

YEAR 1945

February 19, 1946

Mr. G. F. Ashby - President
Union Pacific Railroad Company
Omaha, Nebraska

Dear Sir:

I beg to submit herewith a resume of the activities of the Southern Wyoming Utilities Company, electric and water service, for the calendar year 1945:

CAPITAL EXPENDITURES:Light and Power DepartmentRock Springs Division

Purchase and install four 50-KVA transformers,
2400/240/120 volt, single phase \$ 1,421.47

Green River Division

Purchase power plant and distribution system of
Utah Power & Light Company at Green River;
construct 14.6 miles of 3-phase 33 KV. transmission
line, 2/o A.C. S.R. wire, H-frame, with 2 steel
static wires, six 833 KVA transformers, 2 steel sub-
stations with necessary switches, 3 automatic re-
closers - 1945 expenditures 22,152.52

Total expenditures, 1944-1945 \$346,248.12

Retire power plant, including boilers, genera-
tors, turbines, pumps, motors and other equip-
ment 179,153.95

Water DepartmentRock Springs Division

Construct 3,000,000-gallon concrete-lined
reservoir and lay 2500' 8" C.I. pipe 45,127.18

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Rock Springs Division (Cont'd.)

Lay 650' S.H. 8" C.I. pipe in Swann Street under railroad tracks to 8" main vicinity of roundhouse	\$ 2,144.43
Lay 277' C.I. pipe 4" on McKeehan Avenue, replacing 2" W.I. pipe	414.91
Lay 600' 4" C.I. pipe on Sixth Street from intersection of "N" to intersection of Pearl Street, replacing 2" W.I. pipe	703.74
Replace one 1½ ton truck	1,371.61
Purchase one ½ ton automobile truck	1,150.28

Green River Division

Purchase and install 5,000,000-gallon daily capacity clarifying apparatus with chemical feeding equipment, alum storehouse, extension to filter plant and two additional filter units - 1945 expenditures	772.56
Construct new raw water supply works, including intake, pump house, install remote controlled pumps and lay two 16" lines from pump house to existing facilities - 1945 expenditures	8,873.69

Reliance

Drill and case well 12" diameter, purchase and install submersible pump, extend existing pipe, power and signal lines - 1945 expenditures	11,499.02
Due to inability to secure sufficient material and labor, we were unable to complete these three projects during the year, but expect to have them completed early in 1946.	

NON-CAPITAL: Unusual Expenditures Light & Power Department

Rock Springs Division

Additional meters installed during the year were

as follows:

16 - 15 Amp. 1 Phase 3 Wire	\$ 143.52
13 - 15 Amp. 1 Phase 2 Wire	107.90
	<u>\$ 251.42</u>

Transformers installed to amplify service and replace transformers damaged by lightning, and charged

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to operations, were as follows:

1 - 10 KVA	13,200/240/120 volt	\$	219.64
1 - 15 KVA	13,200/240/120 "		259.08
1 - 15 KVA	2,400/240/120 "		162.86
		\$	641.58

Line extension at Point of Rocks to serve filling station, cabin camp and railroad employees; 10 poles, wire, hardware, etc. 468.52

Install 5 additional street lights in No. 4 area requested by city; 6 poles, 5 brackets, wire, etc. 360.81

Green River Division

Additional meters installed:

1 - 15 Amp. 1 phase - 240 volt 3 wire	17.94
1 - 15 Amp. 3 phase - 240 volt	21.34
	\$ 39.28

Additional transformers installed to amplify service and replace transformers damaged by lightning, and charged to operations:

2 - 5 KVA - 2400/240/120 volt	177.12
3 - 15 KVA - 2400/240/120 "	477.02
	\$ 654.14

24 poles, 40 feet long, installed 1944 account street widening and paving program; charge for poles not received until 1945 375.48

Watchmen at old power plant 3,853.30
(This expense has been reduced to \$1,800 per year and will be eliminated as soon as old plant is disposed of. Large amount of material for improvements at water plant stored at power plant until required)

Water Department

Convert old steam-driven raw water pumps to electric-driven pumps; vertical steam engines worn out, one completely wrecked \$ 1,185.26

Meters installed during 1945:

25 meters, 5/8"	288.75
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Increased alum used in coagulation at Green River due to increased volume of water and excessive turbidity \$ 965.96

Increased lime and soda ash used at Reliance account increased volume of water; also an increase in quantity of chemical required to produce water of most satisfactory quality possible under conditions 2,439.82

Install emergency pumping equipment, Green River and east of Kanda 12,116.01

The following is a condensed statement of income, expenses, and net revenues of the Light Department (exclusive of Merchandise Department) for the four years ending December 31, 1945:

	<u>1942</u>	<u>1943</u>	<u>1944</u>	<u>1945</u>
Elec. Energy Sold, KWH	13,293,058	13,399,918	13,944,407	13,222,234
Revenue Received Sale of Energy	\$358,866.91	\$364,973.38	\$379,954.15	\$372,245.28
Misc. Operating Revenues	3.40	12.20	5.20	4.40
Total Operating Revenues	<u>\$358,870.31</u>	<u>\$364,985.58</u>	<u>\$379,959.35</u>	<u>\$372,249.68</u>
Oper. Expenses:				
Energy Purch'd.	\$289,116.96	\$293,335.10	\$304,798.64	\$287,157.04
Other Expenses	36,569.20	34,678.08	43,159.30	45,176.62
Total Expenses, Excl. of Taxes	<u>\$325,686.16</u>	<u>\$328,013.18</u>	<u>\$347,957.94</u>	<u>\$332,333.66</u>
Net Revenue, Excl. of Taxes	\$ 33,184.15	\$ 36,972.40	\$ 32,001.41	\$ 39,916.02
Tax & Uncoll. Bills	19,630.91	20,254.36	18,173.11	10,908.67
Net Income	<u>\$ 13,553.24</u>	<u>\$ 16,718.04</u>	<u>\$ 13,828.30</u>	<u>\$ 29,007.35</u>

