

0033

UTAH POWER & LIGHT COMPANY

1407 WEST NORTH TEMPLE STREET
SALT LAKE CITY, UTAH 84140RECEIVED
JUN 28 1989LEGAL DEPARTMENT
PAUL H. PROCTOR
ATTORNEY AT LAW
801-220-4256DIVISION OF
OIL, GAS & MINING

June 21, 1989

Mr. Richard V. Smith
Acting Permit Supervisor
Utah Department of Natural Resources
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Re: Cottonwood Mine Five-Year Permit Renewal

Dear Mr. Smith:

At Dave Smaldone's request I have reviewed the Division's response to UP&L's five-year permit renewal application for the Cottonwood Mine. The Division is requesting additional information pursuant to UMC 782.13. In particular, you wish a more detailed description of PacifiCorp and coal mining operations owned or controlled by PacifiCorp.

On January 9, 1989, pursuant to an August 1987 merger agreement, PacifiCorp, a Maine corporation, and Utah Power & Light Company, a Utah corporation, merged into a new corporation PacifiCorp, an Oregon corporation. The common stock of both UP&L and PacifiCorp, Maine were converted into shares of the new corporation, PacifiCorp, Oregon. The merger agreement, among other things, required that all the assets of UP&L and PacifiCorp, Maine be conveyed to the new PacifiCorp, Oregon. All of the debts and obligations of the merging corporations were assumed by PacifiCorp, Oregon. The coal leases and mining operations associated with the Cottonwood Mine and the Deer Creek Mine are owned by PacifiCorp, Oregon. PacifiCorp, Oregon does business in Utah under the assumed name of Utah Power & Light.

Attached is a list of the officers and directors of the applicant in ACT/015/019, PacifiCorp, Oregon doing business as Utah Power & Light. No shareholder owns or controls a sufficient number of shares to be classified as a principle shareholder as that term is commonly understood and defined. The agent for service of process of PacifiCorp, Oregon in Utah is CT Corporation.

DIRECTORS OF
PACIFICORP, AN OREGON CORPORATION

Charles M. Binkley
Alaska Riverways, Inc.
P.O. Box 80610 - College
Fairbanks, Alaska 99708

F. Paul Carlson
Honeywell, Inc.
Honeywell Plaza
MN12-5219
Minneapolis, MN 55408

John C. Hampton
Hampton Resources, Inc.
Suite 400
9400 SW Barnes Road
Portland, OR 97225

Betty E. Hawthorne
Dean Emeritus
College of Home Economics
Oregon State University
Corvallis, OR 97331

William D. Hendry
1126 Hillcrest Avenue
Pasadena, CA 91105

Philip H. Knight
NIKE, Inc.
3900 SW Murray Blvd.
Beaverton, OR 97005

A. M. Gleason
1600 Pacific First
Federal Building
851 SW Sixth Avenue
Portland, OR 97204

Stanley K. Hathaway
Hathaway, Speight, Kunz,
Trautwein & Barrett
P.O. Box 1208
Cheyenne, WY 81003-1208

Louis B. Perry
Standard Insurance Company
P.O. Box 711
Portland, OR 97207

Robert A. Skotheim
Office of Director
The Huntington Library
1151 Oxford Road
San Marino, CA 91108

Roy A. Young
Office for Natural Resources Policy
Snell Hall - Room 534
Oregon State University
Corvallis, OR 97331

Richard C. Edgley
Church of Jesus Christ of
Latter-Day Saints
50 East North Temple
Salt Lake City, UT 84150

C. M. Bishop, Jr.
Pendleton Woolen Mills
P.O. Box 1691
Portland, OR 97207

Don C. Frisbee
1600 Pacific First
Federal Building
851 SW Sixth Avenue
Portland, OR 97204

Eugene L. Shields
Shields Bag & Printing Co.
P.O. Box 9848
Yakima, WA 98909

A. W. Sweet
Western Bank
P.O. Box 1720
Coos Bay, OR 97420

Nancy Wilgenbusch
President
Marylhurst College
Marylhurst, OR 97036

John A. Lindquist, Sr.
Chairman of the Board
Lindquist & Sons
3408 Washington Blvd.
Ogden, UT 84401

