

THE UTAH PUBLIC SERVICE COMMISSION

Annual Report For The Period July 1, 1993 To June 30, 1994



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LETTER TO THE GOVERNOR, MEMBERS OF THE SENATE,
AND MEMBERS OF THE HOUSE OF REPRESENTATIVES

Honorable Michael O. Leavitt
Governor, State of Utah

Honorable Members of the Utah State Senate

Honorable Members of the Utah House
of Representatives

It is with pleasure that we provide you the Utah Public Service Commission annual report. This report is in compliance with title 54-1-10, Utah code and reviews the Commission's various activities, functions and accomplishments during the fiscal year July 1, 1993 to June 30, 1994.

Please accept our thanks and appreciation for your cooperation and assistance during this period. We look forward to your continued support as we strive to assure that Utah utilities remain strong so that ratepayers receive the best service at the lowest possible price.

Respectfully submitted,

Stephen F. Mecham, Chairman
James M. Byrne, Commissioner
Stephen C. Hewlett, Commissioner

PUBLIC SERVICE COMMISSIONERS



Stephen F. Mecham was appointed to his first term as Commissioner by Governor Norman H. Bangerter March 1, 1989. In September 1991, he left the Commission to serve as the Chief of Staff to Governor Bangerter. On October 5, 1992, he returned to the Public Service Commission as Chairman. His current term expires March 1, 1997.

Chairman Mecham is a member of the National Association of Regulatory Utility Commissioners (NARUC) and the Western Conference of Public Service Commissioners (WCPSC). He was elected Secretary/Treasurer of the Western Conference in June 1993 and will serve as its President in 1996.

Prior to coming to the Commission in 1989, Mecham practiced law privately, served as Administrative Assistant for Regulatory Agencies to Governor Bangerter, and subsequently was appointed Executive Director of the Utah Commission on Criminal and Juvenile Justice.

Mecham earned a Bachelor of Arts Degree and a Juris Doctorate from the University of Utah.

Mecham and his wife, Angela, have one son and three daughters.



James M. Byrne was appointed to his first term as Commissioner by Governor Scott M. Matheson August 1, 1982, was reappointed in March of 1987, and served as Chairman in 1992. He was then reappointed as Commissioner March 1, 1993. His current term expires March 1, 1999.

Byrne serves as a member of the National Association of Regulatory Utility Commissioners' (NARUC) Committee on Electricity and the Western Conference of Public Service Commissioners (WCPSC) Regional Committee on Electric Power Cooperation.

He earned a Bachelor's Degree in Physics from the Virginia Polytechnic Institute. He then attended the University of Utah where he earned a Master's Degree in Nuclear Engineering.

Prior to coming to the Commission, Byrne served as Director of the Utah Energy Office where he was the Executive Secretary of the Governor's Energy Conservation and Development Council. Prior to this, he worked as the Senior Reactor Engineer in the Mechanical Engineering Department at the University of Utah. He is a registered professional engineer.

Byrne and his wife, Dorothy, have one son and one daughter.



Stephen C. Hewlett was appointed to his first term as Commissioner by Governor Norman H. Bangerter April 15, 1992. He had been serving as Commissioner Pro Tempore since September 2, 1991. His current term expires March 1, 1995.

Hewlett is a member of the National Association of Regulatory Utility Commissioners' (NARUC) Committee on Gas. He also serves as a member of the Gas Committee of the Western Conference of Public Service Commissioners.

Prior to his appointment as Commissioner, Hewlett served as Administrator and Commission Secretary for the Commission. Before coming to work for the State of Utah in 1980, he worked as an Accountant with Mountain Fuel Supply Company and Northwest Pipeline Corporation.

Hewlett earned his M.P.A. from Brigham Young University and a Bachelor of Science Degree in Accounting from the University of Utah. He is a Certified Public Accountant.

Hewlett and his wife, Sharon, have three sons and two daughters.

PUBLIC SERVICE COMMISSION PERSONNEL

JUNE 30, 1994

Chairman, Stephen F. Mecham

Commissioner, James M. Byrne

Commissioner, Stephen C. Hewlett

Commission Secretary, Julie Orchard

Executive Staff Director, Douglas C.W. Kirk

Legal Counsel., David L. Stott

Administrative Law Judge, A. Robert Thurman

Public Utilities Technical Consultant, James Logan

Utility Economist, Richard S. Collins

Paralegal, Barbara Stroud

Accounting Technician, Melissa R. Paschal

Office Technician, Beverly Grossaint

Office Technician, Floy J. Wilcox

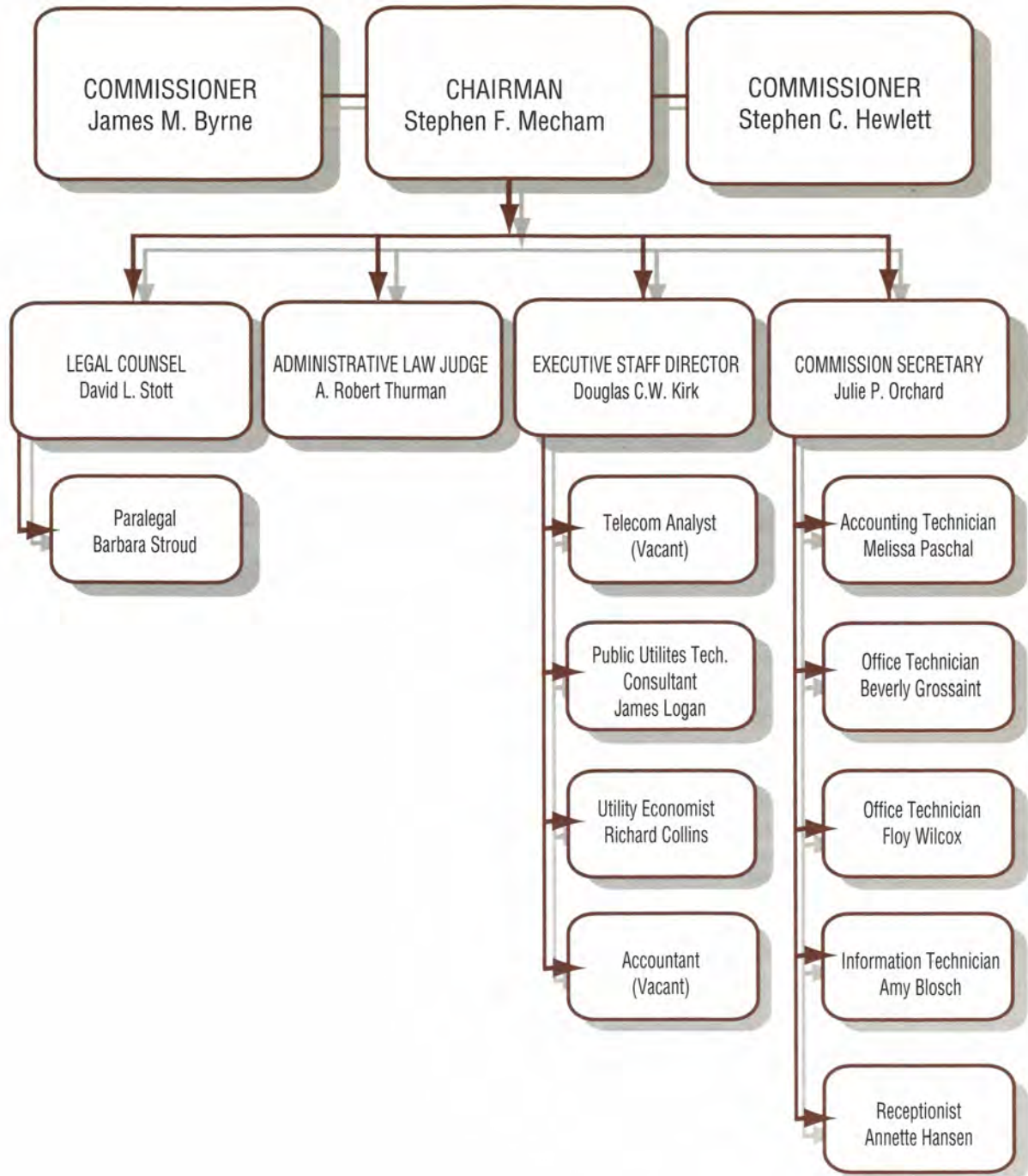
Information Technician, Amy Blosch

Receptionist, Annette Hansen



Steve Hewlett, Steve Mecham and Jim Byrne

UTAH PUBLIC SERVICE COMMISSION ORGANIZATION CHART



The Utah State Legislature created the Public Utilities Commission of Utah in the Public Utilities Act of 1917. Governor Simon Bamberger signed the Act on March 8, 1917, and the Commission was organized April 3, 1917. At its inception, the Commission consisted of three Commissioners, a stenographer, a reporter and a special investigator.

The 1935 Legislature changed the name of the Public Utilities Commission to the Public Service Commission. In a major reorganization of Utah State Government, the 1941 Legislature created the Department of Business Regulation of Utah with a three-member Commission known as the Commission of Business Regulation. The Commission of Business Regulation also served as the Public Service Commission.

In 1969 the Utah Legislature enacted legislation reorganizing the administrative powers in the Department of Business Regulation. An Executive Director of the Department of Business Regulation replaced the Commission of Business Regulation, and the Public Service Commission became an independent part of the Department. The Public Service Commission was prohibited from exercising any administrative authority over the Division of Public Utilities (Division), which was created to execute the rules, regulations, and orders of the Commission under the direction of the Executive Director of the Department. At that time, the Division audited utilities' books and records, assisted in review of legal matters, submitted recommendations to the Commission, and presented testimony in formal cases before the Commission.

Despite the 1969 reorganization, the Division continued to function essentially as the staff of the Commission. The Division participated in hearings, not as an adversary party, but as a disinterested, fact-finding entity which sought to fully develop the record in each Commission case. The Division was not precluded from making a recommendation, but its posture was perceived as neutral so that no party felt prejudiced by the Commission's access to its expertise.

Since 1977, when the Division of Public Utilities first appealed a Commission decision to the Supreme Court, the Division has considered itself independent of the Commission. With legal assistance from the Attorney General's office, the Division began to participate in hearings as an adversary party and has been able to appeal Commission orders.

In 1977, the Legislature established the Committee of Consumer Services (Committee). The Committee is composed of six citizen members appointed by the Governor. The Committee appears before the Commission and represents the interests of residential and small commercial consumers of telephone, natural gas and electrical services. The Attorney General provides legal assistance to the Committee. The Committee can also appeal Commission decisions. It has a

small staff and resides administratively within the Department of Business Regulation, now called the Department of Commerce.

In 1983, the Legislature reorganized utility regulation again and established the Public Service Commission as an independent state agency. The new statute provided for a Commission technical staff that had no right of appeal. The Division of Public Utilities was statutorily established to perform the functions it had been doing, including appearing before the Commission as a part of the Department. The Committee continued to function according to statute and to be part of the Department.

Today, the Utah Public Service Commission continues to be an independent agency having statutory duties and legislative, adjudicative, and rulemaking powers. It regulates electrical, natural gas, telephone and water utilities, and motor carrier companies.

The Commission is headed by three full-time Commissioners appointed to six-year staggered terms by the Governor, with the consent of the Senate. One member is designated by the Governor as Chairman. The Commissioners preside as a quasi-judicial body in formal hearings concerning utility regulation matters such as applications for rate and service changes. Every public utility is subject to the jurisdiction of the Commission. A support staff of technical, legal, and clerical employees assists the Commissioners in analyzing the record in every case that comes before it, making recommendations for Commission decisions, preparing formal orders, and managing the daily operation of the Commission's office.

The primary responsibility of the Commission is to ensure safe, reliable and adequate utility service. It conducts hearings and investigations of utility company operations in order to determine just and reasonable rates for service. The Commission's goals for regulation are efficient, reliable, reasonably-priced utility service for customers, and maintenance of financially healthy utility companies. These goals are generally attained through the regulatory decisions the Commission makes in each formal case.

The following briefly presents, by utility category, the cases considered and concluded by the Commission from July 1993 through June 1994. Each proceeding involves a utility and a number of other parties, including the Division and the Committee. Formal testimony of expert witnesses is taken and cross examined. A court reporter transcribes the proceeding and produces a record. Following the hearing, the record is closed and the Commission, with the assistance of its technical staff, analyzes the case record, deliberates, and renders its decisions. Any party in a proceeding can appeal a Commission decision to the Utah Supreme Court.



The Commission regulates the provision of electric service by public utilities in the state. Electric Cooperatives may set their own rates by decision of their Board of Directors, but are otherwise subject to regulation under Utah Statutes. Municipal electric utilities are not regulated.

