

Utah Public Utilities Commission
Commissioner Allen
160 East 300 South 4th Floor
Salt Lake City, Utah 84111

Dear Ms Wilson

It appears that the current trend is for a corporation to buy the assets of another corporation and then strip it of assets before selling it. This appears to have happened in the case of Utah Power. First the Scottish company purchased Utah Power and failed to expend funds to maintain the system. This is evident by the fact that Rocky Mountain power, who is the latest purchaser, wants to increase the rates to make improvements to the system. Rocky Mountain Power should have made an analysis before purchasing and the purchase price should have been reduced to provide funding for the improvements.

Rocky Mountain Power then tells us we should be glad to pay the higher rates because other power company rates are much higher. What other power companies charge should have no bearing on what Rocky Mountain should charge. Other power companies should be looking at Rocky Mountain Power to determine how to operate more efficiently.

Finally, I am concerned that any increase in rates will go minimally to up- grading and improving the system. I feel that the real reason for the request for a rate increase is to provide for higher salaries and bonuses for the CEO and other management officials of Rocky Mountain Power. I am hopeful that if you approve the rate increase you will also monitor Rocky Mountain Power to assure that the funds go to the improvement of the system and not into the pockets of the management of Rocky Mountain Power.

Thank you.

Sincerely
John L. Hotchkiss
323 East 1000 North
Harrisville, Utah 84404

Letters to the Editor

Reader comments on power rate increase

The July 27 news story, "Power rate increase closer," reported about a rate increase requested by Rocky Mountain Power. RMP recently purchased assets from a Scottish company. RMP should have made an assessment before the purchase to discover that a capital investment was needed to improve the power system, and the price should have compensated for the shortfall. Rocky Mountain Power should provide the capital to make the improvements and recoup by selling more power.

If the Utah Public Utilities Commission approves these rate increases, it must assure the public that the increase in power costs will not be used for compensation and uncalled for bonuses for the CEO and other management officials, or for dividends for stockholders.

Instead of comparing Utah power rates with other power companies as reasons to raise the rates, Rocky Mountain Power should be comparing the rates to show other power companies how to run their companies efficiently.

UPUC, please make sure the money is spent on upgrading the system. Perhaps it is time for Utah to get into the power business.

*John L. Hotchkiss
Harrisville*