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The following statement reflects gross income by sources:

	K. W. H.			
	1942	1943	1944	1945
1. Residential Service	1,917,970	2,045,352	2,195,827	2,347,437
2. Commercial Light	1,268,536	1,289,795	1,402,426	1,566,994
3. Commercial Appliance	277,175	266,453	265,568	256,088
4. Small Power	705,152	738,839	778,166	834,069
5. Signs	81,956	63,071	65,931	66,103
6. Hospital	109,158	142,093	149,337	136,779
7. Large Power	8,229,530	8,130,620	8,310,210	7,107,485
8. South Superior	234,300	216,000	220,500	234,300
9. Street Lighting	348,000	354,000	360,100	366,800
10. Rural	121,281	153,695	196,342	306,179
Total	13,293,058	13,399,918	13,944,407	13,222,234

	Gross Revenue Received				Per KWH
	1942	1943	1944	1945	1945
1. Residential Service	\$ 74,382.44	\$ 77,850.32	\$ 81,400.94	\$ 85,485.01	\$.03642
2. Commercial Light	48,059.56	48,310.88	53,007.03	58,443.24	.03730
3. Commercial Appliance	7,018.42	6,702.64	6,716.16	6,488.50	.02534
4. Small Power	31,385.65	33,511.33	34,827.72	35,937.41	.04309
5. Signs	3,321.52	2,699.25	2,830.10	2,773.26	.04195
6. Hospital	3,111.01	4,209.89	4,278.82	3,849.95	.02815
7. Large Power	167,456.11	166,110.52	169,582.11	147,787.49	.02079
8. South Superior	8,269.29	7,592.38	7,751.08	8,235.62	.03515
9. Street Lighting	11,071.08	11,071.08	11,103.83	11,237.12	.03064
10. Rural	4,791.83	6,915.09	8,456.36	12,007.68	.03922
Total	\$358,866.91	\$364,973.38	\$379,954.15	\$372,245.28	\$0.2815

It will be noted that while there has been a reduction in gross revenue, compared with 1944, of \$7,709.67 there was a reduction in energy purchased of \$17,641.60. This is due to reduction in energy sold to commercial coal companies of 1,202,725 KWH, which is sold at a very close margin, and a substantial increase in energy sold for "Residential Service", "Commercial Lighting" and "Rural Service" which is more profitable. "Rural Service", which covers energy distributed on line to airport and A.T. & T. Co. stations east of Rock Springs and to

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Federal Housing project at Superior, shows a very substantial increase for two reasons: first, the Federal Housing project at Superior did not commence taking power until July, 1944, and was not fully operative for some months. Second, additional consumers at Point of Rocks are now being supplied with power, having been connected in May, 1945.

The following comparison indicates the increase in number of consumers served and energy furnished during the years 1935, 1940, and 1945.

	<u>Residen- tial</u>	<u>Number of Consumers</u>			
		<u>Domestic Appliances</u>	<u>Commercial Light</u>	<u>Commercial Appliances</u>	<u>Rural</u>
1935	2,078	451			
1940	2,248		349	67	
1945	2,503		389	56	13

- K.W.H. Furnished -

1935	1,130,672	458,258			
1940	1,521,993		1,007,865	256,259	
1945	2,347,437		1,566,994	256,088	306,179

Figures for 1935 under "Residential" included "Commercial" service. Appliance meters were duplicate installations serving same consumer; hence, there has been an increase from 1935 to 1945 of 837 consumers, 40 percent, although an increase of only 432 meters. Electric energy furnished residential and commercial consumers has increased from 1,588,930 KWH in 1935 to 4,170,519 KWH in 1945, an increase of 162 percent.

One transformer on the airport line was struck by lightning, in addition to which two poles on line near Superior Junction

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were hit and badly damaged. Automatic reclosers installed at junction of airport and A.T. & T. Company lines have proven very successful. Counter indicates they have opened a large number of times, trouble having cleared when they reclose. This has eliminated outages at power plant and necessity of riding lines to locate trouble which is non-existent.

New transformer racks were built on Fifth Street for installation of 50 KVA transformers. The 37.5 KVA transformers taken down have been cleaned up and have had oil changed and will be used on Fourth Street where load is increasing steadily.

Our forces constructed line to pump house at the new intake, built a transformer rack, and installed transformers with necessary lightning arresters, cut-outs, etc. We also constructed distribution system, street lighting circuit and raw services for 50 additional houses at Stansbury.

Generally speaking, our distribution system is in good condition. We have quite a large number of wooden cut-out boxes still in use which should be replaced. These boxes collect some dirt and moisture inside which causes them to arc across and fire. There are several streets where secondaries are too small and will have to be replaced. Continued growth in load has taxed the voltage regulators to a point where it will soon be necessary to secure an additional regulator and divide the load on Rock Springs circuit. It might be advisable to give consideration to installation of a

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13,000 volt sub-station at some central location, as our load is becoming very heavy for transmission at 2300 volts.