Don. M. Wheeler
President
Wheeler Machinery
4901 West 2100 South
Salt Lake City, UT 84120

Michael O. Leavitt
President
The Leavitt Group
1358 South Main
Salt Lake City, UT 84115

c:director.php

Mr. Richard V. Smith
June 20, 1989
Page 2

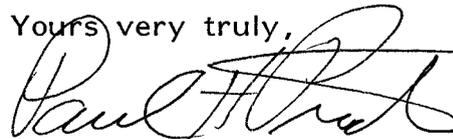
PacifiCorp, Oregon conducts electric utility operations Montana, Wyoming, Idaho, Washington, Oregon, and California through a division of PacifiCorp doing business as Pacific Power & Light. Pacific Power & Light steam plants are fueled by coal purchased from third-party independent contractors utilizing arm's length coal supply agreements. The agreements are, in some instances, with coal mining subsidiaries of NERCO, Inc.

I suspect the Division's questions come from its confusion about the relationship between PacifiCorp and NERCO. NERCO, Inc., is a corporation whose stock is publicly traded on the New York Stock Exchange. PacifiCorp, Oregon is the majority shareholder. NERCO, Inc., owns several hard rock and coal mining subsidiaries, including NERCO Coal Corporation and Glenrock Coal Company. PacifiCorp, Oregon's relationship with NERCO, Inc., is solely as a shareholder and as to NERCO, Inc.'s, subsidiaries, PacifiCorp, Oregon has no relationship other than through arm's length contracts. PacifiCorp, Oregon has no management authority or responsibilities in connection with NERCO's mining operations and, therefore, neither owns nor controls them.

The Utah Mining Code requires that the applicant identify all coal mining operations which are a part of the applicant's business. PacifiCorp's application is accurate in this regard. The federal regulations require the applicant to identify coal mining operations owned or controlled by the applicant. PacifiCorp's application is accurate in this respect also since it identifies all owned coal mining operations, which are the Deer Creek and Cottonwood Mines, and all controlled coal mining operations, of which there are none.

I believe that the Division's questions as addressed in your letter of April 5, 1989, have now been fully answered with respect to the organizational structure of PacifiCorp and the identification of coal mining operations owned by or within PacifiCorp's control. If you have any questions, please contact me.

Yours very truly,



Paul H. Proctor

c.cottnwd1.php
cc: David R. Smaldone

CORPORATE OFFICERS OF PACIFICORP, OREGON

Don C. Frisbee
Chairman of the Board
825 NE Multnomah, Suite 1012
Portland, OR 97232

A. M. Gleason
President and Chief Executive Officer
851 SW Sixth Avenue
Portland, OR 97204

Gerard K. Drummond
Executive Vice President
851 SW Sixth Avenue
Portland, OR 97204

Robert F. Lanz
Vice President and Treasurer
851 SW Sixth Avenue
Portland, OR 97204

Stan M. Marks
Vice President and Controller
851 SW Sixth Avenue
Portland, OR 97204

Daniel L. Spalding
Vice President
851 SW Sixth Avenue
Portland, OR 97204

Sally A. Nofziger
Corporate Secretary
851 SW Sixth Avenue
Portland, OR 97204

Michael M. Degernes
Assistant Treasurer
851 SW Sixth Avenue
Portland, OR 97204

Gary R. Barnum
Assistant Secretary
900 SW Fifth Avenue, Suite 2300
Portland, OR 97204-1268

John Detjens, III
Assistant Secretary
900 SW Fifth Avenue, Suite 2300
Portland, OR 97204-1268

John M. Schweitzer
Assistant Secretary
900 SW Fifth Avenue, Suite 2300
Portland, OR 97204-1268

Robert V. Stewart
Assistant Secretary
111 SW Fifth Avenue
Portland, OR 97201

Lenore M. Thomas
Assistant Secretary
852 SW Sixth Avenue
Portland, OR 97204

UTAH POWER & LIGHT COMPANY
COTTONWOOD/WILBERG MINE
APPLICATION FOR MINING PERMIT

This application for mining permit is submitted to the State of Utah, Department of Natural Resources, Division of Oil, Gas & Mining, in accordance with the Utah Coal Mining and Reclamation Act, Title 40, Chapter 10, U.C.A., 1953 (as amended); the applicable rules and regulations adopted thereunder (Part UMC 771.1, et seq.); the Surface Mining Control & Reclamation Act of 1977 (P.L. 95-87), and applicable regulations adopted thereunder (30 C.F.R. § 770, et seq.), the Cooperative Agreement between the State of Utah and the United States Secretary of Interior, and other applicable laws and regulations.

