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- 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. Authorizing the)
 Issuance of Securities, Adoption)
 of Tariffs and Transfer of)
 Certificates of Public Conven-)
 ience and Necessity and)
 Authorities in Connection)
 Therewith.)

CASE NO. 87-035-27

INTERVENORS' SECOND SET
OF INTERROGATORIES TO
APPLICANTS

* * * * *

Intervenors Kennecott Corporation, Union Carbide
 Corporation, National Semiconductor Corporation, Sorensen
 Research, Ideal Basic Industries, Inc., Amoco Oil Company,
 Westinghouse Electric, Western Zirconium Division, Kimberly-Clark
 Corporation and Chemstar, Inc., hereby file the following

interrogatories pursuant to Rules R750-1-7-2 and R750-1-7-3 of the Rules of Practice and Procedure Governing Formal Hearings Before the Public Service Commission of Utah, and Rule 33 of the Utah Rules of Civil Procedure. Answers to these interrogatories are due within thirty (30) days from the date hereof.

INSTRUCTIONS

1. All information is to be divulged which is in the possession, custody or control of Applicants, Applicants' attorneys, investigators, agents, employees, or other representatives of the Applicants.

2. These interrogatories shall be deemed continuing so as to require supplemental answers if the Applicants obtain further information after the answers to these interrogatories are made.

3. The term "document" should be construed as broadly as possible, and is meant to include all tangible things in your possession or subject to your control, including all tangible things that can be generated by you, or subject to your control, and including, but not limited to all tape recordings, computer simulations, computer generated models, applications, testimony, exhibits, orders, budgets, agreements, contracts, plans, guides, models, studies, statements, and work papers.

4. Use of the term "identify" in reference to the documents means that Applicants should provide a general description of the document, including the date of the document, the

names, addresses, and titles, if any, of the drafter(s) of the document and of all persons to whom the document is addressed or was otherwise distributed, and the present location of the document.

5. The term "identify" in reference to a person means that Applicants should provide the name, address, and phone number of each such person, as well as any additional information which may be necessary to enable Intervenors to locate such person.

6. All exhibits specifically referred to herein are identified as part of the testimony of Dennis P. Steinberg.

INTERROGATORIES

INTERROGATORY NO. 1: Please provide detailed workpapers (including all computer runs), supporting the assumptions and calculations underlying Exhibits 8.1, 8.2, 8.3, 8.4 and 8.5.

INTERROGATORY NO. 2: Please provide information similar to that shown on Exhibits 8.3 through 8.5 for the years 1993 through 2007. Identify all documents upon which any answer to the above interrogatory is based.

INTERROGATORY NO. 3: With regard to Page 12, Lines 14 through 17 of the testimony of Mr. Steinberg, please provide and identify the detailed workpapers supporting the calculation of savings due to operating efficiencies.

INTERROGATORY NO. 4: Please provide estimates (including supporting workpapers) of savings due to operating efficiencies covering the period 1993 through 2007. Identify all documents upon which any answer to the above interrogatory is based.

INTERROGATORY NO. 5: Please provide a detailed description and demonstration of how the amounts shown on Exhibits 8.2 through 8.5 would be allocated to UP&L and PP&L customers (in total and by jurisdiction) for un-merged and merged operations. Please provide a separate response for each line item on these exhibits. Identify all documents upon which any answer to the above interrogatory is based.

INTERROGATORY NO. 6: Please provide a detailed description and demonstration of how the savings claimed to be inherent in the calculations shown on Exhibits 8.2 through 8.5 would be allocated to UP&L customers (in total and by jurisdiction) for un-merged and merged operations. Please provide a separate response for each line item on these exhibits. Identify all documents upon which any answer to the above interrogatory is based.

INTERROGATORY NO. 7: Please identify all savings claimed to be inherent in the calculations shown on Exhibits 8.2 through 8.5 that could be achieved without the proposed merger. Identify all documents upon which any answer to the above interrogatory is based.

INTERROGATORY NO. 8: Please provide all workpapers supporting Exhibit 5.2.

INTERROGATORY NO. 9: Please provide detail of the reduced UP&L construction referenced in Note 2 of Exhibit 5.2. Identify all documents upon which any answer to the above interrogatory is based.

INTERROGATORY NO. 10: With respect to Note 3 of Exhibit 5.2, describe the goals and parameters of PP&L's "economic development program", and include the following information:

- (a) Detail of accomplishments to date.
- (b) Specifics of each program, including goals.
- (c) The basis for assuming that the potential for the UP&L territory is proportional to that of the PP&L territory.
- (d) Workpapers for Attachments 1 and 2.
- (e) Explanation in detail of the costs included in "operating expenses".
- (f) A statement of the impact of these programs on average fuel cost expense, other operating expenses, and on generation, transmission and distribution plant additions or purchased power.

Identify all documents upon which any answer to the above interrogatory is based.