Following is shown the electric energy sold and revenue received by sources for the year 1945 at Green River. Comparative figures have not been shown as we operated this property only four months during 1944.

	<u>KWH</u>	<u>Amount</u>
Residential	1,053,477	\$ 36,645.69
Residential with hot water heating	197,854	4,265.96
Commercial Lighting	353,272	16,950.25
Comm. Heating & Cooking	22,432	689.58
Small Power	127,803	5,193.53
Gravel Pit	48,511	1,962.72
Church Lighting	5,612	241.86
Industrial	2,505,350	49,343.83
Street Lighting	<u>137,424</u>	<u>4,734.84</u>
	4,451,735	\$120,028.26

One primary burnt down due to heavy sleet causing large tree branches to come down on top of lines, forcing primaries and secondaries together. Considerable work has been done in Green River rebuilding some lines and trimming trees. We have also installed quite a number of lightning arresters as a good deal of trouble is experienced from this source and there are but few arresters on lines. There are also a number of old plug type cutouts which are highly dangerous and which should be replaced. Some of these have been replaced when line work has been done.

Some thought was given to installation of synchronous motors at water pumping plant to improve power factor on Rock Springs-Green River line. However, study indicates that same or greater

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correction may be obtained by use of capacitors at less cost. Power factor studies will be made on three main circuits at Green River to determine just what can be done in this regard.

Water Department

Following is shown a condensed statement of income, expenses, and net revenues for the Water Department for the four years ending December 31, 1945:

	<u>1942</u>	<u>1943</u>	<u>1944</u>	<u>1945</u>
Water Sales				
U.P.R.R.Co.	\$ 82,307.02	\$106,087.70	\$108,724.52	\$110,278.92
The U.P.Coal Co.	18,720.83	22,496.65	23,693.66	31,985.10
Others	110,442.32	114,868.24	116,590.18	122,278.90
Hydrant Rentals	4,195.04	4,220.04	4,300.04	4,315.04
Misc. Revenue, Income & Royalty	<u>1.46</u>	<u>58.31</u>	<u>146.67</u>	<u>95.83</u>
Total Operating Revenues	<u>\$215,666.67</u>	<u>\$247,730.94</u>	<u>\$253,455.07</u>	<u>\$268,953.79</u>
Total Operating Expenses	\$ 96,955.68	\$114,663.92	\$133,116.10	\$154,888.87
Depreciation & Amortization	<u>18,160.87</u>	<u>18,629.05</u>	<u>12,726.49</u>	<u>21,931.74</u>
Total Operating Expenses, Depr'n. & Amortization	<u>\$115,116.55</u>	<u>\$133,292.97</u>	<u>\$145,842.59</u>	<u>\$176,820.61</u>
Net Operating Revenue Exclusive of taxes	\$100,550.12	\$114,437.97	\$107,612.48	\$ 92,133.18
Taxes & Uncoll. Bills	<u>53,265.41</u>	<u>57,296.37</u>	<u>53,273.69</u>	<u>15,093.97</u>
Net Income from Operations	<u>\$ 47,284.71</u>	<u>\$ 57,141.60</u>	<u>\$ 54,338.79</u>	<u>\$ 77,039.21</u>

Revenues held up very well, showing an increase over 1944. Quantity of water furnished The Union Pacific Coal Company increased due to additional water used at power plant and increased consumption at Stansbury. Water furnished "Others" also increased substantially.

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The large increase at Stansbury is no doubt due to construction of additional modern houses; monthly consumption now nearly equal to that at Reliance.

As a matter of information, cost of operation of Reliance water plant for year 1945 and revenues received from sale of water, are shown below:

Chemicals	\$ 7,271.95
Electric energy	5,384.00
Labor	4,650.39
Repairs & Supplies	<u>191.49</u>
	\$17,497.83
Revenue	<u>15,155.64</u>
. Loss	\$ 2,342.19

It will be seen that this plant was operated at a loss, exclusive of depreciation and taxes. We should be able to make a substantial saving in chemicals when the new well is placed in operation, but this will be partially offset by increased quantity of energy required for pumping.

For purposes of comparison a check of water users at Rock Springs has been made for the same period as shown for electric energy with the following results:

	<u>Number of Consumers</u>	<u>Gallons</u>
1935	1,782	245,720,000
1940	2,085	241,260,000
1945	2,295	405,260,000

Number of consumers 1935 to 1945 have increased 28.8 percent and water furnished 64.9 percent.

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Principal increases in expenses were due to items enumerated separately, with the addition of fuel, which increased due to increase in volume of water handled, increased cost of coal, and to increased use of electric energy.

Pumpage was extremely heavy, exceeding all previous records. During the year 1945 Green River Station pumped 1,529,472,000 gallons of water, of which 830,472,000 gallons were pumped by both high and low lift pumps. These figures cover water handled in distribution system and do not include water used for sludging sedimentation tanks or back-washing filters, raw water being used in the first instance and filtered water in the latter. During July, we pumped 144,237,000 gallons, an average of 4,652,800 gallons per day.

