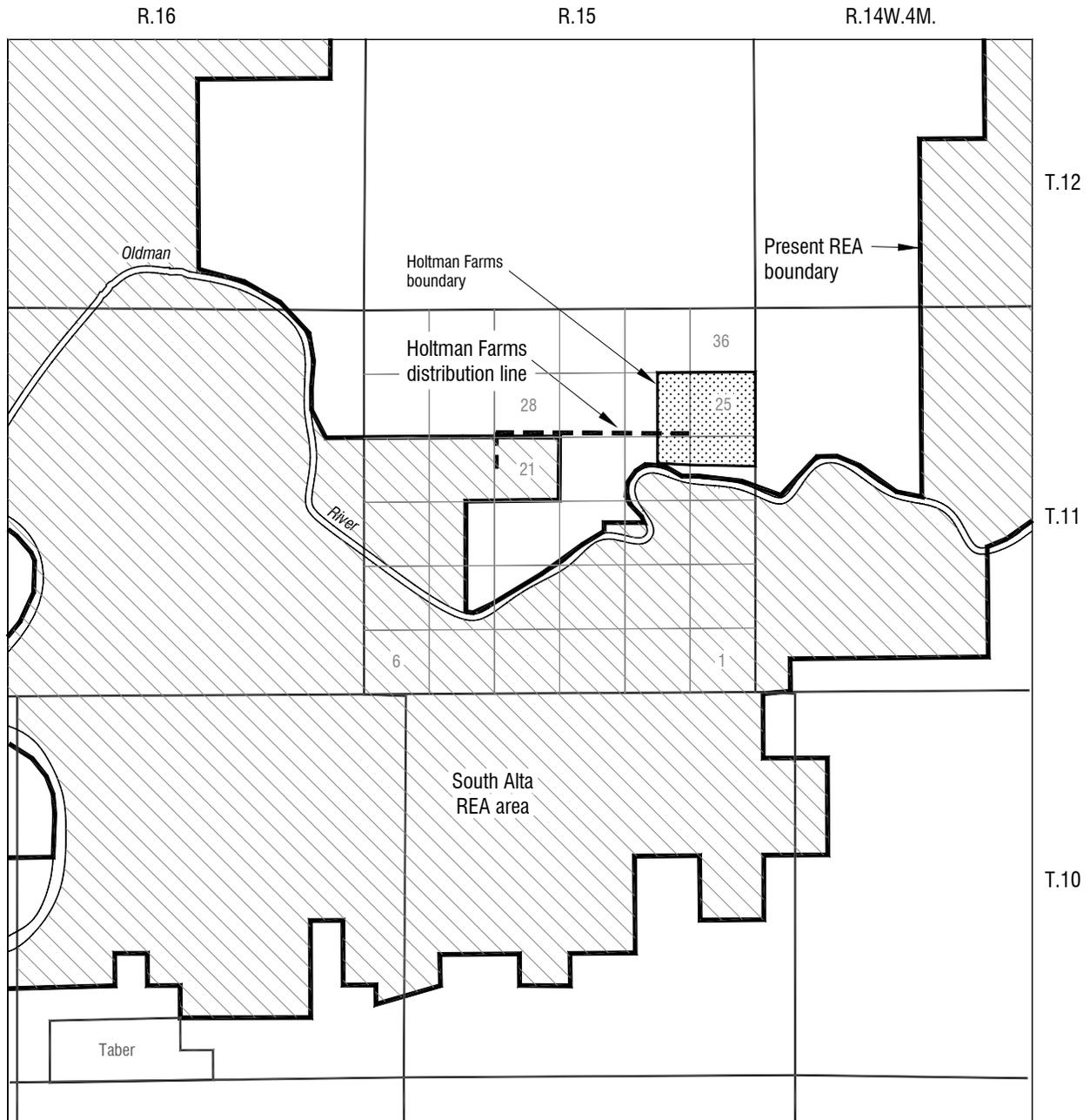
([Click here to return to Decision text where Appendix 1 is referred to](#))

<b>Name of Organization (Abbreviation) Principals and Representatives</b>	<b>Witnesses</b>
South Alta Rural Electrification Association G. J. Gaschler, Q.C.	R. M. Bancroft R. Reti S. Ferguson
Holtman Farms S. Holtman	S. Holtman
Cameron Farms J. Hofer	J. Hofer
Mr. Tverkutes	Mr. Tverkutes
Aquila Networks Canada (Alberta) Ltd. T. Dalglish, Q.C.	H. Kirrmaier J. J. Martin D. Finlay
Alberta Energy and Utilities Board Staff J. P. Mousseau, Board Counsel B. Kapel Holden, Board Counsel T. Y. K. Chan, PhD., P.Eng K. Gladwyn	



**FIGURE 1 – DISTRIBUTION LINE IN THE TABER AREA**

[\(Click here to return to Decision text where Figure 1 is referred to\)](#)



Legend

-  South Alta Rural Electrification Association Ltd. area
-  Holtman Farms distribution line

**Distribution Line in the Taber Area**

Application No. 1277912

South Alta Rural Electrification Association Ltd.

Decision 2003-041