IDENTIFICATION OF INTERESTS (UMC 782.13)

On January 9, 1989 Utah Power and Light (UP&L) Company, a Utah Corporation and Pacificorp, A Maine Corporation, were merged with and into Pacificorp, an Oregon Corporation. At that time all outstanding shares of Capital Stock of Pacificorp Maine and UP&L Utah were converted into shares of Capital Stock of Pacificorp Oregon. UP&L became a Division of Pacificorp Oregon. The UP&L Mining Division operates the following coal mines: The Deer Creek Mine, the Cottonwood/Wilberg Mine and the Des Bee Dove Mine (currently IDLED). The official corporation

Revised 11/21/83
Revised 12/8/86
Revised 3/1/89
Revised 4/24/89
1-1

name is Pacificorp dba Utah Power and Light Company incorporated in Oregon.

No single shareholder holds in excess of 5% of the stock. There are a total of 123.2 million shares of Pacificorp Common Stock outstanding.

The permit applicant is:

Utah Power and Light Company
1407 West North Temple
Salt Lake City, Utah 84116
(801) 535-2000

The operator is:

Utah Power and Light Company
Mining Division
P.O. Box 310
Huntington, Utah 84528
(801) 687-9821

OFFICERS AND DIRECTORS OF
PACIFICORP, AN OREGON CORPORATION

Charles M. Binkley
Alaska Riverways, Inc.
P.O. Box 80610 - College
Fairbanks, Alaska 99708

F. Paul Carlson
Honeywell, Inc.
Honeywell Plaza
MN12-5219
Minneapolis, MN 55408

John C. Hampton
Hampton Resources, Inc.
Suite 400
9400 SW Barnes Road
Portland, OR 97225

Betty E. Hawthorne
Dean Emeritus
College of Home Economics
Oregon State University
Corvallis, OR 97331

William D. Hendry
1126 Hillcrest Avenue
Pasadena, CA 91105

Philip H. Knight
NIKE, Inc.
3900 SW Murrarby Blvd.
Beaverton, OR 97005

A. M. Gleason
1600 Pacific First
Federal Building
851 SW Sixth Avenue
Portland, OR 97204

Stanley K. Hathaway
Hathaway, Speight, Kunz
Trautwein & Barrett
P.O. Box 1208
Cheyenne, WY 81003-1208

Louis B. Perry
Standard Insurance Company
P.O. Box 711
Portland, OR 97207

Robert A. Skotheim
Office of Director
The Huntington Library
1151 Oxford Road
San Marino, CA 91108

Roy A. Young
Office for Natural Resources Policy
Snell Hall - Room 534
Oregon State University
Corvallis, OR 97331

Richard C. Edgley
Church of Jesus Christ of
Latter-Day Saints
50 East North Temple
Salt Lake City, UT 84150

C. M. Bishop, Jr.
Pendleton Woolen Mills
P.O. Box 1691
Portland, OR 97207

Don C. Frisbee
1600 Pacific First
Federal Building
851 SW Sixth Avenue
Portland, OR 97204

Eugene L. Shields
Shields Bag & Printing Co.
P.O. Box 9848
Yakima, WA 98909

A. W. Sweet
Western Bank
P.O. Box 1720
Coos Bay, OR 97420

Nancy Wilgenbusch
President
Marylhurst College
Marylhurst, OR 97036

Michael O. Leavitt
President
The Leavitt Group
1358 South Main
Salt Lake City, UT 84115

John A. Lindquist, Sr.
Chairman of the Board
Lindquist & Sons
3408 Washington Blvd.
Odgen, UT 84401

Don M. Wheeler
President
Wheeler Machinery
4901 West 2100 South
Salt Lake City, UT 84120