

NWPPA

Northwest Public Power Association

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PUBLIC SERVICE COMMISSION

January 19, 1988

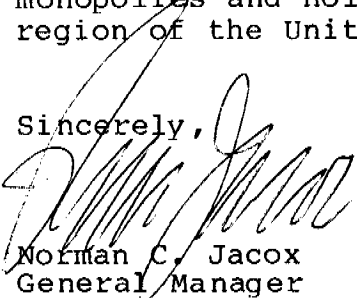
Ted Stewart, Chairman
Public Service Commission
160 E. 300 South
Salt Lake City, UT 84111

Dear Ted Stewart, Chairman:

The Northwest Public Power Association, which represents more than 155 publicly owned electric utilities, is adamantly opposed to the proposed merger of Pacific Power & Light Company and Utah Power & Light Company. The enclosed resolution summarizes our reasons for disapproving this merger.

The association calls upon your office to rigorously enforce all laws necessary to prevent any private utility merger or acquisitions that would reinstate the private electrical utility monopolies and holding companies that dominated the Northwest region of the United States in the early part of this century.

Sincerely,


Norman C. Jacox
General Manager

NCJ:vp

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MERGER FILE

NORTHWEST PUBLIC POWER ASSOCIATION

RESOLUTION 87-11B

**MERGER OF PACIFIC POWER & LIGHT CO. AND
UTAH POWER & LIGHT CO.**

Pacific Power & Light Co. (PP&L) and Utah Power and Light Co. (UP&L) have applied for a merger of the two companies before the Federal Energy Regulatory Commission and the utility commissioners of seven states in which the two companies operate.

The Northwest Public Power Association, along with the American Public Power Association, the National Rural Electric Cooperative Association and a number of regional and state associations of consumer owned utilities filed a protest and notice to intervene before FERC in connection with the application by PP&L and UP&L.

The Northwest Public Power Association believes that the proposed merger would be anticompetitive, contrary to the interests of the consumer owned utilities represented by this Association, and inconsistent with the public interest standards of the Federal Power Act.

Merger of these two companies would result in a company which, in terms of assets, would be the twenty-second largest utility in the United States. Together, PP&L and UP&L would serve more than 1.1 million customers, have transmission lines of 28,386 miles, and cover a service area of 153,000 square miles.

The Northwest Public Power Association believes that the merged company would have overwhelming market dominance, and would place in jeopardy the continued existence of a number of consumer owned electric utilities which operate in the seven-state service area of the proposed corporation, particularly in view of previous anticompetitive activities of both companies.

For the above and other reasons, the Northwest Public Power Association believes that the application for a merger of PP&L and UP&L should be rejected by the FERC. Alternatively, if the merger is approved by FERC, it should be conditioned in a manner that will protect the Pacific Northwest from a continuation of current anticompetitive practices and a revival of prior practices of this nature. If approved, the application should also be conditioned in a manner that will provide transmission access by the merged companies, and that will be consistent with FERC's recent call for greater competition in the electric utility industry.

NORTHWEST PUBLIC POWER ASSOCIATION

Approved 12/1/87