INTERROGATORY NO. 11: Please explain what is meant by the parenthetical expression ". . . excluding coverage for Utah's mining operation." In Note 4 of Schedule 5.2. Identify

all documents upon which any answer to the above interrogatory is based.

INTERROGATORY NO. 12: Please explain how the \$3 millions savings in Directors and Officers Liability insurance can be accomplished. Identify all documents upon which any answer to the above interrogatory is based.

INTERROGATORY NO. 13: With regard to all items contained in Exhibit 5.2, please identify the savings that could be achieved without the proposed merger. Identify all documents upon which any answer to the above interrogatory is based.

INTERROGATORY NO. 14: Please provide a detailed description and demonstration of how the savings claimed to be inherent in the calculations shown on Exhibit 5.2 would be allocated to UP&L and PP&L customers (in total and by jurisdiction) for un-merged and merged operations. Please provide a separate response for each line item on these exhibits, and for each separate subcategory reflected in the notes to Exhibit 5.2. Identify all documents upon which any answer to the above interrogatory is based.

INTERROGATORY NO. 15: Please reconcile the figures appearing on Exhibits 5.2 and 8.1. Identify all documents upon which any answer to the above interrogatory is based.

INTERROGATORY NO. 16: With regard to claimed benefits for additional off-system sales, please explain how these additional benefits would be allocated: (1) between stockholders and

ratepayers; (2) between UP&L and PP&L customers; (3) among UP&L jurisdictions; and (4) among customer groups within Utah. Identify all documents upon which any answer to the above interrogatory is based.

INTERROGATORY NO. 17: State whether Exhibits 5.2 and 8.1 include all savings currently claimed. If they do not, please provide a comprehensive summary of all savings claimed. Identify all documents upon which any answer to the above interrogatory is based.

INTERROGATORY NO. 18: With regard to all "merged system" and "after merger" data shown on Exhibits 8.1 through 8.5, and for the responses to all items in these Interrogatories that are directed to the subject matter of Exhibits 8.1 through 8.5 (Interrogatories 1, 2, 3, 4, 5, 6, 7, 15, 16 and 17), please provide detail showing the changes in the amounts recorded on the books of both PP&L and UP&L. Identify all documents upon which any answer to the above interrogatory is based.

INTERROGATORY NO. 19: For Exhibit 5.2 and its footnotes, as well as for the responses to all items in these Interrogatories that are directed to the subject matter of Exhibit 5.2 (Interrogatories 8-17), please provide detail showing the changes in the amounts recorded on the books of both PP&L and UP&L. Identify all documents upon which any answer to the above interrogatory is based.

INTERROGATORY NO. 20: Regarding the third supplemental testimony of Mr. Reed, in particular the discussion of allocating savings, please explain in detail how the merger saving will be identified on an on-going basis. Include in your response:

- (a) How recorded results will be adjusted to determine the amount saved.
- (b) How the amount saved by the merger will be distinguished from amounts saved regardless of the merger (i.e., lower income tax rates, employee attrition, refinancing, etc.).
- (c) An explanation of how UP&L customers will receive credit for the postponement of facilities claimed to be needed by PP&L but for the merger (Exhibit 8.2).
- (d) An explanation of how the EBA in Utah will be modified to insure that UP&L customers:
 - (1) Do not face higher costs as a result of higher generation.
 - (2) Receive the benefits of higher off-system sales.

Identify all documents upon which any answer to the above interrogatory is based.

INTERROGATORY NO. 21: With regard to Mr. Steinberg's reference to "other analyses" on Page 12 of his prefiled testimony, please provide detailed work papers (including all computer runs, inputs and outputs) supporting assumptions and calculations underlying these analyses.

DATED this 8th day of December, 1987.

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CERTIFICATE OF DELIVERY

I hereby certify that I caused to be mailed, postage prepaid, true and correct copies of INTERVENORS' SECOND SET OF INTERROGATORIES TO APPLICANTS to the following on this 8th day of December, 1987:

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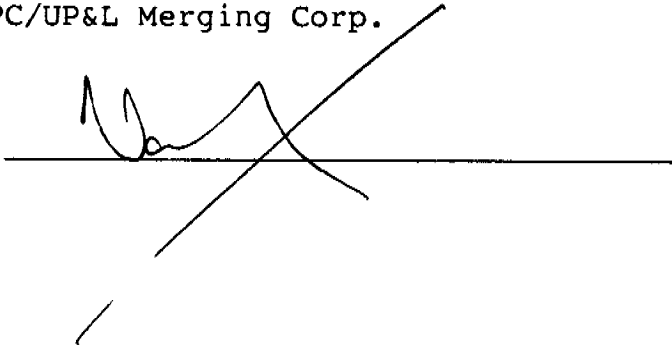
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A handwritten signature, possibly "W. Baucom", is written above a horizontal line. A diagonal line is drawn across the horizontal line from the bottom right to the top right, crossing the signature.

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