Principal Commission activities during the reporting period focused on planning activities for efficient electric service delivery, implementation of utility-financed customer efficiency programs, and analysis of electric transmission and supply for Utah Power and Light Company (PacifiCorp).

**SUMMARY OF ELECTRIC UTILITY ORDERS ISSUED
JULY 1, 1993 - JUNE 30, 1994**

NAME OF UTILITY	ORDER DATE	DOCKET NO.	CASE TYPE
UTAH POWER & LIGHT	07/14/93	91-035-16	Complaint
UTAH POWER & LIGHT	07/15/93	93-035-02	Emergency Service Plan for SL Co.
PACIFICORP	07/30/93	93-2035-05	Stock Sale
UTAH POWER & LIGHT	08/03/93	93-035-05	Complaint
UTAH POWER & LIGHT	08/03/93	93-035-04	Complaint
PACIFICORP	08/09/93	93-035-T04	Tariff
PACIFICORP	09/13/93	92-2035-06	Stock Sale
UTAH POWER & LIGHT	09/14/93	93-035-06	Retrofit Energy Service Contract with XM Int.
PACIFICORP	10/06/93	93-2035-06	Stock Sale
PACIFICORP	10/12/93	93-2035-01	Econs, Inc. Cont.
UTAH POWER & LIGHT	10/19/93	90-035-06	Rate Investigation
DESERET GENERATION & TRANSMISSION CO-OP	10/21/93	91-506-01	Marketing Rebate Plan
PACIFICORP	10/27/93	93-2035-03	EUA/Onside Contract
UTAH POWER & LIGHT	10/28/93	87-035-26	Construct 345 KV trans. line
UTAH POWER & LIGHT	12/01/93	91-035-16	Complaint
UTAH POWER & LIGHT	12/01/93	92-035-07	Complaint
PACIFICORP	12/03/93	93-2035-07	Stock Sale
GARKANE POWER	01/24/94	93-028-02	Reduction Cert. Area
PACIFICORP	02/10/94	92-2035-04	Demand Side Resource
PACIFICORP	03/16/94	94-2035-02	Pollution Control Bonds
UTAH POWER & LIGHT	04/14/94	94-035-01	Revised Service Reg.
PACIFICORP	05/13/94	93-2035-05	Stock Sale
PACIFICORP	05/16/94	94-2035-01	CES/Way Contract
UTAH POWER & LIGHT	06/17/94	94-035-03	Complaint

KEY ELECTRIC UTILITY ORDERS

Docket No. 93-035-02 On July 15, 1993, the Commission issued a Report and Order approving UP&L's proposed Emergency Service Plan for a portion of Salt Lake County. The plan was necessitated by the Company's inability to get the requisite building permits from the County Commission to build a new substation in the affected area. The County Commission delayed issuing the permits until it could fully consider the appeals requesting underground transmission and relocation of the substation. The emergency plan entailed the use of portable generators and shedding load in order to avoid damage to Company and customer equipment.



Docket No. 93-035-T04 The Commission approved a new tariff, entitled Generation Replacement Service, Tariff No. 93-035-T04, for UP&L customers with currently operating on-site generation facilities. This service provides these customers with an opportunity to purchase available wholesale spot market energy when it is cheaper than their costs to self-generate.

Docket Nos. 93-2035-03, 94-2035-01, 93-2035-01, 93-035-06 The Commission approved several demand-side acquisition contracts over the year. These contracts were entered into by Utah Power to acquire energy savings and conservation that the Company's integrated resource plan indicates is cheaper than acquiring traditional generation resources. The contracts include: EUA/Onsite to install lighting conservation measures in commercial, not-for-profit, and institutional customers facilities; CES/WAY to acquire conservation resources from predominately governmental facilities; and ECONS Inc., a contract to acquire conservation resources from the residential sector that uses electricity to heat water. The Company also entered into a contract with a government agency to help retrofit an office building with a more efficient lighting system.

Docket No. 90-035-06 The Commission approved an amendment to the power purchase agreement between UP&L and Sunnyside Cogeneration Associates on April 8, 1993. This amendment provides the terms and conditions for the sale of additional energy and capacity from the waste-coal facility located in Sunnyside City in Carbon County, Utah.

Docket No. 87-035-26 The Commission, in its October 28, 1993 Order, found that it lacks the jurisdictional authority to order the involuntary sale of a public utility's property or require the purchase of specific property by a public utility. The Commission dismissed Utah Associated Municipal Power System's (UAMPS) petition to force the sale of UP&L's transmission facilities from Sigurd to Nevada to UAMPS or, in the alternative, to require that UP&L purchase UAMPS 138 KV line to St. George City.

Docket No. 92-2035-04 On February 10, 1994, the Commission approved a joint recommendation which established an interim policy for the regulatory treatment of UP&L's demand-side resource activities. The joint recommendation establishes an accounting mechanism for the costs incurred by the Company in 1994 for its DSR activities in Utah. This includes the establishment of a formula and procedure for determining net lost revenues and a framework for evaluating the results of this interim approach. The joint recommendation is intended to encourage the Company to pursue its integrated resource plan.

Docket No. 94-035-01 In its April 14, 1994 Order, the Commission revised the line extension policies of Utah Power and Light (UP&L). The revision was requested by the Company in order to avoid subsidizing line extensions to areas that consist of predominately recreational dwellings. The line extension allowance provided by UP&L to such areas will be the lesser of three times the dwelling's estimated annual revenue, or 300 feet of overhead distributed facilities plus transformer, meter, and service drop.



The Commission regulates the provision of natural gas service by public utilities in the state. There are two natural gas distribution companies that fall under Commission jurisdiction; Mountain Fuel Supply Company and Utah Gas Service Company. One municipal natural gas utility, Nephi, is not regulated by the Commission. The Commission is responsible for establishing safety standards and practices for intrastate pipeline transportation and enforces rules required by the Federal Natural Gas Pipeline Safety Act to maintain state control over the regulation of intrastate pipeline transportation.

During the reporting period, Commission activities have focused on natural gas rate pass-through cases for both Mountain Fuel and Utah Gas. The Commission also approved four pilot demand-side projects and a natural gas vehicle tariff for Mountain Fuel. In April 1993, Mountain Fuel filed with the Commission a general rate application asking for \$18.0 million increase in revenues. In the final order, issued January 10, 1994, the Commission decreased revenues by \$1.7 million and set the authorized rate of return on common equity at 11%.



**SUMMARY OF FIXED NATURAL GAS UTILITY ORDERS ISSUED
JULY 1, 1993 - JUNE 30, 1994**

NAME OF UTILITY	ORDER DATE	DOCKET NO.	CASE TYPE
MOUNTAIN FUEL SUPPLY	07/02/93	93-057-04	Rate Adjustment
UTAH GAS SERVICE	07/02/93	93-059-01	Rate Increase Request
MOUNTAIN FUEL SUPPLY	08/09/93	93-057-05	Complaint
MOUNTAIN FUEL SUPPLY	09/10/93	91-057-11	Rate Adjustment
		91-057-17	
MOUNTAIN FUEL SUPPLY	10/19/93	93-057-01	Rate Increase Request
MOUNTAIN FUEL SUPPLY	10/20/93	93-057-07	Order to Show Cause
MOUNTAIN FUEL SUPPLY	10/20/93	91-057-11	Rate Adjustment
		91-057-17	
MOUNTAIN FUEL SUPPLY	11/01/93	93-057-06	Complaint
MOUNTAIN FUEL SUPPLY	11/24/93	93-057-08	Complaint
UTAH GAS SERVICE	12/23/93	93-059-02	Rate Increase Request
MOUNTAIN FUEL SUPPLY	01/10/94	93-057-01	Order to Show Cause
MOUNTAIN FUEL SUPPLY	01/18/94	93-057-09	Complaint
UTAH GAS SERVICE	01/24/94	93-059-02	Rate Increase Request
UTAH GAS SERVICE	02/17/94	93-059-02	Rate Increase Request
MOUNTAIN FUEL SUPPLY	02/22/94	93-057-06	Complaint
UTAH GAS SERVICE	05/02/94	94-059-T01	Tariff
MOUNTAIN FUEL SUPPLY	05/24/94	94-057-01	Modification to Tariff

KEY NATURAL GAS UTILITY ORDERS

Docket No. 93-057-04 On July 2, 1993, the Commission issued an order approving an annual decrease in Mountain Fuel customer's rates of \$5.5 million. The rate decrease was associated with declining gas costs incurred by the Company. Changes in gas costs are typically "passed through" to ratepayers.

Docket No. 91-057-11 and 91-057-17 On September 10, 1993, the Commission issued its Report and Order for gas cost adjustments in response to the Committee of Consumer Services' petition to reduce the Company's authorized recovery of gas costs by \$76 million. The Committee claimed that Mountain Fuel Supply (MFS) could have purchased gas, at a substantial savings, on the spot market

rather than from its affiliate, Questar Pipeline. The case turned on speculations about how the Federal Energy Regulatory Commission (FERC) would have treated a Questar petition for redress when its only Local Distribution Company (LDC) decided to buy some or all of its gas elsewhere. After a long and contentious hearing, the Commission found that the evidence presented by the parties could not support a finding of imprudence. This was particularly true, given the uncertainty of the FERC's potential ruling and the possibility that MFS's ratepayers would be harmed from such a ruling. The Commission dismissed the Committee's petition.

Docket No. 93-057-01 On January 10, 1994, the Commission issued a Report and Order in Mountain Fuel's general rate case. The Company originally requested a \$17.9 million rate increase, but after extensive hearings, the Commission found that a \$1.6 million rate decrease was appropriate. The decrease resulted from a lower authorized rate of return on equity, an accounting change for unbilled revenues, as well as other adjustments. The Commission also adopted three stipulations involving regulatory treatment of interruptible rates, an incentive sharing mechanism for released capacity from upstream pipelines and pass-through treatment of working storage gas. The order and stipulations recognize the impact on MFS of the FERC's 636 restructuring order.

Docket No. 93-059-02 On February 18, 1994, the Commission granted Utah Gas' request for a rate increase due to changes in its gas costs and adjustments to its gas balancing account. The increase resulted in a 6.25% increase in rates.



The Commission regulates the provision of intralata (intrastate) telecommunication services by public utilities within the state. Telecommunication utilities with less than 5,000 lines may change their rates without a hearing. The Commission does not regulate interlata (interstate) cable TV, cellular, resellers, or aggregates of telecommunication services.

During the reporting period, Commission activities have focused on the upgrading of services to digitals and the approval of the sale of certain rural exchanges of US West Communications to Independent Telephone providers in the state.

**SUMMARY OF FIXED TELECOMMUNICATIONS UTILITY ORDERS ISSUED
JULY 1, 1993 - JUNE 30, 1994**

NAME OF UTILITY	ORDER DATE	DOCKET NO.	CASE TYPE
CITIZENS UTILITIES	07/02/93	93-041-01	Transfer of Assets
US WEST COMMUNICATIONS	07/06/93	93-049-10	Complaint
US WEST COMMUNICATIONS	08/17/93	88-049-18	Request of MCI/TelAmerica
US WEST COMMUNICATIONS	08/18/93	93-049-12	Complaint
US WEST COMMUNICATIONS	08/30/93	91-049-03	Toll Service Contract
US WEST COMMUNICATIONS	09/16/93	93-049-13	Complaint
US WEST COMMUNICATIONS	10/27/93	93-049-18	Complaint
US WEST COMMUNICATIONS	11/01/93	93-049-14	Petition
US WEST COMMUNICATIONS	11/03/93	89-049-15	EAS Milford/Minersville
US WEST COMMUNICATIONS	11/03/93	90-049-02	EAS Parowan
US WEST COMMUNICATIONS	11/12/93	93-049-09	CLASS Service
US WEST COMMUNICATIONS	11/15/93	93-049-05	Complaint
US WEST COMMUNICATIONS	11/16/93	93-049-T22	Tariff
US WEST COMMUNICATIONS	11/24/93	93-049-17	Complaint
US WEST COMMUNICATIONS	12/02/93	92-049-11	Sale of Exchanges
SOUTH CENTRAL UTAH, & BEEHIVE TELEPHONE		92-052-01	
		92-051-02	
		93-052-01	
US WEST COMMUNICATIONS	12/16/93	94-049-08	Rate Increase
CITIZENS UTILITIES	01/14/94	93-041-03	USF/Professor Valley
US WEST COMMUNICATIONS	01/18/94	93-049-T31	Tariff
US WEST COMMUNICATIONS	02/08/94	93-049-23	Complaint
US WEST COMMUNICATIONS	03/10/94	93-049-20	Bridge/ALD
US WEST COMMUNICATIONS & CENTRAL UTAH	03/28/94	94-049-03 & 94-040-01	Sale of Exchange
US WEST COMMUNICATIONS	04/04/94	90-049-31	800 Service Contract
US WEST PAGING, INC.	04/12/94	94-2026-01	Authority Transfer
US WEST COMMUNICATIONS	05/10/94	91-049-06	Toll Service Contract
US WEST COMMUNICATIONS	06/14/94	93-049-04	Complaint
US WEST COMMUNICATIONS	06/14/94	93-049-06	Complaint
US WEST COMMUNICATIONS	06/14/94	93-049-08	Complaint
US WEST COMMUNICATIONS	06/14/94	93-049-11	Complaint
US WEST COMMUNICATIONS	06/22/94	94-049-05	Complaint



KEY TELECOMMUNICATIONS UTILITY ORDERS

Docket Nos. 90-049-02 and 89-049-15 In separate orders issued November 3, 1993, the Commission approved two local petitions for Extended Area Service (EAS) and ordered US West to establish such facilities as are necessary to implement local service between, respectively, the Parowan and Cedar City exchanges, and the Minersville and Beaver exchanges. The Commission ordered extension of the local service areas following a showing that interexchange traffic volumes and consumer acceptance of the cost/price relationship of providing additional facilities, as evidenced by survey results from the petitioning and the abutting non-petitioning exchanges, were substantially in conformance with the Commission's long-standing EAS criteria and procedures established in Docket No. 84-999-08.

