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Attorneys for Intervenor Basic Manufacturing and Technologies of Utah, Inc.

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

IN THE MATTER OF THE APPLICATION) OF UTAH POWER & LIGHT COMPANY,) AND PC/UP&L MERGING CORP. (TO BE) RENAMED PACIFICORP) FOR AN ORDER) AUTHORIZING THE MERGER OF UTAH) POWER & LIGHT COMPANY AND) PACIFICORP INTO PC/UP&L MERGING) CORP. AND AUTHORIZING THE ISSUANCE) OF SECURITIES, ADOPTION OF TARIFFS,) AND TRANSFER OF CERTIFICATES OF) PUBLIC CONVENIENCE AND NECESSITY) AND AUTHORITIES IN CONNECTION) THEREWITH.)

APPLICATION FOR REVIEW OR REHEARING BY BASIC MANUFACTURING AND TECHNOLOGIES OF UTAH, INC.

CASE NO. 87-035-27

Intervenor Basic Manufacturing & Technologies of Utah, Inc. d/b/a Geneva Steel hereby applies pursuant to Utah Code Ann. §§ 54-7-15 (1986) for review or rehearing of the Commission's Report and Order issued herein on September 18, 1988 (the "Order").

GROUNDS FOR REVIEW OR REHEARING

Geneva respectfully submits that the merger should not have been approved without adequate protection against the potential that a final FERC order may contain provisions and conditions adverse to the public interest of the State of Utah.

Order recognizes the uncertainty of the FERC The proceedings and implicitly recognizes the potential that FERCimposed conditions could affect the public interest of Utah. The Order also suggests that the Commission (Order at 102-103). may reconsider its approval if FERC conditions are different than those previously explained to the Commission. (Id.). The Order, however, appears to be a final Order, upon which UP&L and PP&L could rely in consummating the merger. The Order does not appear to expressly condition approval on an acceptable FERC order and it provides no express mechanism or procedure for revoking the approval or "undoing" the merger if the FERC conditions are different that those anticipated by the Commission.

Based upon comments made by FERC commissioners at a hearing in September, it is clear that FERC is at least considering imposition of significant conditions in an effort to remedy perceived anticompetitive effects of the proposed merger. Such conditions could affect the benefits anticipated for Utah and could otherwise impact the public interest of the State of Utah. It is thus imperative that the Order effectively reserve the Commission's ability to disapprove the merger or impose additional conditions as may be appropriate in light of a final FERC order.

Applicant submits that the Commission should revise the Order to make approval expressly conditional on FERC-mandated conditions not significantly different than those expressly explained to this Commission on the record during the Utah hearings. The Order should also establish a mechanism for

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reconsideration, with participation of all parties to the original proceedings, and for further hearings and factual investigations as may be appropriate in light of the final FERC order.

Because Geneva cannot know or anticipate what conditions FERC may impose on UP&L and PP&L or how those conditions may affect the public interest of Utah, Geneva reserves the right to delineate additional grounds for this Application for Review or Rehearing after the issuance of the final FERC order.

DATED this 18^{-1} day of October, 1988.

KIMBALL, PARR, CROCKETT & WADDOUPS

Esq

Gary A. Dodge, Esq. Attorneys for Basic Manufacturing & Technologies Utah, Inc.

CERTIFICATE OF SERVICE

I hereby certify that on this 18^{+1} day of October, 1988, I served the foregoing "Application for Review or Rehearing by Basic Manufacturing & Technologies of Utah, Inc." by mailing a copy thereof via United State Mail, properly addressed and postage prepaid, to the following: Sidney G. Baucom, Esq. Thomas W. Forsgren, Esq. Edward A. Hunter, Jr., Esq. Utah Power & Light Company 1407 West North Temple Salt Lake City, Utah 84140 George M. Galloway, Esq. Stoel, Rives, Boley, Jones & Grey (PC/UP&L Merging Corp.) Suite 2300 900 S.W. Fifth Avenue Portland, Oregon 97204 Donald R. Allen, Esq. John P. Williams, Esq. Duncan, Allen & Talmage (UMPA, CREDA) 1575 Eye Street, N.W. Washington, D.C. 20005 F. Robert Reeder, Esq. Val R. Antczak, Esq. Parsons, Behle & Latimer (Kennecott Copper Corporation et al.) 185 South State Street Suite 700 P.O. Box 11898 Salt Lake City, Utah 84147-0898 Robert S. Campbell, Jr., Esq. Gregory B. Monson, Esq. Watkiss & Campbell (PC/UP&L Merging Corp.) 310 South Main Street Suite 1200 Salt Lake City, Utah 84101

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