

From: Suzanne Frasier <frasuer@yahoo.com>
To: <rlwilson@utah.gov>
Date: Saturday, January 03, 2004 5:48:49 PM
Subject: URGENT1 Questions to ask PacifiCorp at your hearing

I'm not surprised at the current problems with PacifiCorp. This is a disaster that has been lurking in the shadows ever since they took over UP&L.

The following information is from conversations I had five years ago with someone who was with UP&L for many years and with PacifiCorp for several years after the takeover.

These are the issues the Public Service Commission should look into. And perhaps, the Attorney General also.

When they were negotiating to buy UP&L, PacifiCorp reassured customers' fears of increased power rates by promising to LOWER electrical rates considerably because they would improve efficiency. For the first year, rates WERE lower, and here is why: PacifiCorp STOPPED PERFORMING REGULAR INSPECTION AND MAINTENANCE OF THEIR LINES AND EQUIPMENT, something that UP&L had always done. Instead, PacifiCorp adopted a "wait until it fails" attitude. This new policy was instituted because PacifiCorp decided to fire most of their linemen, and "out source" much of the repair and installation work. Thus they avoided the expense of health care, retirement, etc, that UP&L crews had received.

They also abandoned UP&L's aggressive tree trimming (which I can attest was often more extreme than homeowners desired).

The result of these changes has been more frequent and longer outages, most of which have NOT been storm related. When heavy snows or winds have been involved, most of the damage has been because trees have not been trimmed from power lines.

There has also been a shocking disregard for the safety of power station operators. There were certain power stations that were so poorly maintained (perhaps because they had been off-line for too long) where operators feared an explosion was possible. PacifiCorp turned a deaf ear to these concerns, which I gather led to the resignation of some experienced operators. Which actually pleased PacifiCorp because these men received higher salaries (based on