

BEAVER CITY CORPORATION



October 14, 2008

Ted Boyer, Chairman
Utah Public Service Commission
Heber M. Wells Building
160 East 300 South
Salt Lake City, UT 84114

Re: Docket 07-057-13

Dear Chairman Boyer and Commissioners Allen and Campbell,

Thank you for giving the citizens of Beaver the opportunity to voice an opinion concerning the above referenced docket currently before you.

Let the record show that the citizens of Beaver support the proposal to lower the interest rate calculated in to the GSS rate which Beaver residents and businesses pay. When I learned that an interest rate of 9.64% was still being figured in to the GSS rate I, along with the members of the city council were shocked. We all know that interest rates available to the market for the past several years have been significantly lower than that. Current money rates quoted in the Monday October 13, 2008 Wall Street Journal were 6.09% for a 30 year mortgage, 5.90% for a 15 year mortgage. Corporate borrowing rates in the same edition of the Wall Street Journal for well managed companies such as Questar ranged from 3.9% to not quite 6.0%. Most people would look at the current calculated rate of 9.64% and be left without choice but to consider it beyond usury.

We have within our city boundaries numerous people on fixed incomes for whom even a few pennies per month will make a large difference in determining whether they are able to make ends meet. Last week we experienced our first cold snap of the season. Please join with us and support the recalculation of the implied interest rate to the much more reasonable 6.0%.

Thanks for your consideration.

Regards,


for Leonard Foster
Mayor
Beaver City