

June 20, 2013

Technical Director
File Reference No. 2013-250
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, CT, 06856-5116

Deseret appreciates the opportunity to comment on the *Private Company Decision-Making Framework*. Our responses to the questions for respondents are included below.

Question 1: Please describe the individual or organization responding to this Invitation to Comment.

Deseret Generation & Transmission Cooperative (“Deseret”) is an electric generation and transmission cooperative organized as a Non-Profit Corporation under the laws of the State of Utah. Deseret owns 100% of the membership interests in Blue Mountain Energy, Inc. (BME) (collectively referred to as the “Cooperative”).

a. Please indicate whether you are a financial statement preparer, user, or public accountant, or if you are a different type of stakeholder, please specify. Please indicate if you are both a preparer and a user of financial statements.

Deseret, BME and the Cooperative prepare financial statements in accordance with GAAP and other guidance including the Federal Energy Regulatory Commission (“FERC”) guidance. Additionally, the Cooperative uses financial statements prepared by Deseret’s members as well as nonmembers for various purposes including the granting of credit.

b. If you are a preparer of financial statements, please indicate whether your entity is privately held or publicly held and describe your business and its size. If applicable, describe any relevant prior experience in preparing financial statements for private companies or public companies.

Deseret is privately owned by its 6 member systems. The Cooperative has revenues of approximately \$250,000,000 annually, and employs approximately 300 people. The accounting/finance department employs eleven people, 5 of which are CPA’s, 3 of which through current and prior positions have extensive experience preparing financial statements for both public and private companies.

c. If you are a user of financial statements, please indicate in what capacity (for example, investor or lender) and whether you primarily use financial statements of private companies or those of both private companies and public companies.

In evaluating credit, the Cooperative uses financial statements prepared by members and nonmembers for various purposes. These entities include both public and private companies.

d. If you are a public accountant, please describe the size of your firm (in terms of number of partners or other relevant metric) and indicate whether your practice focuses primarily on private companies or both private companies and public companies.

Not applicable.

Question 2: Do you agree that this guide is based on the appropriate differential factors between private companies and public companies (see paragraphs DF1–DF13)? If not, please explain why and include additional factors, if any, that you believe should be considered along with their potential implications to private company financial reporting.

Yes. However, private companies vary in size and complexity. Additionally, private companies may be regulated by various entities. Specific to the utility industry, a company may be regulated by the public service commission of the state or states in which they operate and/or the FERC. These regulator entities have differing impacts on financial reporting requirements. Although these private entities have a small number of financial statement users, those users may have specific regulatory requirements or needs. Thus, question 4 has specific ramifications for the preparer and the user of the company's financial statements.

Question 3: Overall, do you agree that this guide would lead to decisions that provide relevant information to users of private company financial statements in a more cost-effective manner? If it does not, what improvements can be made to achieve those objectives?

In general, we agree that this guide would lead to decisions that could provide relevant information in a cost-effective manner. However, we feel that users of financial statements may NOT be best served as it relates to recognition and measurement in the utility industry as further discussed in question 2 and 4.

Question 4: With respect to industry-specific guidance:

a. Do you agree that this guide appropriately considers industry-specific accounting guidance for private companies? That is, should private companies follow the same industry-specific guidance that public companies are required to follow in instances in which the Board and the PCC determine that the guidance is relevant to financial statement users of both public companies and private companies operating in those industries? If not, why?

We believe it is in the best interest of Deseret and other private companies for the Private Company Council ("PCC") to NOT exclude recognition and measurement criteria under the current GAAP for industry specific accounting. We furthermore strongly support the application of GAAP as it currently applies to all entities for recognition and measurement. However, we do not object to changes in the disclosure requirements for private companies which are industry specific.

b. Do you think factors other than user relevance, such as cost and complexity, should be considered when the Board and the PCC are determining whether or not to provide alternatives within industry-specific guidance?

Yes. As discussed in question 2, regulatory entities for which industry specific guidance addresses their needs and/or the FERC or other specific regulatory requirements guidance.

c. Do you think that industry-specific accounting considerations should be different between (i) recognition and measurement and (ii) disclosure?

Yes. As discussed in 4a above, we believe it is in the best interest of private companies for the PCC to separate the two issues. We do not object to changes in the disclosure requirements for private companies which are industry specific. However, we do strongly encourage the PCC to NOT disallow the industry specific guidance as it applies to recognition and measurement.

Again, we appreciate the opportunity to comment and look forward to the opportunity to prepare financial statements that provide for the need of our financial statement users in a cost-effective manner.

Best Regards,



Tekoi L. Dent
Deseret Generation and Transmission Cooperative