Docket No. 93-049-09 In an order issued November 12, 1993, the Commission set terms and conditions surrounding US West's introduction of Custom Local Area Signaling Services (CLASS). Although US West's CLASS products include Call Redial, Last Call Return, Selective Call Forwarding and Call Trace, among others, the privacy issues attendant to Caller ID render it the most controversial CLASS offering and the service that received primary emphasis in the Commission's order. The order acknowledged the privacy interests of both the calling and the called parties and balanced those respective interests by requiring US West to: a) offer free per call blocking (i.e. the ability of the calling party to block transmission and display of their number to the called party by dialing *67) as an integral part of Caller ID; b) offer free per line blocking for an initial activation, but subject to a non-recurring charge if a line block is removed and subsequently re-established; c) offer per call unblocking on a blocked line using a different per call unblocking code (*82) than the code used for per call blocking (*67); and, d) offer line blocking to customers with non-published numbers upon affirmative request, and further ordered, that US West mail each non-published customer an explanation of available blocking options.

Docket No. 93-041-03 In an Order issued January 14, 1994, the Commission approved the first application, filed by Citizens Utilities, for a one-time distribution of \$144,860 from the Utah Universal Service Fund to aid the utility and local residents in construction of high-cost line extension facilities to serve a previously unserved area adjacent to the Moab exchange.



KEY TELECOMMUNICATIONS UTILITY ORDERS

Docket No. 93-049-T31 In an Order issued June 28, 1994, the Commission denied the effectiveness of a proposed US West tariff that would have denied payment-troubled customers access to interstate toll services provided by inter-exchange carriers for whom US West performs billing and collection services. Although local exchange service would not have been affected by the proposed tariff, the Commission ruled that US West could not deny toll access or coerce consumers to pay long distance charges owed unregulated interexchange carriers with whom the company has contractual billing and collection agreements.

Docket No. 90-049-03 & 06 The Utah Supreme Court has issued its decision on this appeal (Justin C. Stewart vs. Utah Public Service Commission No. 910405 & USWC vs. Public Service Commission of Utah No. 910408). The Commission requested briefs from all parties by March 17 regarding the amount of any refund due customers based on the Court's finding that the Commission erred by authorizing a higher rate of return intended to provide USWC an incentive to increase discretionary investment in Utah.

Docket No. 89-049-11 Based on a Supreme Court decision, the Commission has scheduled proceedings to consider refunding to ratepayers, approximately \$7.2 million based on the unlawful inclusion in rates of charitable contributions which were deemed an excludable non-operating expense for rate making purposes by a 1969 Commission order. A counter claim filed by USWC alleges that rates determined in the same periods also included non-operating revenues that rightfully should not have been included for rate making.

Docket No. 88-049-18 The Supreme Court directed the Commission on remand to make further findings regarding the reasonableness of \$35 million in rate reductions implemented in 1988 and 1989 in response to the Tax Reduction Act of 1986 (TRA). At issue is whether the lower tax liability and higher earnings attributable to the TRA represent a sufficiently unforeseeable and extraordinary event to warrant an exception to the rule against retroactive rate making. Also at issue is whether there is any factual basis for allegations of misconduct on the part of USWC in conjunction with representations made to regulators about the rate making impact of the TRA.

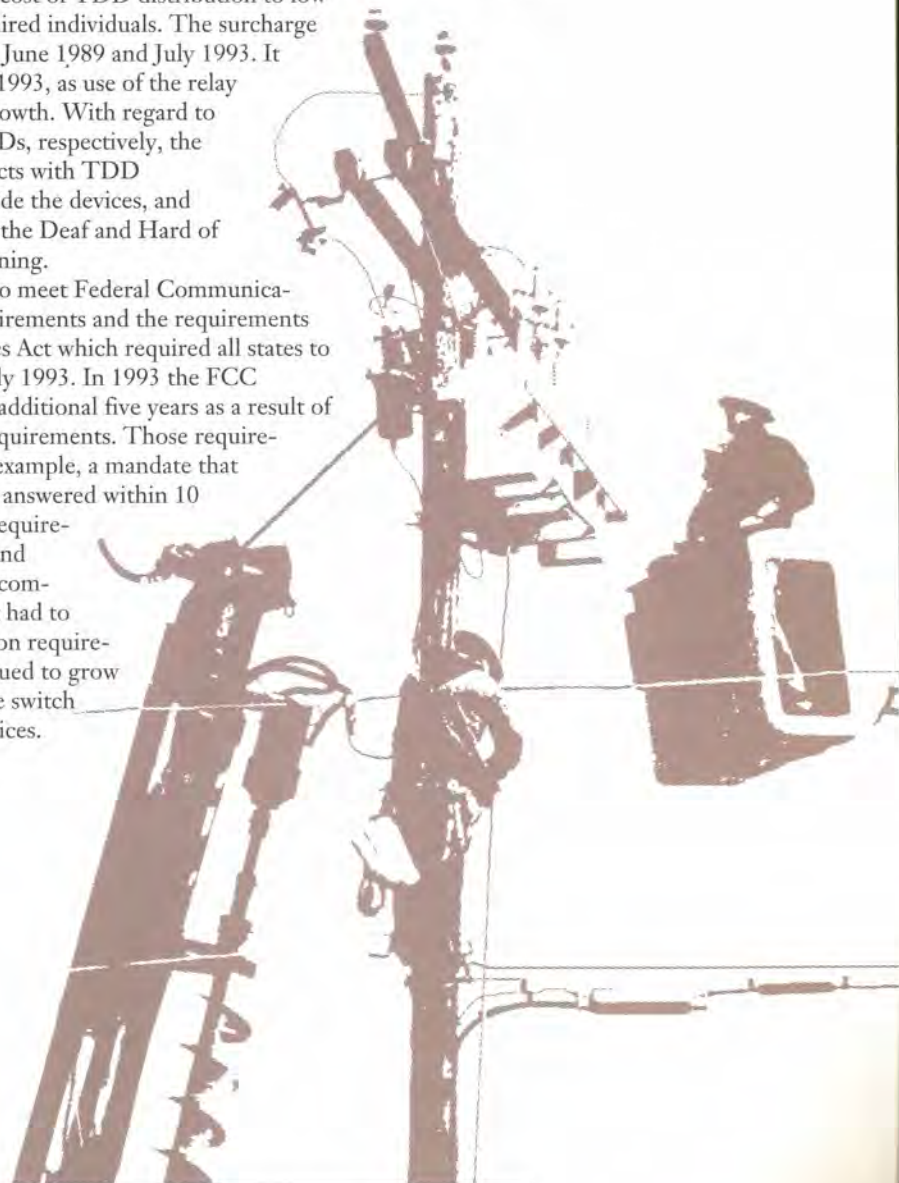


In 1987 the Utah Legislature enacted Senate Bill 101, the Speech and Hearing Impaired Act. Pursuant to this Act, and in accordance with objectives embraced by Utah's deaf and speech-impaired community, a program was established to create a dual party relay system and a process to distribute telecommunications devices for the deaf ("TDD's") to low income individuals who are deaf or speech-impaired. The dual party relay involves the intervention of an operator to relay a typed message from a deaf or speech-impaired individual to a hearing individual, or the reverse.

The Commission has adopted rules governing the operation of the program. An advisory board was appointed which includes deaf and speech-impaired individuals and government and telephone industry representatives. The board recommended criteria for selection of a relay service provider and all parties interested in providing operators for the relay system were invited to submit proposals. The Utah Association for the Deaf was selected and is under contract as the relay service provider.

On January 11, 1988, the relay service began operating 24 hours a day, seven days a week. Commission staff worked with the Divisions of State Telecommunications and Purchasing to acquire, install and test the required equipment. A surcharge on telephone subscriber access lines is the only revenue source to cover the operating costs of the relay service and the cost of TDD distribution to low income hearing and speech-impaired individuals. The surcharge was initially seven cents between June 1989 and July 1993. It increased to ten cents in August 1993, as use of the relay system experienced continued growth. With regard to purchase and distribution of TDDs, respectively, the Commission entered into contracts with TDD manufacturer Ultra-Tec to provide the devices, and with the Division of Services for the Deaf and Hard of Hearing for distribution and training.

The Utah relay continues to meet Federal Communications Commission ("FCC") requirements and the requirements of the Americans with Disabilities Act which required all states to have relay systems in place by July 1993. In 1993 the FCC recertified the Utah relay for an additional five years as a result of its compliance with all federal requirements. Those requirements are rigid and include, for example, a mandate that telephones at the relay center be answered within 10 seconds 80% of the time. That requirement necessitated the purchase and installation of a new switch to accommodate additional operators that had to be hired to meet FCC certification requirements. Call volumes have continued to grow and the additional capacity of the switch is meeting demand for relay services.



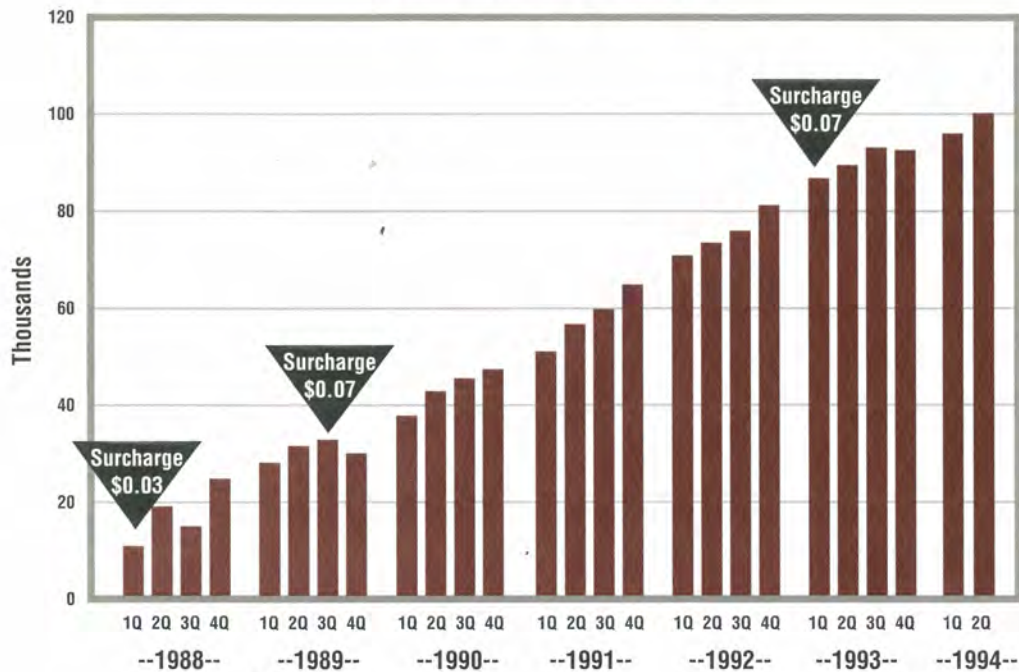
UTAH SPEECH AND HEARING IMPAIRED TELECOMMUNICATION PROGRAM

As of June 30, 1994, 512 TDDs have been provided to low income individuals and 225 have been provided to schools and state offices under the program. In order to receive a TDD an individual must prove their hearing or speech-impairment and low income. The impairment must be attested to by a doctor, a qualified state agency, speech pathologist or an audiologist. Income is determined by the requirement that the applicants income not exceed 130% of the poverty level.



