

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Application of Utah)
Power & Light Company for an Order)
Approving Amendment No. 3 to the)
Electric Service Agreement between)
PacifiCorp and Nucor Corporation)

DOCKET NO. 99-035-13
SECOND ORDER ON CLARIFICATION

ISSUED: January 11, 2001

By The Commission:

On December 4, 2000, the Commission issued an order approving Amendment No. 3 to PacifiCorp's service contract with Nucor Corporation (Nucor). PacifiCorp filed a Petition for Clarification on December 8, 2000, asking that the Commission make clear that we do not intend to impute revenues to PacifiCorp if the contract fails to recover its costs. We issued our first clarification order on December 14, 2000 indicating that we will impute revenues to the Nucor contract if it fails to meet its costs. Pacificorp continues to express concern over our use of the word "past" in the December 4th approval order in association with the performance of the contract. We did not intend to change the meaning of revenue imputation. Imputation applies prospectively and does not recover contract revenue deficiencies from past years.

As we stated before in our first clarification order, if we were to impute revenues to the contract in a proceeding, Pacificorp would be able to protect itself going forward by increasing the price of the contract. The contract issue could be addressed during a rate case, assuming that doing so would not interfere with the 240-day statutory deadline to complete the case.

Dated at Salt Lake City, Utah, this 11th day of January, 2001.

/s/ Stephen F. Mecham, Chairman

/s/ Constance B. White, Commissioner

/s/ Clark D. Jones, Commissioner

Attest:

/s/ Julie Orchard

Commission Secretary