Distribution of pumpage for the year 1945 compared with 1944 is shown below:

	<u>1944</u>	<u>1945</u>
<u>Green River</u>		
Union Pacific Railroad Co.	867,522,038	932,115,450
Others	204,560,962	192,096,550
<u>Rock Springs</u>		
Union Pacific Railroad Co.	106,800,960	96,621,233
Others	<u>274,219,040</u>	<u>308,638,767</u>
Total from Green River Plant	1,453,103,000	1,529,472,000
<u>Reliance</u>		
The Union Pacific Coal Co.	29,696,492	27,953,947
Stansbury	3,266,880	16,445,385
E-Plane	<u>5,080,860</u>	<u>3,418,590</u>
Total from Reliance Plant	38,044,232	47,817,922
Grand Total	1,491,147,232	1,577,289,922

During July, the maximum pumpage on the Rock Springs line did not meet daily requirements, with the result that we

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were losing some water from our rather limited storage daily. To alleviate this condition, an emergency pumping station was constructed east of Kanda, and a larger capacity electric pump installed in the Green River Station. Rains lessened the demand for water within a short time, making the continued operation of the midway station unnecessary. The electric pump at Green River has been used to good advantage as its use has relieved our steam requirements very materially.

Numerous pipe line breaks were experienced during the year, 17 occurring between Green River and Rock Springs, two on the line to Blairtown reservoir, 20 on the Rock Springs distribution system, and two on the Green River distribution system. Joint leaks have not been considered, those enumerated necessitating use of pipe sleeves to make repairs. There were no interruptions, except to small areas, due to breaks in the distribution systems.

A very large amount of work remains to be done in connection with the 1945 construction program, installing new intake, raw water pumps, accelator and two additional filters. Installation of electrical equipment, filter piping, and connections to existing lines will cause a very substantial amount of work for our rather limited force.

In addition to the foregoing, the sale of Coal Company houses will call for a very large amount of labor and material installing meters. This is particularly true of water meters as the greater part of these houses do not have basements and it will be

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necessary to excavate and construct meter boxes, cut pipe, install valves and meters. It will make a further increase of 155 light and water meters to be read, bills prepared, collected and accounted for each month. It should, however, increase revenues and at the same time have a salutary effect on consumption of both electric energy and water, use of which has been wasteful due to flat rates.

It is to be hoped that cast iron pipe can be obtained and installed between Rock Springs and Green River early in the year so that it will not be necessary to operate mid-way station.

The labor situation has been and still remains very difficult. Foremen in both departments have had to do a large amount of work with inadequate help and are to be commended on results obtained.

Respectfully submitted,

Original Signed
I. N. BAYLESS

President

YEAR 1944

April 25, 1945

Mr. W. M. Jeffers - President
Union Pacific Railroad Company
Omaha, Nebraska

Dear Sir:

I beg to submit herewith a resume of the activities of the Southern Wyoming Utilities Company, electric and water service, for the calendar year 1944, as prepared by Mr. K. E. Darling, General Manager:

CAPITAL EXPENDITURES:Light and Power Department

Construct approximately 1,090 feet of 2,300 volt primary, 2,635 feet secondary and 1,200 feet street lighting circuit, together with necessary transformers. Colony Addition (Includes \$974.38 expended 1943) \$ 3,194.16

Purchase power plant and distribution system of Utah Power & Light Company at Green River; construct 14.6 miles of 3-phase, 33 KV transmission line, 2/0 A.C.S.R. wire, H-frame with 2 steel static wires, six 833 KVA transformers, 2 steel sub-stations with necessary switches, 3 automatic circuit reclosers \$324,095.60

Water DepartmentRock Springs

Lay 174 feet of 2", 1362 feet of 4", and 2,680 feet of 6" C.I. water main, install four 4" fire hydrants, purchase site for pump house; construct 10 x 10 brick building and install two 7½ H.P. centrifugal pumps (Includes \$1,241.07 expended 1943) \$ 11,173.41

Reliance

Purchase and install three centrifugal pumps to serve E-Plane and Stansbury - one 25 HP and two 20 HP \$ 2,177.00

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Reliance - Rock Springs

Retire 16,843 feet of 8" C.I. pipe and 471 feet of 8" W.I. pipe between Rock Springs and Reliance Junction

\$40,999.55

NON-CAPITAL EXPENDITURES:

Light and Power Department

Additional meters installed during the year were as follows:

15 - 15 Amp. 1 Phase 2 Wire	\$123.45
82 - " " " " 5 "	732.88
2 - " " 3 " " "	42.76
	<u>\$899.09</u>

Transformers installed and charged to operations were as follows:

2 - 3 KVA 13000/230/115 volt	\$172.04
1 - 5 " 2300/230/115 "	97.16
2 - 15 " " " " "	324.20
1 - 25 " " " " "	218.54
	<u>\$811.94</u>

One 25 KVA transformer was used to replace one worn out - balance were additional transformers installed to maintain voltage.

Water Department

Relocate portion of line to water softener Green River - tunnel under main lines UPRR, necessitated by enlargement of round house - (1944 expenditures)

\$ 1,518.76

Reconstruct valve houses around sedimentation tanks due to having rotted out

1,342.03

Reclaim 8" cast iron pipe in connection with Work Order No. 59

9,074.00

Operating expense charge account retirement of 8" main - Work Order No. 59

3,430.00

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Install two additional 4" hydrants, one at Rock Springs and one at Green River \$ 473.65

Install six 3/4", and one hundred and five 5/8" meters 1,268.70

*(Note: 76 additional meters required account new housing project.)