COMPLETED CALLS OVER UTAH RELAY SYSTEM

1st Quarter 1988 to 2nd Quarter 1994



UTAH RELAY SERVICE CALL VOLUME REPORT BY YEAR

YEAR	INCOMING					ABANDONED								CALLS DIALED	CALLS COMPLETED	OPR. HRS.
	SLC	PROVO	OGDEN	LOGAN	WATS	TOTAL	SLC	PROVO	OGDEN	LOGAN	WATS	TOTAL	%			
1988	57,193	6,443			13,425	77,061	10,922	48			1,595	12,565	14.02%	89,626	16,733.00	
1989	86,378	17,096			20,005	123,479	9,399	88			928	10,415	7.78%	133,894	20,618.25	
1990	112,770	29,291	5,342		24,857	172,260	6,289	137	12		495	6,933	3.87%	179,193	29,764.75	
1991	146,526	41,252	19,028		27,039	233,845	3,242	147	69		386	3,844	1.62%	237,689	42,870.50	
1992	167,627	48,585	28,927	5,335	30,220	280,694	4,448	1,171	690	118	826	7,253	2.52%	303,596	59,064.06	
1993	175,105	51,735	26,048	8,748	39,780	301,416	4,870	1,403	750	219	1,015	8,257	2.74%	413,431	363,419	65,911.40
1994	190,847	53,917	30,145	8,833	49,922	333,664	3,982	1,295	710	267	817	7,071	2.12%	467,150	400,962	73,132.11
TOTALS	936,446	248,319	109,490	22,916	205,248	1,522,419	43,152	4,289	2,231	604	6,062	56,338	4.95%	880,581	1,708,379	308,094.07

The 1989 legislature enacted a statute, per House Bill 199, that gave the Commission the authority to establish an expendable trust fund and governing rules for the purpose of maintaining the universal availability of intrastate telecommunications services at just and reasonable rates. The fund has been named the Universal Service Fund, or USF. Fund revenues are generated from surcharges to users and providers of intrastate local exchange and/or intrastate long distance telecommunication services with the maximum surcharge to each local exchange service being \$.07 per month, and the maximum surcharge to long distances services \$.005 per billed minute. Also, no more than 50 percent of the funds can come from the surcharges to the local exchange services.

The 1989 statute only applied to surcharges to services billed by the regulated telephone companies. In 1992, the legislature modified the statute to include services billed by all regulated and non-regulated providers of local and long distance type services. Commission rules for administering the fund were first approved in December 1989, and implementation began on January 1, 1990. The original and subsequent rules have only provided for the collection of a surcharge of \$.005 per minute on the intrastate long distance services. A surcharge on the local exchange services has not been adopted in the rules. The rules have only provided for monthly distributions from the fund to the Utah Independent Telephone Companies with the highest operating expenses. US West was not allowed to receive funds.

Three major changes have been made to the rules. The primary reason for the first major change was made to allow up to 10 percent of the annual fund revenues to be used for one-time high cost projects of any local exchange telephone company. The primary reason for the second major change was made to incorporate the effects of the 1992 legislation. The primary reason for the third change was to reduce the local exchange target and threshold rate levels.

The target rates are used to limit USF distributions to companies that decide to maintain local exchange rates that are below the state average. The threshold rates are used to allow companies to reduce their local exchange rates billed to subscribers, and then receive USF distribution equal to the resulting revenue reduction.

The Commission has delegated the Division of Public Utilities (Division) the responsibilities for monitoring and tracking all companies that are required to submit USF surcharges, to record and audit the actual submitted revenues and minutes of use, and to record and audit the level of distributions to the supported companies. The Division also has the responsibility for forecasting the next year's level of USF surcharge revenues, the level of distribution to those companies requiring support, and the resulting local exchange and switched access rates. The forecasts are reviewed and approved by the Commission prior to implementation of new distributions and rates.

USF support has allowed most Independent Companies to maintain lower local exchange and switched access rates than would have otherwise been possible. Switched access is the interconnection service that gives long distance companies the ability to call, or receive calls from, the subscribers of a telephone company.

The target rates were originally set at \$11.00 for residential service, and \$22.00 for business service. On July 1, 1992, the target rates were reduced to \$10.00 and \$20.00, respectively. The threshold rates were originally set at \$12.65 for residential service, and \$25.30 for business service. On July 1, 1992, the threshold rates were reduced to \$11.50 and \$23.00, respectively. The maximum switched access rate in 1990 was \$.16764 per minute, and this rate has decreased each year to the present amount of \$.06893 per minute. The rate reductions have been the result of increased subscribers, increased long distance calling and the requirement that all intrastate long distance service providers participate in the USF program.

UTAH UNIVERSAL TELECOMMUNICATIONS SERVICE FUND

A 1994 task force developed a restructured USF program to replace the initial program that was expiring on December 31, 1994. A stipulation and agreement that created a transitional program and a fully restructured five year USF program was presented to the Commission by the majority of the parties in November 1994. The Commission approved the transitional program in a December Order, and that program will be implemented on January 1, 1995.

A general summary of the past amount of the USF revenues, distributions, and participating companies is as follows:

YEAR	COMPANIES PAYING INTO FUND		COMPANIES RECEIVING FROM FUND	
		(\$000)	USF	(\$000)
1990	13	\$ 2,144	8	\$ 1,903
1991	13	\$ 2,745	8	\$ 2,162
1992	44	\$ 3,469	9	\$ 3,098
1993	62	\$ 3,890	9	\$ 3,620
1994	96	\$ 4,451	9	\$ 4,239

The Commission regulates the provision of water service by public utilities in the state. Most water service within the state is provided by municipal water utilities which are not regulated by this Commission.

Principal Commission activities during the reporting period focused on general rate cases for small water companies, many of which serve remote, no growth areas with the potential for water supply and quality problems.

**SUMMARY OF FIXED WATER UTILITY ORDERS ISSUED
JULY 1, 1993 - JUNE 30, 1994**

NAME OF UTILITY	ORDER DATE	DOCKET NO.	CASE TYPE
FOOTHILL WATER	07/08/93	91-2010-01	General rate case
LAVA BLUFF WATER	07/21/93	93-2185-01	Investigation to Determine Regulation Status
WHITE CITY WATER	07/22/93	93-018-01	Expand Funds to do Improvements
DAMMERON VALLEY	08/04/93	93-2025-01	Name Change
FOOTHILL WATER	08/25/93	93-2010-02	Order to Show Cause
FOOTHILL WATER	08/25/93	93-2010-04	Order to Show Cause
DURFEE CREEK	02/02/94	94-2194-01	Application for Cert.
HI-COUNTRY ESTATES HOMEOWNERS ASSOC.	03/23/94	94-2195-01	Decertification
PINE HOLLOW WATER	04/05/94	93-2165-01	Rate Increase
DAMMERON VALLEY WATER	04/21/94	93-2025-02	Rate Increase

KEY WATER UTILITY ORDERS

Docket No. 94-2195-01 Hi-Country Estates Homeowners Association petitioned the Commission for decertification of Foothills Water Company and applied for a certificate of convenience and necessity. After a hearing, the Commission approved Hi-Country Estates Homeowners Association's petition to serve the area heretofore served by Foothills Water Company due to Foothills no longer possessing a plant adequate to serve Hi-Country Estates Subdivision Phase I. Foothills Water Company's certificate of convenience and necessity was revoked pursuant to the ownership issue decision of the Utah Court of Appeals.

SUMMARY OF MISC. UTILITY ORDERS ISSUED
JULY 1, 1993 - JUNE 30, 1994

KEY MISCELLANEOUS UTILITY ORDERS ISSUED

Docket No. 93-999-01 The Commission opened this docket in order to examine current basic service standards, the extent to which regulated telecommunication companies face competition and the appropriate regulatory response necessary to promote the public interest. The Commission hosted a series of conferences among the parties.

Docket No. 94-999-01 In January 1994 the Commission bifurcated from Docket No. 93-999-01 issues associated with collocation and interconnection of the competitive facilities owned by new service providers with facilities owned by existing regulated service providers. All interested parties were requested to advise the Commission on the most appropriate process for this proceeding and to comment on collocation, unbundling, interconnection, local transport restructure, and deaveraging issues.

TRANSPORTATION

The Commission regulates motor carriers engaged in the transportation of passengers or property for hire in Utah. The regulated carrier section of the Division of Public Utilities assists the Commission by issuing interstate carrier licenses and intrastate exempt licenses, maintaining insurance filing records, issuing cab card identification stamps, maintaining tariff filings, investigating motor carrier complaints, offering testimony at motor carrier hearings, and performing audits of regulated carriers.

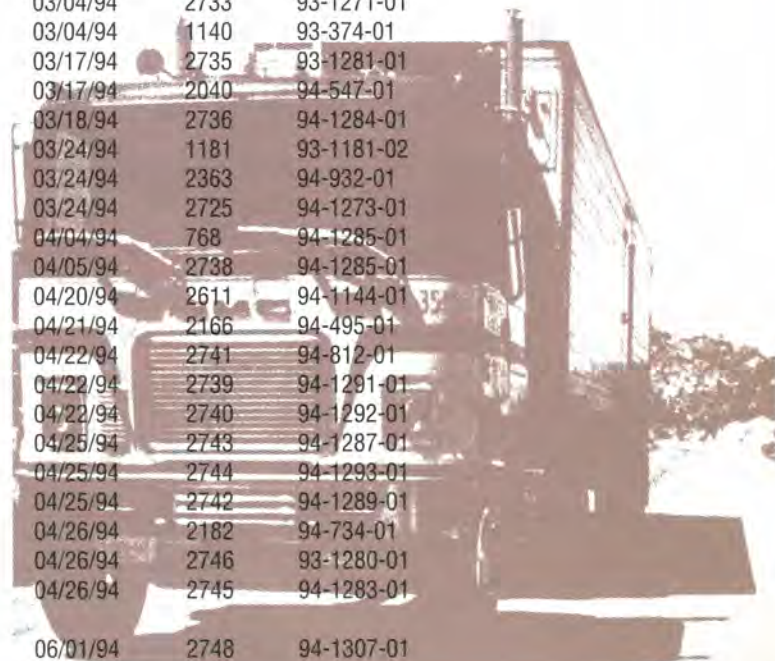
The issuance or cancellation of certificates of convenience and necessity issued to common carriers, and permits issued to contract carriers, require an order by the Commission. Interstate carrier licenses require only that the carrier provide evidence of Interstate Commerce Commission (ICC) authority, evidence of insurance, and designation of process agent.

CERTIFICATES OF CONVENIENCE AND NECESSITY AND PERMITS ISSUED TO MOTOR CARRIERS JULY 1, 1993 - JUNE 30, 1994

NAME OF CARRIER	ORDER DATE	CERT. NO.	DOCKET NO.
ESPENSCHIED TRANSPORT CORP.	07/19/93	2697	93-1259-01
B & D INDUSTRIES, INC.	07/21/93	2698	93-1237-01
ACME TRANSPORTATION & RIGGING, INC.	07/22/93	2678	93-1229-02
B & M TRUCKING, INC.	07/26/93	2029	93-538-01
HOINS DISTRIBUTING, INC.	07/26/93	2474	93-859-01
JUSTICE CONSTRUCTION, INC.	07/26/93	2687	93-759-02
DIG & DUMP	07/27/93	2701	93-1250-01
DAY TRIPS	07/27/93	2700	93-1256-01
ZIONS LIMOUSINE SERVICE, INC.	07/27/93	2699	93-1231-01
CANYONLANDS TOURS	07/27/93	1549	93-853-01
LARSON TRANSPORT, L.C.	07/29/93	2703	93-1011-01 & 02
CLASSIC LIMOUSINE SERVICE, INC.	07/29/93	2702	93-1253-01
DIRECT DRIVE DELIVERY, L.C.	08/09/93	2704	93-1244-01
JIM NEBEKER TRUCKING CO.	08/09/93	2232	93-796-01
CASEY JOHNSON TRUCKING	08/16/93	2705	93-1252-01
HERITAGE TOURS	08/16/93	2706	93-1246-01
GLASS PARTS EXPRESS, INC.	08/17/93	2709	93-1260-01
BEE & BEE TRUCKING	08/17/93	2710	93-1122-01
KNUT & SONS	08/17/93	2708	93-1241-01
JEFF ROBINSON TRUCKING, INC.	08/17/93	2707	93-1242-01
FRANCIS LEE TRUCKING	08/18/93	2712	93-1248-01
PRIORITY TRUCKING, INC.	08/18/93	2711/764	93-1254-01
DASH COURIERS, INC.	08/19/93	2714	93-1262-01
RIVERTON MUSIC, INC.	08/19/93	2713	93-1258-01
SCOOTTS, INC.	08/23/93	2715	93-1263-01
HYLAND ENTERPRISES, INC.	08/23/93	2716	93-1265-01
JAMES H. CLARK & SON, INC.	08/25/93	2718/765	93-1264-01
SECOND TO NONE, INC.	08/25/93	2717	93-1266-01
SILVERSTREAK EXPRESS, INC.	09/03/93	2627	93-1169-01
CONOCO, INC.	09/24/93	2720	93-1243-01
FLUID TRANSPORT, INC.	09/24/93	2719	93-704-01
NORWOOD TRANSPORTATION, INC.	10/13/93	1884	93-385-01
S & K EXPRESS	10/21/93	2724	93-1268-01
CAPITOL LIMOUSINE	10/21/93	2722	93-1251-01

