

RECEIVED

1641 High Oaks Lane  
Draper, Utah 84020  
(801) 523-6476  
January 28, 2004

FEB 3 8 03 AM '04

Richard M. Campbell, Chairman, Utah Public Service Commission  
Constance B. White, Commissioner, Utah Public Service Commission  
Ted Boyer, Commissioner, Utah Public Service Commission  
Heber M. Wells Building, 4<sup>th</sup> Floor  
160 East 300 South  
Salt Lake City, Utah 84111

Re: Proposed Utah Power Residential Three Tier Rate Structure/Increases

Dear Commissioners:

This is to express by objection to the proposed three-tier rate structure during May through September for residential customers being requested by Utah Power.

It is my understanding that a third tier rate for usage over 1,000 KWH per month would be imposed, and that this rate would be \$.09 per KWH. Not only would this third tier threshold be arbitrary, the rate would be extreme. This rate would be 27% over the present (second) tier rate for this amount of usage, and 43% over the present first tier rate.

Utah Power may be justified in seeking more revenue, and admittedly I am not in a position to evaluate this. However, I do feel the disparity of the third tier rate is unjustified. It does not cost more to provide higher usage customers, but less. First, Utah Power's fixed costs are spread over the greater usage. Secondly, with "economies of scale" it will cost them less to provide the power, rather than more.

I recommend that Utah Power be required to stay with the present two tier rate as is now in use. If this must be adjusted to provide them with a reasonable rate of return, that is understandable.

Thank you or your consideration of this matter.

Sincerely,



Robert L. Glazener  
(rlglazener@aol.com)