Rip-rap river bank at Green River intake to repair damage to embankment caused by heavy ice flow. A very considerable amount of heavy concrete and rubble was obtained from round house without cost 677.13

The following is a condensed statement of income, expenses, and net revenues of the Light Department (exclusive of Merchandise Department) for the four years ending December 31, 1944:

	<u>1941</u>	<u>1942</u>	<u>1943</u>	<u>1944</u>
Elec. Energy Sold, KWH	11,627,277	13,293,068	13,399,918	13,944,407
Revenue Received, Sale of Energy	\$329,981.71	\$358,866.91	\$364,973.38	\$379,954.15
Misc. Operating Revenues	18.31	3.40	12.20	5.20
Total Operating Revenues	\$330,000.02	\$358,870.31	\$364,985.58	\$379,959.35
Oper. Expenses:				
Energy Purch.	\$247,719.49	\$289,116.96	\$293,335.10	\$304,798.64
Other Expenses	35,805.49	36,569.20	34,678.08	43,159.30
Total Expenses Excl. of Taxes	\$283,524.98	\$325,686.16	\$328,013.18	\$347,957.94
Net Revenue Excl. of Taxes	\$ 46,475.04	\$ 33,184.15	\$ 36,972.40	\$ 32,001.41
Taxes & Uncoll. Bills	20,186.31	19,630.91	20,254.36	18,173.11
Net Income	\$ 26,288.73	\$ 13,553.24	\$ 16,718.04	\$ 13,828.30

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4/25/45

The following statement reflects gross KWH sales and income by sources:

	K. W. H.			
	<u>1941</u>	<u>1942</u>	<u>1943</u>	<u>1944</u>
1. Residential Service	1,749,267	1,917,970	2,045,352	2,195,827
2. Commercial Light	1,204,575	1,268,536	1,289,795	1,402,426
3. Commercial Appliances	266,816	277,175	266,453	265,568
4. Small Power	760,340	705,152	738,839	778,166
5. Signs	84,673	81,956	63,071	65,931
6. Hospital	113,106	109,168	142,093	149,337
7. Large Power	6,935,300	8,229,530	8,130,620	8,310,210
8. South Superior	209,200	234,300	216,000	220,500
9. Street Lighting	304,000	346,000	354,000	360,100
10. Rural		<u>121,281</u>	<u>153,695</u>	<u>196,342</u>
Total	<u>11,627,277</u>	<u>13,293,058</u>	<u>13,399,918</u>	<u>13,944,407</u>

	Gross Revenue Received				Per KWH
	<u>1941</u>	<u>1942</u>	<u>1943</u>	<u>1944</u>	<u>1944</u>
1. Resid. Service	\$ 72,652.43	\$ 74,382.44	\$ 77,850.32	\$ 81,400.94	\$.03707
2. Comm. Light	48,399.49	48,059.56	48,310.88	53,007.03	.03779
3. Comm. Appliances	6,846.69	7,018.42	6,702.64	6,716.16	.02529
4. Small Power	33,700.59	31,385.65	33,511.33	34,827.72	.04476
5. Signs	3,578.37	3,321.52	2,699.25	2,830.10	.04293

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	Gross Revenue Received				Per KWH 1944
	<u>1941</u>	<u>1942</u>	<u>1943</u>	<u>1944</u>	
6. Hospital	\$ 3,413.79	\$ 3,111.01	\$ 4,209.89	\$ 4,278.82	\$.02865
7. Large Power	143,172.68	167,456.11	166,110.52	169,582.11	.02041
8. South Superior	7,353.35	8,269.29	7,592.38	7,751.08	.03515
9. Street Lighting	10,864.42	11,071.08	11,071.08	11,103.83	.03084
10. Rural		4,791.83	6,915.09	8,456.36	.04307
Total	\$329,981.71	\$358,866.91	\$364,973.38	\$379,954.15	\$.02725

Residential use and commercial lighting have shown a substantial increase. There has been but little change in commercial appliances or signs due to fact that commercial lighting rates have been reduced to such an extent that all consumption is on one meter, no new appliance or sign meter being installed. Rural revenue has increased due to added consumption, addition of radio fan marker station east of Point of Rocks and energy furnished the Government Housing Project at Superior. Present indications are that we shall soon commence service to large Camp Ground Filling Station, etc., at Point of Rocks and Railroad employees at this point are also desirous of obtaining service which can be done at very nominal expense on our part. This will increase revenue from this class of service approximately \$1,800.00 per year.

It is rather difficult to evaluate the effect on revenues of brownout which became effective February 1, 1945. Comparison

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of K.W.H. sold in February indicates commercial lighting, which includes a substantial amount of exterior lighting, increased 11.1% over February, 1944. Commercial appliances decreased 6.5% and signs 30.6%. However, the large volume of energy is commercial lighting, hence the total of all three classes of service show an increase of 7.7%.