TRANSPORTATION

NAME OF CARRIER	ORDER DATE	CERT. NO.	DOCKET NO.
HARDY ENTERPRISES TRANSPORTATION, INC.	10/21/93	2721	93-1212-01
OSCAR E. ERICKSON, INC.	10/21/93	2723	93-1255-01
LEE'S TRUCKING	11/03/93	2712	93-1248-01
FLEET DELIVERY SERVICE	11/12/93	2563	93-1267-01
INTERWEST LIMOUSINE, INC.	11/12/93	2562	93-1247-01
MOTOR CARGO	11/17/93	2216	93-250-01
E.K. LEWIS TRANSPORTATION, INC.	11/19/93	2566	93-1261-01
DICK SIMON TRUCKING, INC.	11/19/93	766	93-910-02
ALLWASTE INTERMOUNTAIN PLANT SERVICES, INC.	12/08/93	2568	93-1274-01
ALPHA TRANSPORT, INC.	12/08/93	2578	93-1128-01
CHILD EXCAVATING	12/08/93	2564	93-1270-01
M.T.A. MOVERS	12/08/93	2569	93-1269-01
RAINBOW TRUCKING CO.	12/08/93	2659	93-1205-02
POLLUTION CONTROL, INC.	12/19/93	2149	91-579-01 & 02
RYDER DEDICATED LOGISTICS, INC.	12/28/93	667	93-618-02
WESTRAN, INC.	01/05/94	2725	93-1273-01
MAKING TRACKS ENTERPRISES	01/06/94	2727	93-1278-01
J & K LEASING	01/06/94	2726	93-1272-01
A n A ENTERPRISES	01/06/94	2567	93-1277-01
DESIGNER DELIVERY SERVICES, INC.	01/07/94	2386	93-669-02
COASTAL TRANSPORT CO., INC.	01/13/94	2246	93-777-01
ALTA TRANSPORTATION	02/01/94	2613	93-1153-01
JACK B. PARSON COMPANIES	02/02/94	2338	93-895-01
AFFORDABLE MOVERS, LLC	02/09/94	2729	93-1279-01
N.K. HINCKLEY TRUCKING	02/09/94	2731	93-1022-01
K-F TRUCKING	02/09/94	2730	93-1276-01
RYDER DEDICATED LOGISTICS, INC.	02/09/94	767	93-618-03
L.W. MILLER DIVERSIFIED, INC.	02/28/94	2382	93-941-01
TRANSPORTATION SYSTEMS, INC.	03/01/94	2732	94-1282-01
GLEN'S EXCAVATING & GRADING, INC.	03/02/94	2585	94-1131-01
ARROW TRANSPORTATION CO.	03/04/94	2734	94-1286-01
CERTIFIED INSTALLATIONS	03/04/94	2733	93-1271-01
MCFARLAND & HULLINGER	03/04/94	1140	93-374-01
OAKS TRUCKING	03/17/94	2735	93-1281-01
LARSON TRUCKING, INC.	03/17/94	2040	94-547-01
CONSOLIDATED VAN LINES	03/18/94	2736	94-1284-01
BIG Z, INC.	03/24/94	1181	93-1181-02
MAG TRANSPORT, INC.	03/24/94	2363	94-932-01
WESTRAN, INC.	03/24/94	2725	94-1273-01
J.B. HUNT SPECIAL COMMODITIES, INC.	04/04/94	768	94-1285-01
KWIK COURIER	04/05/94	2738	94-1285-01
EQUIPMENT INSTALLERS, INC.	04/20/94	2611	94-1144-01
ROBINSON TRANSPORT, INC.	04/21/94	2166	94-495-01
CENEX, INC.	04/22/94	2741	94-812-01
DWIGHT TRUCKING, INC.	04/22/94	2739	94-1291-01
BELL BROTHERS OIL CO.	04/22/94	2740	94-1292-01
SAFE RIDE SERVICE, INC.	04/25/94	2743	94-1287-01
GREAT WESTERN CHEMICAL CO.	04/25/94	2744	94-1293-01
EXPRESS MOVERS	04/25/94	2742	94-1289-01
TELEMAIL SYSTEMS	04/26/94	2182	94-734-01
MOUNTAIN MOVERS, INC.	04/26/94	2746	93-1280-01
WESTLAND TRANSPORTATION SYSTEMS, INC.	04/26/94	2745	94-1283-01
WILLS TRUCKING, INC.	06/01/94	2748	94-1307-01



TRANSPORTATION

NAME OF CARRIER	ORDER DATE	CERT. NO.	DOCKET NO.
CARILLO TOWING	06/01/94	769	94-1295-01
LOGAN MOVING & STORAGE	06/01/94	2747	94-1305-01
CAPITOL LIMOUSINE	06/02/94	2722	94-1251-01
AIRPORT EXPRESS, INC.	06/02/94	2749	94-1304-01
AIR DATA EXPRESS, INC.	06/03/94	2750	94-1296-01
MILLER BROTHERS FEED YARD	06/03/94	2540	94-1117-01
SHERMAN BROTHERS FEED YARD	06/03/94	2752	94-1301-01
HARV & HIGAM MASONRY, INC.	06/06/94	2751	93-1275-01
GODFREY TRUCKING, INC.	06/07/94	2360	94-934-01
TROY MURRAY TRUCKING	06/10/94	2753	94-1290-01



TRANSPORTATION

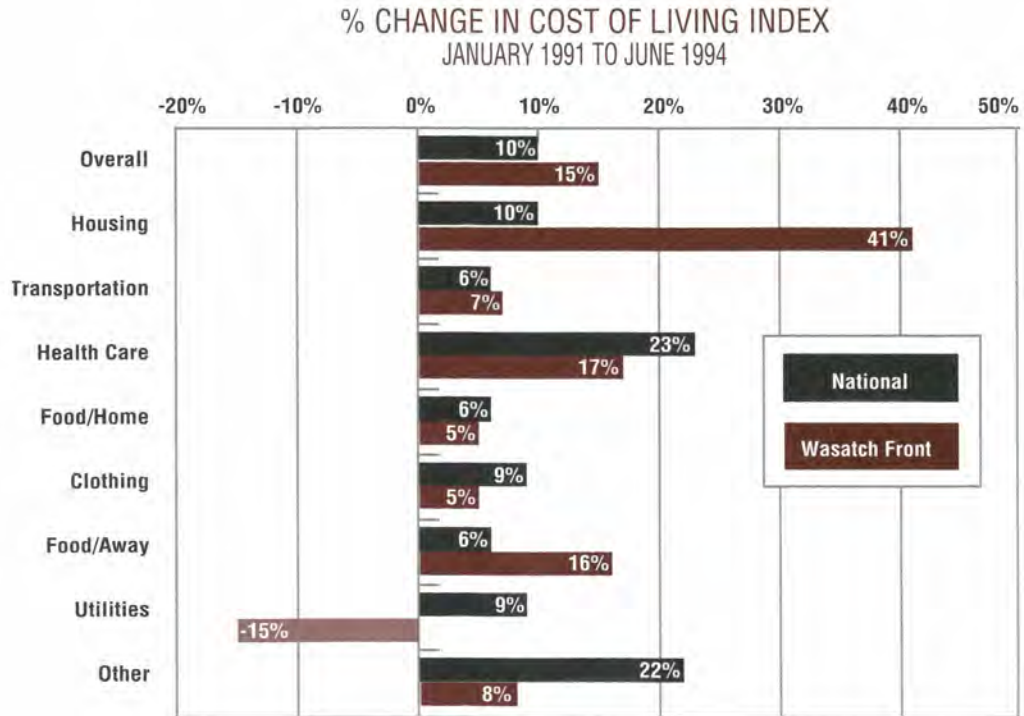
CERTIFICATES OF CONVENIENCE AND NECESSITY AND PERMITS CANCELED

JULY 1, 1993 - JUNE 30, 1994

NAME OF CARRIER	ORDER DATE	CERT. NO.	DOCKET NO.
DIEHL TRANSPORTATION CO., INC.	07/07/93	728	93-166-01
WELLS ENTERPRISES, INC.	07/08/93	2379	93-948-01
A.J. TRUCKING, INC.	07/14/93	2605	93-1162-01
BULKMATIC TRANSPORT, CO.	07/14/93	694	93-739-01
PETROLANE GAS SERVICE	07/15/93	2479	93-861-01
MINUTEMAN EXPRESS, INC.	07/19/93	2288	93-855-01
J.C. MOVING & DELIVERY	07/22/93	2469	93-1028-01
ALL AMERICAN TRUCKING, INC.	07/27/93	2397	93-918-01
HANSTIN CO., INC.	09/03/93	2242	93-817-01
VULCRAFT CARRIER CORP.	09/23/93	628	93-568-01
BADOMA TRANSPORT, INC.	10/04/93	2503	93-1052-01
ALDERSON & SON TRUCKING	10/13/93	714	93-876-01
PRIVATE AFFAIR LIMOUSINE SERVICE	11/03/93	2625	93-1175-02
ASSOCIATED FOOD STORES, INC.	11/04/93	2599	93-1136-01
DESIGNER DELIVERY SERVICES, INC.	12/02/93	2386	93-669-02
KANAB TAXI & DELIVERY	12/20/93	2445	93-988-02
EXECUTIVE TRANSPORTATION	12/20/93	2667	93-1214-01
MIKE HINDLEY TRUCKING CO.	03/18/94	2466	93-1026-01
MORTON INTERNATIONAL, INC.	04/20/94	740	94-1034-01
WEST HAZMAT TRUCKING OILFIELD SERVICES, INC.	05/18/94	557	94-945-01
MONTICELLO KOA CAMPGROUND	06/02/94	2561	93-1109-01
WESTERN DRY MIX	06/03/94	2536	94-1075-01
R & L ENTERPRISES, INC.	06/07/94	2595	94-1134-01

TABLES, CHARTS & GRAPHS

The following charts and graphs provide a brief overview of the costs of utility services for customers in Utah.

