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December 18, 2007

## BY HAND DELIVERY

Ted Boyer, Chairman Ric Campbell, Commissioner Ron Allen, Commissioner Utah Public Service Commission Heber M. Wells Building, 4th Floor 160 East 300 South Salt Lake City, Utah 84111

Re:

Special Protest to Scheduling Conference Questar Gas Company / Docket No. 07-057-13 Rocky Mountain Power / Docket No. 07-035-93

Dear Commissioners:

On December 13, 2007, the Commission issued a Notice of Scheduling Conference in the above-referenced matters to be held on December 20, 2007. At the time the Notice was issued, no application had been filed in either matter. The Application of Rocky Mountain Power ("RMP") was filed in Docket No. 07-035-93 on December 17, 2007, and we received a copy the same day. As far as we know, the Application of Questar Gas Company ("Questar") has not been filed, even though a docket has been created in anticipation of the filing. (Docket No. 07-057-13). We have not yet received a copy of the Questar application.

This law firm has appeared in many dockets before the Public Service Commission as counsel for individual entities and for groups of industrial clients under the names, Utah Industrial Energy Consumers in electric cases, and Industrial Gas Users in natural gas cases. Because we have only just received the RMP application and have not yet received the

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Questar application, we have had little opportunity to review the former and no opportunity to review the latter. We are thus unable to identify with any certainty, much less meaningfully consult with those utility customers who might become our clients in either case. More importantly, the customers themselves, who may become our clients, have had no opportunity to evaluate the applications, receive recommendations from counsel, or decide which issues may be important to them. Thus, we offer these comments reserving all rights of our potential clients to protest, intervene and otherwise pursue their interests as they see fit.

We understand that the utilities' decisions to file simultaneous electric and natural gas rate cases places an unusual burden on the Commission, the Division of Public Utilities ("Division") and the Committee of Consumer Services ("Committee"). Nevertheless, we believe that it is premature for the Commission to set a schedule for these dockets. Because the Division and the Committee can formulate positions on behalf of their constituents, and can therefore anticipate to some degree their need for analysts and expert witnesses, they may feel prepared to set a schedule as early as this week. Any such schedule, however, would necessarily be in complete disregard of the scheduling needs of other interveners. Certainly, the Commission should not issue a scheduling order until it is likely such a schedule would allow all interested parties a fair opportunity to conduct discovery, prepare and present testimony and documents, and otherwise enjoy the minimum requirements of due process of law. At this point, it is simply too early for our usual (yet currently potential) clients to know even which issues will affect them. Unlike the Division or Committee, the industrial customers of the utilities cannot be expected to have already lined up experts or to know whether their witnesses will be available to meet the demands of a proposed schedule. We request, therefore, that the Commission postpone any scheduling conference and decline to issue a scheduling order until a reasonable period of time has elapsed during which other parties might be allowed to review and assess the utilities' applications.

We also wish to offer a comment on one portion of RMP's application that should not be any part of this RMP Docket. RMP's application contains a proposed electric rate schedule that would levy a surcharge on "New Large Customer Service" (Proposed Electric Service Schedule No. 500). The schedule penalizes new large customers and growing customers with a very substantial surcharge on their rates. This "anti-growth" tariff raises serious political and economic ramifications for the State of Utah, sending a

<sup>&</sup>lt;sup>1</sup> There have been, to our knowledge, no interventions requested or granted in either of these rate cases. Thus, except for RMP and Questar, who commenced these proceedings, and the Division and Committee, who are granted full participation rights by agency rule, there are no parties who can stipulate to a schedule at this early date.

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clear message to new industrial and commercial businesses that they are unwelcome in Utah and will be penalized by a hefty surcharge on their electric rates should they venture to do business here. It also affects any growth plans of existing industrial and commercial businesses, signaling that, if at all possible, they would be better off moving to a friendlier state rather than to expand their operations in Utah.

We believe that consideration of this tariff raises fundamentally different issues, implicates different policy considerations, and requires different witnesses from the rest of the RMP docket. The Commission should hear testimony from RMP executives, from leaders of Utah industry and business, from county and municipal officers, from state legislators, and from the governor's office itself in order to fully assess the far-reaching, potentially enormous impact that this rate schedule would have on the state's policies toward economic development. We plan to advise our clients to protest this rate schedule and to authorize us to move to have it severed from the rate case docket.

In the meantime, we would view it as a deprivation of due process to set a schedule for consideration of Schedule 500 in the rushed timeframe proposed by the Division. If the Commission is inclined to set any schedule in the RMP docket before a motion to sever Schedule 500 can be brought and ruled upon, we would urge the Commission to except from the scheduling order all matters pertaining to Schedule 500 so that it may be given adequate consideration.

For the reasons discussed above, we propose that the scheduling conference set for December 20, 2007, be continued. We also strongly recommend that the new "anti-growth tariff" proposed by RMP be excluded from any scheduling order ultimately issued in the RMP docket so that the Commission and the parties can give it appropriate consideration separate from the rest of the case.

Thank you for your consideration of these comments.

Very truly yours,

F. ROBERT REEDER WILLIAM J. EVANS

VICKI M. BALDWIN

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