The electric system of Utah Power & Light Company at Green River was acquired as of September 1, 1944. Electric energy sold and revenue received by sources is shown below for four-months' period:

	<u>KWH</u>	<u>Amount</u>	<u>Per KWH</u>
Residential	435,212	\$13,963.06	\$.03208
Commercial Lighting	119,679	5,738.30	.04795
Comm. Heating & Cooking	5,370	166.52	.03101
Small Power	38,300	1,515.97	.03958
Gravel Pit	8,184	336.97	.04117
Church Lighting	1,584	68.94	.04352
Large Industrial	570,256	10,850.84	.01903
Street Lighting	<u>45,440</u>	<u>1,576.28</u>	<u>.03473</u>
	1,224,025	\$34,218.88*	\$.02796

*The figures shown above include penalties added back for month of December not taken into accounts until January, 1945.

Water Department

Following is shown a condensed statement of income, expenses, and net revenues for the Water Department for the four years ending December 31, 1944:

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	<u>1941</u>	<u>1942</u>	<u>1943</u>	<u>1944</u>
Water Sales				
UPRR Co.	\$ 61,494.35	\$ 82,307.02	\$106,087.70	\$108,724.52
UP Coal Co.	15,719.87	18,720.83	22,496.65	23,693.66
Others	105,046.94	110,442.32	114,868.24	116,590.18
Hydrant Rentals	4,140.00	4,195.04	4,220.04	4,300.04
Misc. Revenue				
Income & Royalty	<u>39.86</u>	<u>1.46</u>	<u>58.31</u>	<u>146.67</u>
Total Operating Revenues	<u>\$186,361.30</u>	<u>\$215,666.67</u>	<u>\$247,730.94</u>	<u>\$253,455.07</u>
Total Operating Expenses	\$107,261.62	\$ 96,955.68	\$114,663.92	\$133,116.10
Depreciation & Amortization	<u>17,488.96</u>	<u>18,160.87</u>	<u>18,629.05</u>	<u>12,726.49</u>
Total Operating Expense, Depr'n. & Amortization	<u>\$124,750.58</u>	<u>\$115,116.55</u>	<u>\$133,292.97</u>	<u>\$145,842.59</u>
Net Operating Revenue, Exclusive of taxes	\$ 61,610.72	\$100,550.12	\$114,437.97	\$107,612.48
Taxes & Uncoll. Bills	<u>32,309.63</u>	<u>53,265.41</u>	<u>57,296.37</u>	<u>53,273.69</u>
Net Income from Operations	<u>\$ 29,301.09</u>	<u>\$ 47,284.71</u>	<u>\$ 57,141.60</u>	<u>\$ 54,338.79</u>

The principal increases in expenses were due to rip-rapping of river bank at intake due to the heavy ice endangering the intake; cost of replacing valve houses around sedimentation tank and retirement of 8" cast iron line between Rock Springs and Reliance Junction. The cost of chemicals remained high due to the large volume of water handled and excessive turbidities, and to high cost of treating water at Reliance. Raw water at Reliance contains 80 grains per gallon hardness and 107 grains sodium sulphate. While water is being only partially softened it is expensive and

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unsatisfactory and a potable water cannot be produced.

Pumpage for the year again exceeded all previous records. During the year 1944 the Green River Station pumped 1,453,103,000 gallons of water of which amount 825,333,000 gallons were pumped by both low and high lift pumps. These figures cover water handled in distribution system and do not include water used for sludging sedimentation tanks or back washing filters, raw water being used in the first instance and filtered water in the latter. During August we pumped 134,772,000 gallons of water, an average of 4,347,000 gallons per day.

Distribution of pumpage for the year 1944 as compared with 1943 is shown below:

	<u>1943</u>	<u>1944</u>
<u>Green River</u>		
Union Pacific Railroad Co.	775,384,043	867,522,038
Others	203,100,957	204,560,962
<u>Rock Springs</u>		
Union Pacific Railroad Co.	120,658,995	106,800,960
Others	246,121,005	274,219,040
	<u>1,345,265,000</u>	<u>1,453,103,000</u>
<u>Reliance</u>		
The Union Pacific Coal Co.	29,647,996	29,696,492
E-Plane	4,420,515	3,266,880
Stansbury	342,195	5,080,860
	<u>1,379,675,706</u>	<u>1,491,147,232</u>

During periods of high turbidity we were hard pressed to meet the demand and maintain quality of water due to inadequate coagulation and filtration facilities. The demand has increased to such an extent that all equipment is being operated at approximately full capacity. The Green River-Rock Springs pipe line is

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being operated under about the maximum safe pressure during the greater part of the year to meet the requirements at Rock Springs. The old 8" main is badly tuberculated and the effective carrying capacity probably does not exceed that of a 6" main. The condition of the pipe is such that it would not warrant cleaning hence it becomes a problem of replacement with a larger pipe. Eleven bad breaks were experienced on 12" main in addition to numerous joint leaks. However we were able to meet demands at all times without any curtailment of service.

The washing out of the creek channel at one point where our line passes, exposed and necessitated the lowering of the line. The line was lowered into shale and some rip-rapping was done on embankment which, it is believed, will protect this point.

After the acquisition of the Green River property it was necessary to reconstruct the power line on South Railroad Avenue due to street being paved, the old line being too far out in the street. This was done and heavier copper was installed from the street to transformer bank used to serve the railroad.

In order to expedite line work on the Rock Springs-Green River line we furnished four linemen, two from Southern Wyoming Utilities Company and two from The Union Pacific Coal Company to assist in this construction. These men also did the greater part of the electrical installation at sub-stations, making necessary line changes at Green River.

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Our electrical force also installed the distribution system and ran service lines to serve new houses at Stansbury for The Union Pacific Coal Company.