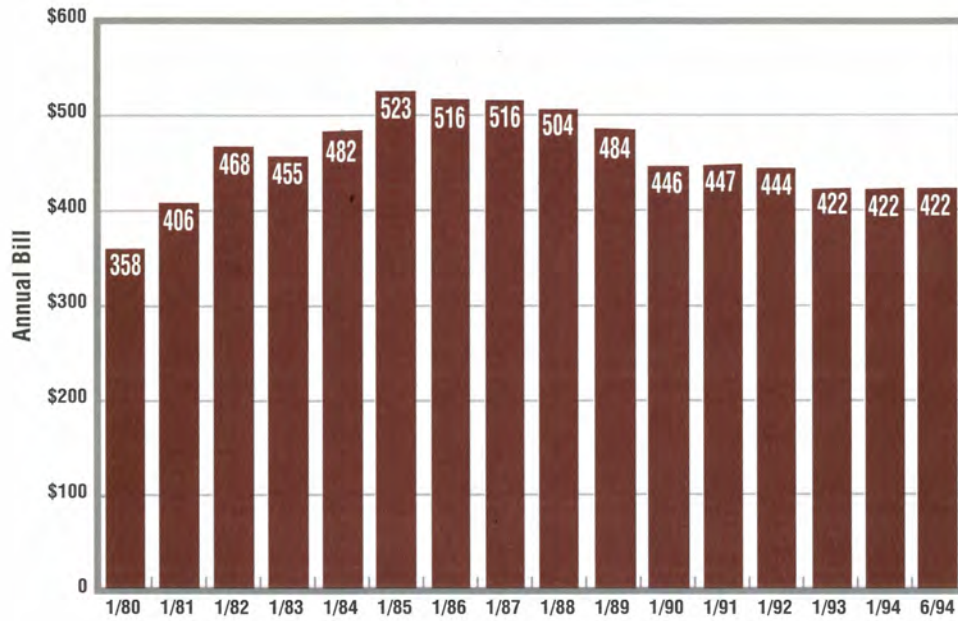


TYPICAL UTAH RESIDENTIAL CUSTOMER ANNUAL BILL FOR ELECTRICITY, NATURAL GAS AND TELEPHONE UTILITIES

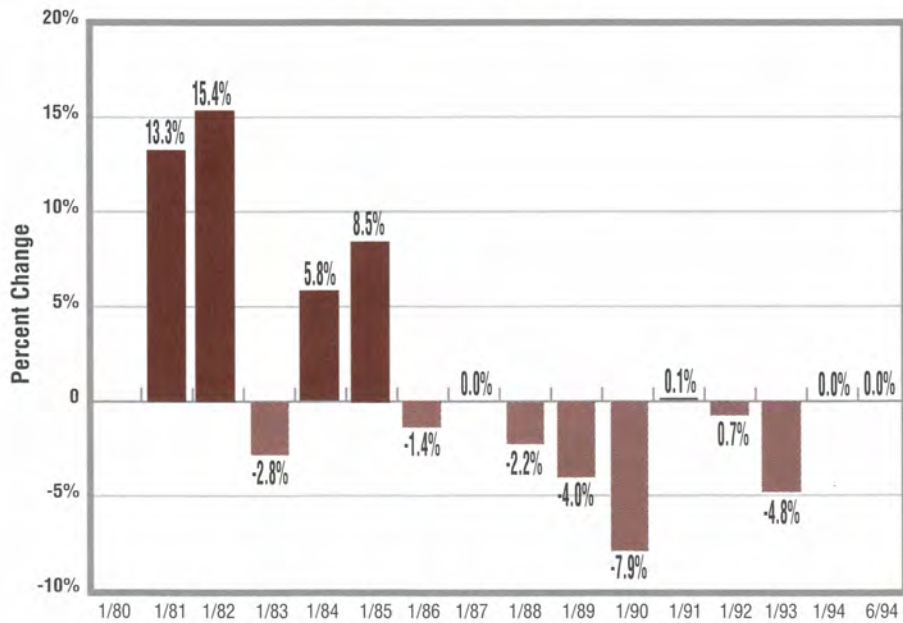
DATE	UTAH POWER		MOUNTAIN FUEL		US WEST	
	ANNUAL BILL	% CHQ	ANNUAL BILL	% CHQ	ANNUAL BILL	% CHQ
1/01/80	\$358.20		\$283.13		\$110.04	
1/01/81	\$405.96	13.3%	\$335.16	18.4%	\$131.16	19.2%
1/01/82	\$468.48	15.4%	\$395.24	17.9%	\$144.36	10.1%
1/01/83	\$455.28	-2.8%	\$456.70	15.6%	\$152.04	5.3%
1/01/84	\$481.68	5.8%	\$578.76	26.7%	\$165.96	9.2%
1/01/85	\$522.72	8.5%	\$607.07	4.9%	\$192.48	16.0%
1/01/86	\$515.64	-1.4%	\$567.26	-6.6%	\$220.92	14.8%
1/01/87	\$515.64	0.0%	\$565.39	-0.3%	\$220.92	0.0%
1/01/88	\$504.48	-2.2%	\$544.76	-3.6%	\$214.92	-2.7%
1/01/89	\$484.20	-4.0%	\$541.55	-0.6%	\$201.48	-6.3%
1/01/90	\$446.02	-7.9%	\$556.02	2.7%	\$161.16	-20.0%
1/01/91	\$446.51	0.1%	\$575.53	3.5%	\$148.08	-8.1%
1/01/92	\$443.54	-0.7%	\$581.38	1.0%	\$141.84	-4.2%
1/01/93	\$422.35	-4.8%	\$551.25	-5.2%	\$141.84	0.0%
6/30/93	\$422.35	0.0%	\$533.87	-3.2%	\$141.84	0.0%
6/30/94	\$422.35	0.0%	\$514.66	-3.6%	\$141.84	0.0%

Utah Power - Schedule #1 customer using 500 Kwh per month
 Mountain Fuel - GS-1 customer using 1150 therms per year
 US West - Salt Lake Main residential rate

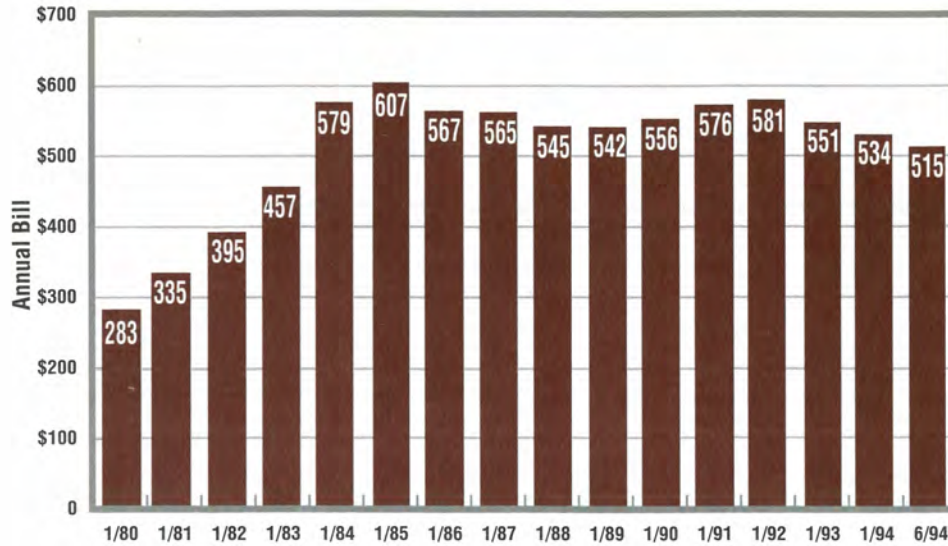
PACIFICORP/UP&L
Typical Residential Customer



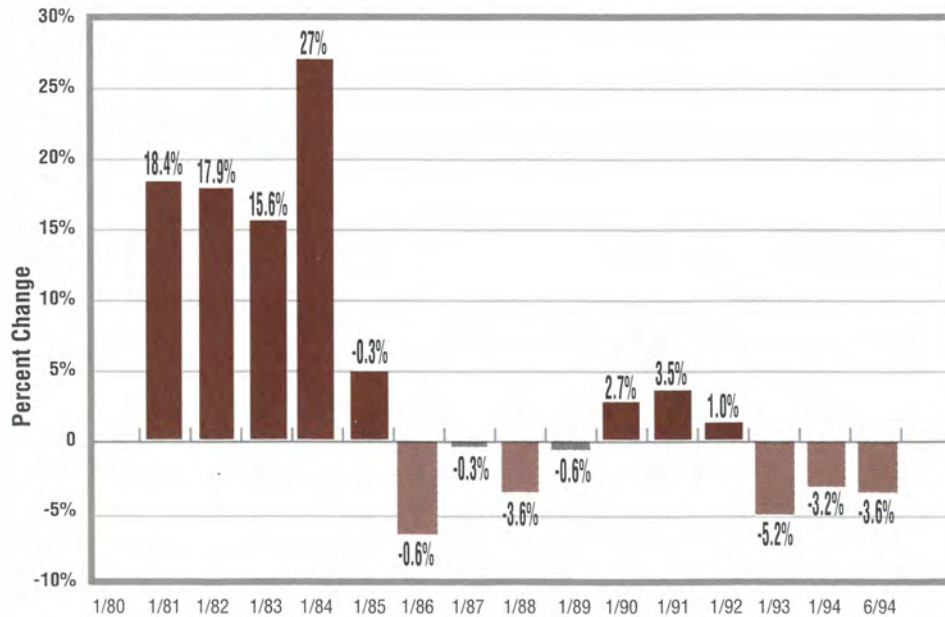
PACIFICORP/UP&L
Typical Residential Annual Bill



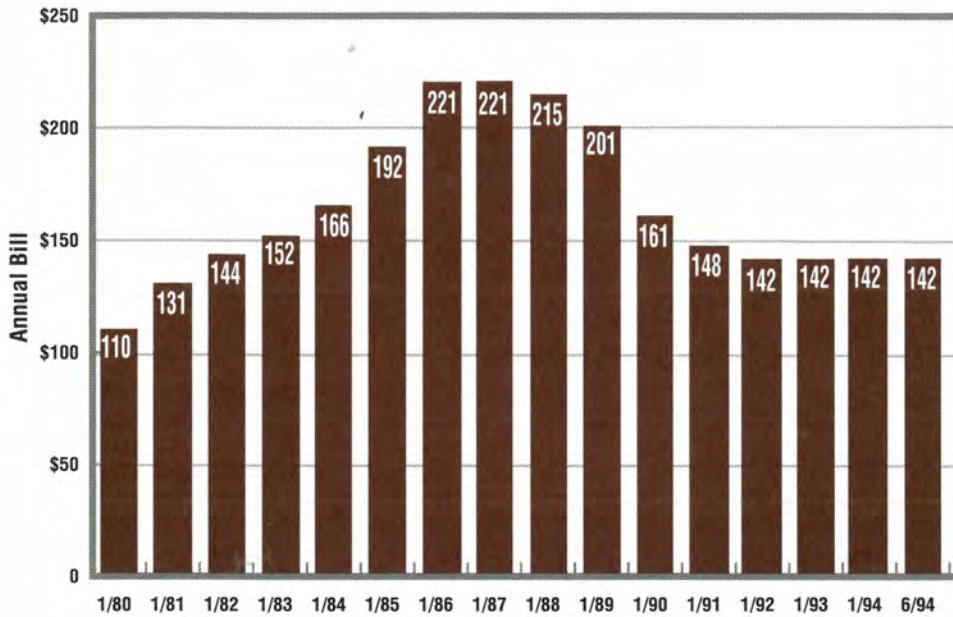
MOUNTAIN FUEL SUPPLY
Typical Residential Customer



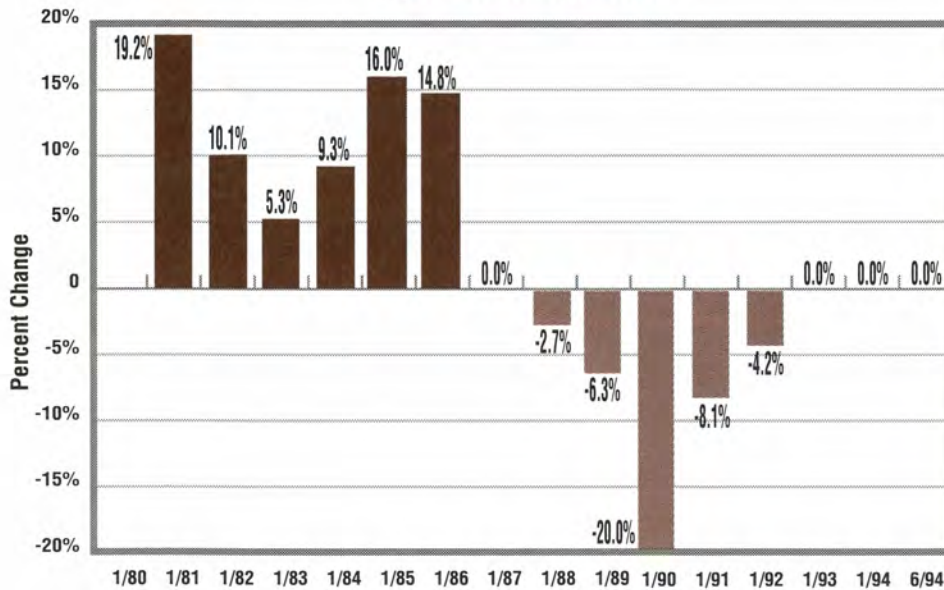
MOUNTAIN FUEL SUPPLY
Typical Residential Annual Bill



US WEST COMMUNICATIONS
Typical Residential Customer



US WEST COMMUNICATIONS
Typical Residential Annual Bill



MOTOR CARRIER ACTIVITY

	1993-1994	1992-1993	1991-1992	1990-1991
Common Carriers	20,054	18,774	16,513	15,083
Exempt Carriers Regulated	3,650	4,150	3,850	3,596
Total Firms Regulated	23,704	22,924	20,363	18,679
Interstate Vehicles Registered	365,000	334,000	307,000	298,100
Complaints Received & Investigated	124	53	117	65
Compliance Audits Conducted	132	98	117	168
Formal Actions Taken	183	164	122	97
Fines Assessed	\$ 75,967	\$ 52,500	\$ 38,373	\$ 12,368



