

File

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Attorneys for Intervenors Coastal
States Energy Company, Beaver
Creek Coal Company and Andalex
Resources, 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.)

DATA REQUEST

Case No. 87-035-27

Intervenors Coastal States Energy Company, Beaver Creek
Coal Company and Andalex Resources, Inc. (the "Utah Independent
Coal Companies") submit the following Data Requests to Utah
Power and Light Company and PC/UP&L Merging Corp.

DEFINITIONS AND INSTRUCTIONS

1. "Utah Power" refers to the presently existing Utah
Power & Light Company, a Utah corporation, and its subsidiaries
or affiliates.

2. "Pacific Power" refers to the presently existing
PacifiCorp Maine, a Maine corporation, and its subsidiaries or
affiliates.

3. "PacifiCorp" refers to PacifiCorp Oregon, the Oregon corporation that will result from the proposed merger between Utah Power and Pacific Power.

4. "UP&L" refers to the proposed Utah Power Division of PacifiCorp Oregon that will operate the business formerly conducted by Utah Power.

5. "Pacific Power & Light" or "PP&L" refers to the proposed division of PacifiCorp Oregon that will operate the business formerly conducted by Pacific Power.

6. In responding to each of the Requests below, please provide any documents which substantiate the answer. The term "documents" includes notes, memoranda, writings, reports, charts, graphs, data compilations, studies, computer runs, projections, and summaries or analyses of computer runs or any documents necessary to the comprehension or understanding of any designated document. In addition, the source of each document provided should be identified.

DATA REQUESTS

REQUEST NO. 1: How will PacifiCorp guarantee to its Utah rate payers that it is paying the lowest possible price for fuel? What procedures will PacificCorp use to compare fuel costs of different suppliers, including both captive and independent fuel sources?

REQUEST NO. 2: Provide the Utah Power and Pacific Power cost of fuel both on an FOB mine and delivered basis for the

last five years. As part of this answer, please provide the historical cost of breakdown and accident expenses to both entities and state to what extent these expenses are included in each entity's cost of fuel.

REQUEST NO. 3: How will PP&L's hydropower and surplus power affect UP&L's power generation? As a result of the merger, will UP&L generate less power? Please specify.

REQUEST NO. 4: How will PP&L's hydropower and surplus power affect UP&L's fuel costs? Specifically, will UP&L's coal requirements be reduced as a result of the merger?

REQUEST NO. 5: Under what circumstances do Utah Power and Pacific Power purchase coal on the open market, including spot purchases and term contracts? What are the anticipated practices and policies with respect to purchases of coal on the open market by the proposed divisions of PacifiCorp, UP&L and PP&L? How will the policies of PacifiCorp with respect to coal purchases on the open market, both in terms of spot purchases and term contracts, differ from the existing policies of Utah Power and Pacific Power?

REQUEST NO. 6: What are the coal quality specifications required for coal used in Utah Power plants? Furnish on a monthly average basis the analyses for coal consumed at Utah Power plants during the 1984-1987 period. Such specifications should include 1) Btu per pound; 2) ash, moisture and sulfur content on a percentage basis; and 3) ash fusion temperature. Will these specifications change for coal used by PacifiCorp?

REQUEST NO. 7: For the last five years, provide the amount of coal sold on the open market by Utah Power's captive coal mines as a percentage of total coal produced by Utah Power's captive coal mines, the FOB mine price at which coal from captive mines used to generate electricity was sold to Utah Power and the FOB mine price at which coal was sold to third parties. Provide the same data for Pacific Power and NERCO.

REQUEST NO. 8: Will PacifiCorp sell surplus coal on the spot market in Utah? If yes, will it be sold at a marginal cost?

REQUEST NO. 9: As a result of the proposed merger, how much of the coal fired generating capacity in each of the six states of Montana, Wyoming, Utah, Nevada, Oregon and Washington will PacifiCorp operate or control? How much of the total coal fire generating capacity in all of these six states, considered collectively, will PacifiCorp operate or control?

REQUEST NO. 10: What is your estimate of the total demand for coal in the areas served by PacifiCorp for the next five years? What proportion of that demand is represented by PacifiCorp's coal purchases from both captive and outside coal producers? (If you have prepared estimates that answer this request for a period of time in excess of the next five years, please respond to this request for that longer time period).

REQUEST NO. 11: What are Utah Power's and Pacific Power's plans with respect to their captive coal mining

operations? Will Utah Power's and Pacific Power's coal operations be consolidated as a result of the merger? If so, how will the consolidated operations be managed? Has either company considered divestiture of their coal mining operations? If so, what are the criteria that will govern any such divestiture?


REQUEST NO. 12: What are the criteria PacifiCorp will use in establishing rates on power sales to industrial companies? What policies govern such criteria to ensure that other classes of consumers do not subsidize such power sales?

REQUEST NO. 13: With the availability of lower cost PP&L hydropower, will UP&L be in a position to enter into "closed" contracts with large industrial customers currently purchasing independent producers' coal to generate their own power?

REQUEST NO. 14: Has either Utah Power or Pacific Power (or the PC/UP&L Merging Co.) contacted any industrial coal purchasers about reducing power rates to them in exchange for them buying coal from PacifiCorps' coal companies?

DATED this 18th day of February, 1988.

GIAUQUE, WILLIAMS, WILCOX &
BENDINGER

By 
Gregory P. Williams

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon the persons shown on Exhibit A by mailing a copy thereof, properly addressed and postage prepaid.

DATED at Salt Lake City, Utah, this 10th day of February, 1988.

A handwritten signature in black ink, appearing to be "D. J. [unclear]", written over a horizontal line.

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