Trouble is experienced from time to time on power lines due to flash-overs caused by spray from pond at power plant depositing chemicals on insulators and cross arms which, under certain conditions, acts as a conductor. It will probably prove necessary to carry the town lines and 13,000-volt line serving commercial mines, in tile duct or orangeburg conduit for some distance from the pond, to eliminate this hazard. This would, of course, necessitate use of a cable and will be quite costly.

No accidents to employees or the public occurred during the year, the difficulties that were experienced by the Railroad and the Coal Company extending in a lesser way to the Utilities Company's working force. No complaints as to measure and quality of service rendered were received during the year. We extend thanks to all employees for the loyal and competent character of service rendered.

Respectfully submitted,

EUGENE McCULLIFFE

President

YEAR 1943

March 10, 1944

Mr. W. M. Jeffers - President
Union Pacific Railroad Company
Omaha, Nebraska

Dear Sir:

I beg to submit herewith a resume of the activities of
the Southern Wyoming Utilities Company for the calendar year 1943:

CAPITAL EXPENDITURES:Light and Power Department

Construct approximately 1,090 feet of
2,300-volt primary, 2,635 feet secondary, and
1,200 feet street lighting circuit, together
with necessary transformers, Colony Addition
(1943 expenditures) \$ 974.38

Water Department

Lay 1,315 feet of 6-inch, 1,610 feet of 4-
inch, and 80 feet of 2-inch pipe together with
valves and fire hydrants (1943 expenditures) 1,166.29

Install 1,075-G.P.M. 300-foot head pump
together with diesel engine and V-belt drive
and 12,000-gallon oil storage tank and neces-
sary piping, Green River 9,363.82

Total - Capital Expenditures \$11,504.49

NON-CAPITAL EXPENDITURES:Light and Power Department

Additional meters installed during the year 1943
were as follows:

27 15-Amp., 1-phase, 3-wire	\$ 242.19
6 15-Amp., 1-phase, 2-wire	<u>49.38</u>
	\$ 291.57

Expenses were abnormally low due to the fact that little maintenance work was done on distribution system due to greater part of force being engaged in construction work for The Union Pacific Coal Company at Stansbury and Superior.

Water Department

Reliance

Overhaul sinker pumps and extend guides to permit lowering of pumps account of too great suction lift \$1,113.70

Repair cistern 394.73

Green River

Purchase second-hand chlorinator from RR 225.00

Repair parts for chlorinator 562.91

Install washout line, drain line, and connect overflow in 500,000-gallon reservoir 607.70

Relocate portion of line to water softener necessitated by enlargement of railroad roundhouse (1943 expenditures) 971.99

Rock Springs

Install four 2-inch and fifteen 5/8-inch meters 439.11

Total Non-Capital Unusual Expenditures \$4,315.14

Light and Power Department

The following is a condensed statement of income, expenses, and net revenues of the Light Department (exclusive of Merchandise Department) for the four years ending December 31, 1943:

	<u>1940</u>	<u>1941</u>	<u>1942</u>	<u>1943</u>
Electric Energy Sold, KWH	10,330,320	11,627,277	13,293,058	13,399,918
Revenue Received				
Sale of Energy	\$308,356.14	\$329,981.71	\$358,866.91	\$364,973.38
Misc. Operating Revenues	<u>4.90</u>	<u>18.31</u>	<u>3.40</u>	<u>12.20</u>
Total Operating Revenues	<u>\$308,361.04</u>	<u>\$330,000.02</u>	<u>\$358,870.31</u>	<u>\$364,985.58</u>
Oper. Expenses:				
Energy Purch.	\$227,097.71	\$247,719.49	\$289,116.96	\$293,335.10
Other Expenses	<u>37,468.74</u>	<u>35,806.49</u>	<u>36,569.20</u>	<u>34,678.08</u>
Total Expenses, Exclusive of Taxes	<u>\$264,566.45</u>	<u>\$283,524.98</u>	<u>\$325,686.16</u>	<u>\$328,013.18</u>
Net Revenue, Exclusive of Taxes	\$ 43,794.59	\$ 46,475.04	\$ 33,184.15	\$ 36,972.40
Taxes & Uncoll. Bills	<u>20,386.52</u>	<u>20,186.31</u>	<u>19,630.91</u>	<u>20,254.36</u>
Net Income	<u>\$ 23,408.07</u>	<u>\$ 26,288.73</u>	<u>\$ 13,553.24</u>	<u>\$ 16,718.04</u>

The following statement reflects net income by

sources:	K. W. H.			
	<u>1940</u>	<u>1941</u>	<u>1942</u>	<u>1943</u>
1-Residential Service	1,521,993	1,749,267	1,917,970	2,045,352
2-Commercial Light	1,007,865	1,204,575	1,268,536	1,289,795
3-Commercial Appliances	256,259	266,816	277,175	266,453
4-Small Power	780,558	760,340	705,152	738,839
5-Signs	84,345	84,673	81,956	63,071
6-Hospital	105,990	113,106	109,158	142,093
7-Large Power	6,095,210	6,935,300	8,229,530	8,130,620
8-South Superior	195,100	209,200	234,300	216,000
9-Street Lighting	283,000	304,000	348,000	354,000
10-Rural	-	-	121,281	153,695
TOTAL	<u>10,330,320</u>	<u>11,627,277</u>	<u>13,293,058</u>	<u>13,399,918</u>