PUBLIC SERVICE COMMISSION BUDGET SUMMARY

JULY 1, 1993 - JUNE 30, 1994

FUNDS AVAILABLE	ADMIN¹	O&M²	R&A³	HEAR IMP⁴	TOTAL
Non-Lapsing 7/1/93				\$100,000	\$ 100,000
Public Utility Regulation Fee	\$1,073,000	\$24,200			\$1,097,200
Dedicated Credits	\$ 15,000		\$60,000	\$600,000	\$ 675,000
TOTAL FUNDS AVAILABLE	\$1,088,000	\$24,200	\$60,000	\$700,000	\$1,872,200

FUND EXPENDITURES					
Personal Services	\$ 853,000				\$ 853,000
Travel	\$ 18,300				\$ 18,300
Current Expenses	\$ 158,000	\$24,200	\$60,000	\$862,000	\$1,104,200
Capital Outlay	\$ 400				\$ 400
TOTAL EXPENDITURES	\$1,029,700	\$24,200	\$41,400	\$862,000	\$1,975,900
Balance	\$ 61,000	\$ 0	\$ 0	\$ 63,900	\$ 124,900
Lapsing Balance	\$ 10,500	\$ 0	\$ 0	\$ 0	\$ 10,500
Non-Lapsing Balance	\$ 50,500	\$ 0	\$ 0	\$ 63,900	\$ 114,400

¹ADMIN – PSC Administration

²O&M – Heber M. Wells Building Operations & Maintenance

³R&A – Research & Analysis - Wexpro Monitor

⁴HEAR IMP. – Hearing and Speech Impaired

STATEMENT OF UTILITY REGULATION FINANCES

JULY 1, 1993 TO JUNE 30, 1994

FUNDS AVAILABLE

(appropriated)	PSC	DPU	CCS	AG	DOT/PS	CA/HWB*	Total
Non-Lapsing Balance 7/1/92	\$ 0	\$ 159,986	\$ 16,508	\$ 0	\$ 0	\$ 0	\$ 176,494
Public Utility Regulation Fee	\$1,073,000	\$1,830,300	\$680,500	\$299,600	\$ 0	\$ 40,000	\$3,923,400
Dedicated Credits	\$ 0	\$ 760,000	\$ 0	\$ 0	\$1,100,000	\$ 0	\$1,860,000
Federal Funds (Pipeline Safety)	\$ 0	\$ 89,300	\$ 0	\$ 0	\$ 0	\$ 0	\$ 89,300
Supplemental Appropriation	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Funds Available	\$1,073,000	\$2,839,586	\$697,008	\$299,600	\$1,100,000	\$ 40,000	\$6,049,194

FUND EXPENDITURES

Personal Services	\$ 853,000	\$2,193,448	\$395,789				
Travel	\$ 18,300	\$ 45,268	\$ 7,122				
Current Expenses	\$ 158,000	\$ 209,868	\$112,117				
Capital Outlay	\$ 400	\$ 48,390	\$ 3,646				
Total Expenditures	\$1,029,700	\$2,496,974	\$518,674				\$4,045,348
Balance	\$ 61,000	\$ 236,500	\$ 18,500				\$ 581,947
Lapsing Balance	(\$ 10,500)	(\$ 106,603)	(\$ 3,730)				
Non-Lapsing Balance	\$ 50,500	\$ 236,010	\$174,604				

*Appropriation to include Heber Wells Building

COMPLAINT SUMMARY

JULY 1992 - JUNE 1993

COMPLAINT TYPE	MT. FUEL	UP&L	WATER AND	
			US WEST	OTHER UTILITIES
Additional Charges	35	39	63	28
Billing Problems	17	18	22	4
Deposits	4	27	18	3
Estimated Bills	8	14	0	2
High Bill	18	22	2	7
Initial Service	38	24	193	20
Inquiry	29	39	28	52
Meter Problems & Reads	3	6	0	1
Outage	1	27	9	2
Personnel Problems	3	9	9	2
Repair	5	6	109	10
Shut Off or Notice	147	142	110	17
TOTAL COMPLAINTS	308	370	563	148

JULY 1993- JUNE 1994

COMPLAINT TYPE	MT. FUEL	UP&L	WATER AND	
			US WEST	OTHER UTILITIES
Additional Charges	34	33	40	
Billing Problems	20	18	34	
Deposits	5	13	11	
Estimated Bills	7	8	0	
High Bill	7	15	3	
Initial Service	29	32	179	
Inquiry	11	28	22	
Meter Problems & Reads	2	3	0	
Outage	0	9	3	
Personnel Problems	2	5	6	
Repair	5	15	83	
Shut Off or Notice	99	132	71	
TOTAL COMPLAINTS	221	311	452	48

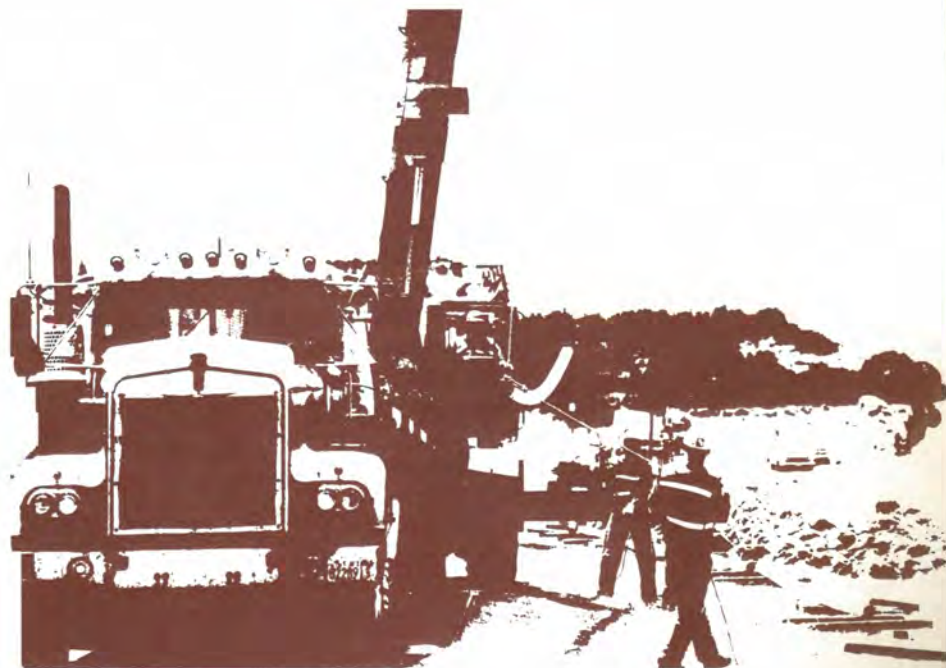
PUBLIC SERVICE COMMISSION OF UTAH COMMISSIONERS

NO.	NAME	HOME TOWN	PERIOD OF SERVICE
1.	Henry H. Blood	Kaysville	1917-1921
2.	Joshua Greenwood	Nephi	1917-1923
3.	Warren Stoutner	Salt Lake City	1917-1925
4.	Abbot R. Heywood	Ogden	1921-1923
5.	Elmer E. Corfman	Salt Lake City	1923-1937
6.	Thomas E. McKay	Huntsville	1923-1937
7.	George F. McGonagle	Salt Lake City	1925-1933
8.	Thomas H. Humphreys	Logan	1933-1935
9.	Joseph S. Snow	St. George	1935-1937
10.	Ward C. Holbrook	Clearfield	1937-1941
11.	Otto A. Wiesley	Salt Lake City	1937-1941
12.	Walter K. Granger	Cedar City	1937-1940
13.	George S. Ballif	Provo	1941-1943
14.	Oscar W. Carlson	Salt Lake City	1941-1949
15.	Donald Hacking	Price	1941-1951
16.	W.R. McEntire	Huntsville	1943-1952
17.	Hal S. Bennett	Salt Lake City	1949-1973
18.	Stewart M. Hanson	Salt Lake City	1951-1956
19.	Donald Hacking	Price	1952-1972
20.	Rue L. Clegg	Salt Lake City	1956-1957
21.	Jesse R.S. Budge	Salt Lake City	1957-1963
22.	Raymond W. Gee	Salt Lake City	1963-1965
23.	D. Frank Wilkins	Salt Lake City	1965-1967
24.	Donald T. Adams	Monticello	1967-1969
25.	John T. Vernieu	Richfield	1969-1972
26.	Eugene S. Lambert	Salt Lake City	1972-1975
27.	Frank S. Warner	Ogden	1972-1976
28.	Olof E. Zundel	Brigham City	1973-1979
29.	James N. Kimball	Salt Lake City	1975-1976
30.	Joseph C. Foley	Ogden	1976-1977
31.	Milly O. Bernard	Salt Lake City	1976-1982
32.	Kenneth Rigtrup	Salt Lake City	1977-1980
33.	David R. Irvine	Bountiful	1979-1985
34.	Brent H. Cameron	Salt Lake City	1980-1989
35.	James M. Byrne	Salt Lake City	1982-Present
36.	Brian T. Stewart	Farmington	1985-1992
37.	Stephen F. Mecham	Salt Lake City	1989-1991
38.	Stephen C. Hewlett	Bountiful	1991-Present
39.	Stephen F. Mecham	Salt Lake City	1992-Present

PUBLIC SERVICE COMMISSION OF UTAH SECRETARIES

NO.	NAME	HOME TOWN	PERIOD OF SERVICE
1.	Thomas E. Banning	Salt Lake City	1917-1923
2.	Frank L. Ostler	Salt Lake City	1923-1935
3.	Theodore E. Thain	Logan	1935-1936
4.	Wendell D. Larson	Salt Lake City	1936-1938
5.	J. Allan Crockett	Salt Lake City	1938-1940
6.	Charles A. Esser	Salt Lake City	1941-1943
7.	Theodore E. Thain	Logan	1943-1944
8.	Royal Whitlock	Gunnison	1945-1948
9.	C.J. Stringham	Salt Lake City	1949-1949
10.	Frank A. Yeamans	Salt Lake City	1949-1956
11.	C.R. Openshaw, Jr.	Salt Lake City	1956-1959
12.	Frank A. Yeamans	Salt Lake City	1959-1960
13.	C.R. Openshaw, Jr.	Salt Lake City	1960-1970
14.	Maurice P. Greffoz*	Salt Lake City	1970-1971
15.	Eugene S. Lambert	Salt Lake City	1971-1972
16.	Ronald E. Casper	Salt Lake City	1972-1977
17.	Victor N. Gibb	Orem	1977-1979
18.	David L. Stott	Salt Lake City	1979-1981
19.	Jean Mowrey	Salt Lake City	1981-1983
20.	Georgia Peterson	Salt Lake City	1983-1986
21.	Stephen C. Hewlett	Bountiful	1986-1991
22.	Julie Orchard	Bountiful	1991-Present

* Acting Secretary



FIXED PUBLIC UTILITIES OPERATING IN THE STATE OF UTAH UNDER THE
JURISDICTION OF THE PUBLIC SERVICE COMMISSION

JUNE 30, 1994

ELECTRIC

Bridger Valley Electric
Association, Inc.
P.O. Box 399
Mountain View, WY 82939
Telephone - (307) 786-2800
Telecopier - (307) 786-4362

Deseret Generation &
Transmission Co-Operative
8722 South 300 West
Sandy, UT 84070
Telephone - (801) 566-1238
Telecopier - (801) 562-6302

Dixie-Escalante Rural
Electric Association, Inc.
Contract Route Box 95
Beryl, UT 84714
Telephone - (801) 439-5311

Empire Electric Association, Inc.
801 North Broadway
P.O. Drawer K
Cortez, CO 81321-0676
Telephone - (303) 565-4444

Flowell Electric Association, Inc.
495 North 3200 West
Star Route Box 180
Fillmore, UT 84631
Telephone - (801) 743-6214

Garkane Power Association, Inc.
56 East Center Street
P.O. Box 790
Richfield, UT 84701
Telephone - (801) 896-5403
Telecopier - (801) 896-8079

Moon Lake Electric
Association, Inc.
188 West 200 North
P.O. Box 278
Roosevelt, UT 84066-0278
Telephone - (801) 722-2448
Salt Lake - (801) 562-5274

Mt. Wheeler Power, Inc.
1600 Seventh Street East
P.O. Box 1110
Ely, NV 89301-1110
Telephone - (702) 289-8981
Telecopier - (702) 289-8987

PacifiCorp - Corporate
Port of Portland
700 N.E. Multnomah, Suite 1600
Portland, OR 97232-4116

Raft River Rural Electric
Cooperative, Inc.
250 North Main St., P.O. Box 617
Malta, ID 83342
Telephone - (208) 645-2211
Telecopier - (208) 645-2300

Strawberry Electric
Service District
745 North 500 East
P.O. Box 70
Payson, UT 84651
Telephone - (801) 465-9273

