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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of PacifiCorp and Scottish Power plc for an Order Approving the Issuance of PacificCorp Common Stock DOCKET NO. 98-2035-04

PETITION FOR INTERVENTION OF THE UTAH LEAGUE OF CITIES AND TOWNS AND SIMILARILY SITUATED MUNCIPALITIES

The Utah League of Cities and Towns (ULCT), by and through its attorneys of record, and on behalf of its member entities, respectfully petitions the Public Service Commission of Utah (the "Commission"), pursuant to <u>Utah Code Annotated</u> § 63-46b-9 and <u>Utah Admin. Code</u> R. 746-100-7 to intervene in the above captioned matter. In support of this Petition, ULCT represents the following and as grounds therefor submits to the Commission that: 1. <u>Identity of Petitioner</u>. The ULCT is a non-profit and non-partisan association that

represents all of Utah's 232 incorporated cities and towns. The ULCT is the principal

representative organization of Utah municipal governments to both the federal and state

governments. In addition, the ULCT provides assistance, training, and information to Utah's municipal leaders.

The ULCT was initially organized in 1907 as the Utah Municipal League. The current charter and operation was established in 1937. The ULCT is governed by a 16-member board of elected municipal officials from various geographic areas of the state. Dues from the member communities support the organization.

2. Interest of Petitioner. Pursuant to the Utah Constitution, (Utah Const., Article XI §5) Utah municipalities have a constitutional requirement to furnish all public services (including electricity) to their citizens. In the case of electrical power, the municipalities discharge this responsibility by operating their own municipal power systems or through agreements with a private entity such as an investor owned electric utility. In either case, Utah municipalities have a constitutional responsibility and obligation to insure that their citizens receive reasonably priced and reliable electric services.

PacifiCorp is currently providing power to most Utah municipalities pursuant to private agreements with those communities. ULCT member communities and their citizens are dependent upon reliable electrical services. Reliable electric service is necessary so as to allow ULCT members to maintain their economic development programs and all other municipal undertakings. Those communities operating their own electrical power systems are also dependent upon a reliable statewide power distribution system for their operations. Lastly, virtually all Utah cities receive substantial revenues from electric power operations. (Utah Municipal Energy and Use Tax, Utah Code Ann. § § 10-1-301, et. seq;)

ULCT members have a substantial and compelling interest in this proceeding. Intervention is necessary so as to guarantee that ULCT will be able to participate in this proceeding as ULCT members' interests may require. Utah Code Ann. § 63-46b-9 permits intervention if the petitioner's legal rights or interests are substantially affected by this proceeding. PacifiCorp and Scottish Power plc have requested an order from the Public Service Commission relating to a merger between Scottish Power and PacifiCorp. As a result , this Commission will likely make an inquiry and determination pursuant to Utah Code Ann. §§54-4-1, 54-4-28 and 54-4-31 whether the result of the Agreement and Plan of Merger, which is the genesis of this proceeding, is in the public interest. This Commission, relying upon lessons learned as a result of the Utah Power & Light and PacifiCorp merger in 1987, must review and address any number of issues relating to local control, local responsibility and local reliability. For reasons stated above, these directly impact ULCT's members.

3. Interest of Justice Not Impaired. The interests of justice and the orderly and prompt conduct of this proceeding will not be materially impaired by allowing the intervention of ULCT. Intervention will not prejudice any party nor will intervention in this proceeding unduly broaden its nature or scope. Allowing this timely intervention of ULCT will not delay this proceeding.

4. <u>Notice</u>. If intervention is granted, copies of all notices and filings should be served on the following:

Steven W. Allred Salt Lake City Corporation Law Department 451 South State, Suite 505 Salt Lake City, Utah 84111 Telephone: (801) 535-7788

Paul T. Morris 3600 Constitution Blvd. West Valley City, Utah 84119 Telephone: (801) 963-3271 Roger O. Tew, Esq. Special Counsel for ULCT 60 South 600 East, Suite 200 Salt Lake City, Utah 84102 Telephone: (801) 521-3363

NOW THEREFORE, ULCT respectfully requests that the Commission issue an

Order authorizing ULCT to intervene and fully participate in the above captioned proceeding. A

proposed form of Order is submitted herewith.

DATED this _____ day of January, 1999.

Steven W. Allred Special Counsel for the Utah League of Cities and Towns

Paul T. Morris Special Counsel for the Utah League of Cities and Towns

Roger O. Tew Special Counsel for the Utah League of Cities and Towns

MAILING CERTIFICATE

I hereby certify that I caused a copy of the foregoing **PETITION FOR**

INTERVENTION OF THE UTAH LEAGUE OF CITIES AND TOWNS regarding Docket

No. 98-2035-04, to be mailed by first class mail, postage prepaid, this _____ day of January,

1999 to the following:

Robert Green

Group Controller Scottish Power plc 121 SW Morrison, Suite 1800 Portland, Oregon 97204 Phone: (503) 224-9040 Fax: (503) 223-9081 Email: bob.green@scottishpower.plc.uk

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