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UTAH PUBLIC
SERVICE COMMISSION

Attorneys for Geneva Steel

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

IN THE MATTER OF THE)	CASE NO. 94-2035-03
APPLICATION OF PACIFICORP)	
FOR AN ORDER APPROVING ITS)	POSITION STATEMENT
AVOIDED COST RATES)	OF GENEVA STEEL
)	
)	
)	

Pursuant to the Commission's Order dated October 18, 1994, Geneva Steel hereby offers the following "views and suggestions for handling projects greater than 1000 kw."


The electric industry is obviously in a state of transition to a competitive market. At some point in the future the competitive market will be the predominant factor in determining economical generation projects and choosing suppliers of electrical services. The transition, however, is far from complete. PacifiCorp retains an effective monopoly on transmission, transformation and distribution facilities. It also controls vast knowledge and information about its transmission system that is not made available to others. Commission involvement is essential to ensure a level playing field.

The monopoly strength and superior knowledge and resources of PacifiCorp can be used to delay or prevent efficient and economical generation projects for Utah ratepayers. For example, PacifiCorp may offer only a fraction of its filed avoided cost rates for larger projects. Such a response can be done for inappropriate reasons, such as a desire to eliminate competing generation sources not under the control of the utility. As a consequence, the ratepayers can lose efficient, low cost resources; effective least cost planning can be thwarted; the State of Utah can lose major opportunities for economic development and jobs; and Utah industries can be forced into uneconomic decisions.

Until the transformation to a competitive market is complete, this Commission should take appropriate steps to ensure that opportunities for economic and least-cost resources are properly considered and encouraged; that PacifiCorp pays its actual avoided costs; that effective and timely mechanisms are available for Commission participation, review and encouragement of economical projects; and that PURPA obligations are properly discharged.

RESPECTFULLY SUBMITTED this 4th day of November, 1994.

KIMBALL, PARR, WADDOUPS, BROWN & GEE



Gary A. Dodge
Attorneys for Geneva Steel

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing "Position Statement of Geneva Steel" was mailed, postage prepaid, this 4th day of November, 1994, to the following:

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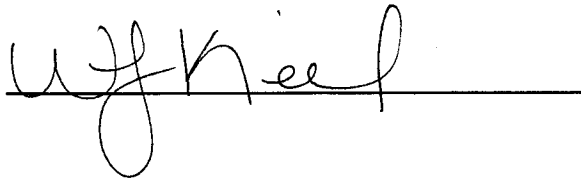
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A handwritten signature in cursive script, appearing to read "W. J. Nielsen", is written over a solid horizontal line.