Strawberry Water Users
Association
745 North 500 East
P.O. Box 70
Payson, UT 84651
Telephone - (801) 465-9273

Wells Rural Electric Company
450 Humbolt Avenue
P.O. Box 365
Wells, NV 89835
Telephone - (702) 752-3328

STEAM HEAT

PacifiCorp, dba Utah Power &
Light Company
One Utah Center
201 South Main Street,
Suite 700
Salt Lake City, UT 84140-0007
Telephone - (801) 220-2000

NATURAL GAS
Mountain Fuel Supply Company
180 East First South Street
P.O. Box 11368
Salt Lake City, UT 84139
Telephone - (801) 534-5555

Utah Gas Service Company
5000 South Quebec Street
Suite 650
Denver, CO 80237
Telephone - (303) 779-7911

TELECOMMUNICATIONS
Albion Telephone Company, Inc.
Highway 77
P.O. Box 98
Albion, ID 83311
Telephone - (208) 673-5335

All West Communications, Inc.
dba All West Communications
50 West 100 North,
P.O. Box 588
Kamas, UT 84036-0588
Telephone - (801) 783-4361

AT&T Communications of
the Mountain States, Inc.
1875 Lawrence Street,
Room 1460
Denver, CO 80202
Telephone - (303) 298-6326

Bear Lake
Communications, Inc.
45 West Center Street
P.O. Box 7
Fairview, UT 84629
Telephone - (801) 427-3331
Telecopier - (801) 427-3200

Beehive Telephone
Company, Inc.
125 Base Drive
P.O. Box 520
Wendover, UT 84083-0520
Telephone - (801) 234-0111
Telecopier - (801) 234-0119

Central Utah Telephone, Inc.
45 West Center Street
P.O. Box 7
Fairview, UT 84629
Telephone - (801) 427-3331
Telecopier - (801) 427-3200

Citizens Telecommunications
Company of Utah
Attn: Aloa Stevens
8920 Emerald Park Dr.,
Suite G
P.O. Box 340
Elk Grove, CA 95759-0340
Telephone - (916) 686-3319
Telecopier - (916) 686-8239

Eagle Telecommunications,
Inc./Colorado
805 Broadway
P.O. Box 9901
Vancouver, WA 98668-8701
Telephone - (206) 696-6914
Telecopier - (206) 696-6974

Emery Telephone
150 South Main Street
P.O. Box 629
Orangeville, UT 84537-0629
Telephone - (801) 748-2223
Telecopier - (801) 748-5001

Gunnison Telephone
Company
29 South Main Street
P.O. Box 850
Gunnison, UT 84634
Telephone - (801) 528-7236
Telecopier - (801) 528-5558



FIXED PUBLIC UTILITIES OPERATING IN THE STATE OF UTAH UNDER THE
JURISDICTION OF THE PUBLIC SERVICE COMMISSION

JUNE 30, 1994

TELECOMMUNICATIONS
(continued)

Industrial Communications,
David R. Williams, dba
P.O. Box 25670
Honolulu, HI 96825

Manti Telephone Company, Inc.
40 West Union
Manti, UT 84642
Telephone - (801) 835-3391

Navajo Communications
Company, Inc.
Attention: Rick McAllister
One Allied Drive
P.O. Box 2177
Little Rock, AR 72203-2177
Telephone - (501) 661-8000

Royce's Electronics, Inc.
611 South Main Street
Moab, UT 84532
Telephone - (801) 259-6630

Skyline Telecom
45 West Center Street
P.O. Box 7
Fairview, UT 84629
Telephone - (801) 427-3331
Telecopier - (801) 427-3200

South Central Utah Telephone
Association, Inc.
45 North 1st West, P.O. Box 555
Escalante, UT 84726
Telephone - (801) 826-4211

Uintah Basin Telephone
Association, Inc.
3900 South 4000 West
P.O. Box 398
Roosevelt, UT 84066
Telephone - (801) 646-5007

Union Telephone Company, Inc.
850 North Highway #10
P.O. Box 160
Mountain View, WY 82939
Telephone - (307) 782-6131

US WEST Communications, Inc.
Regulatory Affairs
250 Bell Plaza, Room 1603
P.O. Box 30960
Salt Lake City, UT 84130-0960
Telephone - (801) 237-7200

The Westlink Company
425 California, 25th Floor
San Francisco, CA 94104
Telephone - (415) 291-1970

WATER

Bridgerland Water Co., Inc.
P.O. Box 314
Logan, UT 84321
Telephone - (801) 752-6446

Chekshani Water Company, Inc.
C/O Chekshani Cliffs Corporation
916 North Main Street
Las Vegas, NV 89101
Telephone - (702) 254-5707
Telecopier - (702) 254-5272

Community Water Company
150 North Virginia Street
Salt Lake City, UT 84103
Telephone - (801) 328-4000

Cross Hollow Hills Joint Venture
259 West 200 North
Cedar City, UT 84720
Telephone - (801) 586-2777

Dammeron Valley Water Works
1456 West 810 North Maze Circle
Dammeron, UT 84783
Telephone - (801) 574-2295

Durfee Creek, Inc. Association
2550 South 2570 West
P.O. Box 271037
Salt Lake City, UT 84127-1037

Eldorado Hills Mutual Water
Company Inc.
P.O. Box 46653
Leeds, UT 84746
Telephone - (801) 879-2919

Elk Ridge Estates Water Company
C/O Mark Jacobs
P.O. Box 1424
St. George, UT 84770
Telephone - (801) 682-2515

Golden Gardens Water Co., Inc.
7340 West Adams Road
Magna, UT 84044
Telephone - (801) 250-6624

Harmony Heights Water Co.
453 North 200 West 9-6
Hurricane, UT 84737
Telephone - (801) 635-0913

Hi-Country Estates Phase I
Water Company
C/O Debbie Watson
124 Hi-Country Road
Herriman, UT 84065
Telephone - (801) 254-7007

Highlands' Water Company, Inc.
R.F.D. No. 1, Box 160
Morgan, UT 84050
Telephone - (801) 544-9009

KWU, Inc.
dba, Kayenta Water Users
P.O. Box 430
Santa Clara, UT 84765
Telephone - (801) 628-7234

Lakeview Water Corporation
1014 North Olive Avenue
West Palm Beach, FL 33401
Telephone - (407) 833-7553

Little Plains Water
Company, Inc.
P.O. Box 24
New Castle, UT 84756
Telephone - (801) 877-1023

Nordic Valley Water Co.
6241 South Borg Circle
Ogden, UT 84403
Telephone - (801) 479-4938

Pine Hollow Water Company
P.O. Box 448
Heber City, UT 84032
Telephone - (801) 548-2388

Pine Valley Irrigation Company
753 South Lexington Drive
St. George, UT 84770
Telephone - (801) 673-3260

Sherwood Water Company
P.O. Box 848
Delta, UT 84624
Telephone - (801) 864-3196

Silver Springs Water Co., Inc.
4575 North Silver Springs Road
Park City, UT 84060-5913
Telephone - (801) 649-9500

Timber Lakes Water
Company, Inc.
160 East 4800 South Street
Murray, UT 84107
Telephone - (801) 268-1414

Wanship Cottage Water
Company
P.O. Box 176
Coalville, UT 84017
Telephone - (801) 336-5584

White City Water Company
999 East 9800 South
Sandy, UT 84094-4065
Telephone - (801) 571-3991
Telecopier - (801) 571-3992
(Call first)

Wilkinson Water Company, Inc.
RFD No. 1, Box 143 D
3940 West Old Highway Road
Morgan, UT 84050
Telephone - (801) 876-3113

Winchester Hills Water
Company, Inc.
5885 North 1750 West, No. 48
St George, UT 84770
Telephone - (801) 673-9403
Telecopier - (801) 673-1584

FIXED PUBLIC UTILITIES OPERATING IN THE STATE OF UTAH UNDER THE
JURISDICTION OF THE PUBLIC SERVICE COMMISSION

JUNE 30, 1994

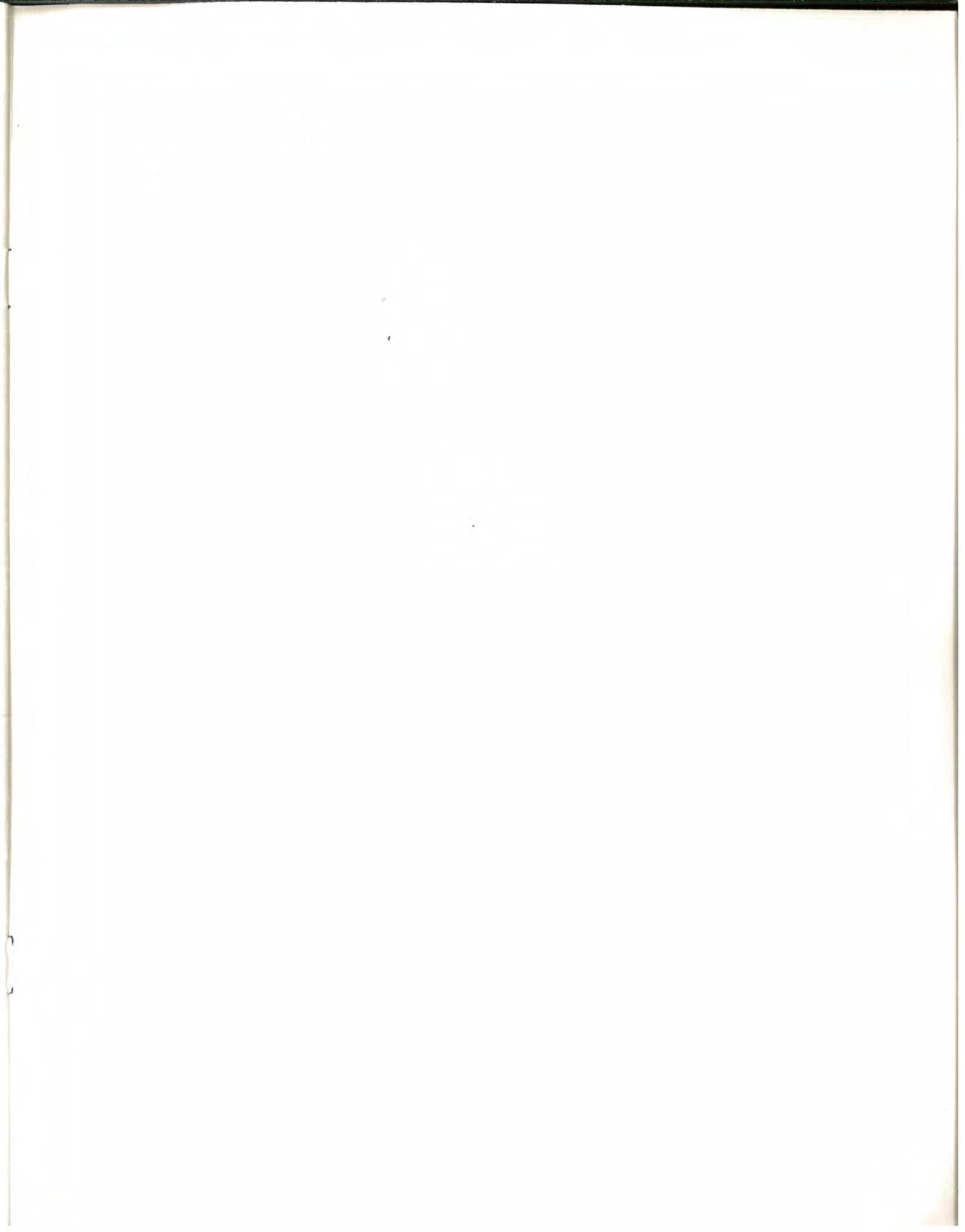
COMBINATION WATER
AND SEWER

Storm Haven Water Company, Inc.
4782 South Cove Lane
Heber City, UT 84032
Telephone - (801) 654-3119
Telecopier - (801)

Wolf Creek Water &
Sewer Co., Inc.
296 East 3250 North
Ogden, UT 84414
Telephone - (801) 782-8682
Telecopier - (801)

SEWER

Mountain Sewer Corporation
1014 North Olive Avenue
West Palm Beach, FL 33401
Telephone - (407) 833-7553
Telecopier - (407)





FORM PSC-83002

FROM

530-6716



Public Service Commission of Utah

4th Floor, Heber M. Wells Building, 160 East 300 South
P.O. Box 45585, Salt Lake City, Utah 84145

TO

DEPOSITORY SYSTEM

UTAH STATE LIBRARY COMMISSION
2150 SOUTH SECOND WEST
SUITE 16
SLC UT 84115

OCT 23 1996

UTAH STATE LIBRARY