

EXHIBIT NO.	1
Case	D3-035-14
Date	5/19/04
Witness	Sen. Curtis Bramble
Reporter	Dusan Apraca



Utah State Legislature

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Ric Campbell
Utah Public Service Commission
PO Box 146701
Salt Lake City, Utah 84114

19 May 2004

Dear Chairman Ric Campbell:

We are writing to let you know of our concerns regarding the lack of a competitive environment for electrical power generation in the State of Utah. We believe that the near absence of any independent power projects in our State is fundamentally inconsistent with the policy of the State of Utah as embodied in statute and statements by the Governor. Specifically, as a Legislature we have stated "that in order to promote the more rapid development of new sources of electrical energy . . . and to promote the efficient utilization and distribution of energy, it is desirable and necessary to encourage independent energy producers to competitively develop sources of electric energy . . . , and to remove unnecessary barriers to energy transactions involving independent energy producers and electrical corporations." Utah Code 54-12-1:

We have further provided that "The commission shall establish reasonable rates . . . for the purchase or sale of electricity . . . between a purchasing utility and an independent energy producer." In establishing these rates and terms, the commission "shall establish either a procedure under which small power producers and cogenerators offer competitive bids for the sale of power to purchasing utilities or devise an alternative method which considers the purchasing utility's avoided costs." Utah Code 54-12-3.

Given the almost complete lack of independent power projects in the State of Utah, it is clear to us that the Public Service Commission has not created a regulatory framework which implements State policy requiring the development of independent power sources. We would very much appreciate you providing to us any information that will help us as legislators in our oversight of the Commission's activities in implementing these important statutory mandates. It would be helpful to us if you would give us your analysis and understanding as to why there is not an environment in Utah that "encourage[s] independent energy producers to competitively develop sources of electric energy." We know that many other states have very active participation of independent energy producers and are curious as to why this is not the case in Utah.

Thank you very much for your consideration. We look forward to hearing from you at your earliest convenience.

Sincerely,

Senator Curtis Bramble

Representative Greg Curtis

Representative Becky Lockhart