

'88 NOV 14 12:52 November 10, 1988

Utah Public Service Commission  
160 East 300 South  
Salt Lake City, Utah 84111

Dear Commissioners:

The proposed merger of Utah Power & Light and Pacific Power & Light was initiated August 1987. From that point to the present there was never a need to merge. If the officers of Utah Power & Light Company had done their job in the first place the company never would have had financial problems to begin with. It should be obvious that they are obsessed with completing this merger at all costs, never mind that it is not in the best interests of the rate payers, employees, or the stock holders. The officers of the company have misrepresented by the use of unsubstantiated numbers from start to present and have not stated the truth in testimony they have given to the commission on numerous occasions. It should be remembered these same people had charges brought against them by the Grand Jury just prior to their unnecessary merger proposal. The officers of the power company have lost all credibility with the employees of the company because of misrepresentation and lies. The number of employees to be excessed from UP&L and PP&L general offices alone by their own figures is 900 employees, not to mention all the other areas of the combined companies that will have reduction of people. The officers and selected managers (special friends) all have salary bonuses, golden parachutes if you will, that are not extensions of the 1987 retirement agreement but extra special salary payment. Please read pages A11 and A12 of the prospectus on the merger where this is a matter of public record. The north south transmission system is the back bone of the company and now that FERC has placed very unfavorable conditions on the merger the officers are now saying it doesn't matter that we lose control of one of the most valuable assets of the company and possibly set an adverse precedent that could be harmful to all publicly owned electric utilities in the U.S. It should be remembered that the rate payers of the state of Utah paid for this facility that the officers seem so willing to just give away in one form or another. The rate reductions promised in the merger of 2% now and 5% to 10% later simply are unrealistic and in reality the 5% to 10% will never happen. These rate reductions would have to come at the expense of rate increases for the PP&L rate payers and additional layoffs of employees of the combined companies. It seems further discriminatory that the company pays bonuses to certain people that have worked on the merger and other employees are simply forgotten about. In conclusion isn't it quite obvious that FERC was sending a message that the merger was not good when they placed all the conditions on the transmission facilities and was trying to tell the officers of the two companies that they really do not want the merger because it is not in their own best interests? Since the officers of these two companies aren't smart enough to read

between the lines hopefully the commission will do there job for them and not approve the merger on the grounds that it is really not in the best interests of Utah Power & Light Company. Approval simply gives a long standing corporation of Utah to another state to the detriment of the people of Utah and I thought the commission was charged with protecting all the rate payers interests which the merger will not do.

Doesn't it concern anyone that approval could mean that Utah is the leader into the new era of socialized electrical service? Is this the legacy that the Utah Public Service Commission really wants? Words could be written forever but the evidence is clear that the merger is not in the publics best interests.

Respectfully;

A Concerned Employee