	Net Revenue Received			
	1940	1941	1942	1943
1-Residential Service	\$ 71,273.10	\$ 72,652.43	\$ 74,382.44	\$ 77,850.32
2-Commercial Light	44,925.94	48,399.49	48,059.56	48,310.88
3- " Appliances	6,629.75	6,846.69	7,018.42	6,702.64
4-Small Power	33,618.34	33,700.59	31,385.65	33,511.33
5-Signs	3,638.56	3,578.37	3,321.52	2,699.25
6-Hospital	3,524.16	3,413.79	3,111.01	4,209.89
7-Large Power	127,872.59	143,172.58	167,456.11	166,110.52
8-South Superior	6,857.75	7,353.35	8,269.29	7,592.38
9-Street Lighting	10,015.95	10,864.42	11,071.08	11,071.08
10-Rural	-	-	4,791.83	6,915.09
TOTAL	<u>\$308,356.14</u>	<u>\$329,981.71</u>	<u>\$358,866.91</u>	<u>\$364,973.38</u>

No revisions in rates were made during the year 1943. Residential service indicates a consistent increase, commercial usage remains approximately the same as in 1942, and increase in lighting is offset by decrease in appliances. New wing added to hospital has increased revenue from that source. Rural lines, being service to Airport and A.T.&T. Company repeater stations, show a substantial increase due to reflecting a full year's operations for A.T.& T. Company stations while 1942 figures covered four months' period only.

Seventy-six additional houses are under construction, and there are government approved projects for fourteen more upon which construction has not been commenced. In addition, conversion of existing properties into sixty-five apartments is now under way. All of these should increase our revenues very materially.

Water Department

Below is shown a condensed statement of income, expenses, and net revenues for the Water Department for the four years ending December 31, 1943:

	<u>1940</u>	<u>1941</u>	<u>1942</u>	<u>1943</u>
Water Sales:				
UP RR Co.	\$ 58,392.15	\$ 61,494.35	\$ 82,307.02	\$106,087.70
The UP Coal Co.	14,596.49	15,719.87	18,720.83	22,496.65
Others	119,367.49	105,046.94	110,442.32	114,868.24
Hydrant Rentals	4,115.00	4,140.00	4,195.04	4,220.04
Misc. Revenue,				
Income & Royalty	<u>193.85</u>	<u>39.86</u>	<u>1.46</u>	<u>58.31</u>
Total Operating Revenues	<u>\$196,277.28</u>	<u>\$186,361.30</u>	<u>\$215,666.67</u>	<u>\$247,730.94</u>
Total Operating Expenses	\$ 73,026.28	\$107,261.62	\$ 96,955.68	\$114,663.92
Depreciation	<u>17,804.50</u>	<u>17,488.96</u>	<u>18,160.87</u>	<u>18,629.05</u>
Total Operating Expenses and Depreciation	<u>\$ 90,832.78</u>	<u>\$124,750.58</u>	<u>\$115,116.55</u>	<u>\$133,292.97</u>
Net Operating Revenue Exclusive of Taxes	105,444.50	61,610.72	100,550.12	114,437.97
Taxes & Uncoll. Bills	<u>80,135.84</u>	<u>32,309.63</u>	<u>53,265.41</u>	<u>57,296.37</u>
Net Income from Operations	<u>\$ 25,308.66</u>	<u>\$ 29,301.09</u>	<u>\$ 47,284.71</u>	<u>\$ 57,141.60</u>

The principal increases in expenses were increased cost of fuel due to a larger volume of water pumped and increased cost of coal. Filter plant expense increased \$5,036.34 due to extreme turbidity at Green River, necessitating a larger volume of coagulents and a sharp increase in chemicals used for softening at Reliance. Raw water at Reliance contains 76 grains per gallon hardness of which 34 grains are calcium.

Pumpage for the year again reached a new high of 1,345,265,000 gallons having been pumped from Green River station. Of this quantity, 788,055,000 gallons were pumped twice from river to sedimentation tanks and from clear well to distribution system,

in addition to which a large quantity of water was pumped for sludging sedimentation tanks and back-washing filters, this amounting to about five percent of our total pumpage. Pumping facilities, boilers, and pumps were extended to maximum capacity. Installation of a diesel-driven centrifugal pump alleviated the situation somewhat, enabling one boiler to be shut down at a time for necessary repairs. During July, we pumped 131,381,000 gallons, an average of 4,238,000 gallons per day.

Distribution of pumpage for the year 1943 as compared with 1942 is shown below:

	Gallons	
	<u>1942</u>	<u>1943</u>
<u>Green River</u>		
Union Pacific Railroad Co.	660,900,556	775,384,043
Others	199,122,444	203,100,957
<u>Rock Springs</u>		
Union Pacific Railroad Co.	79,567,328	120,658,995
Others	230,502,672	246,121,005
<u>Reliance</u>	1,170,093,000	1,345,265,000
The Union Pacific Coal Co.	28,555,533	29,647,996
E-Plane	-	4,420,515
Stansbury	-	342,195
Total Pumpage	1,198,648,533	1,379,675,706

All equipment at Green River, including pumps, boilers, pumping equipment, and filtration plant, have about reached the limit of their capacity. A similar situation exists with regard to the Green River-Rock Springs pipe line.

Our storage facilities at Rock Springs are limited, and an attempt will be made to survey this situation during the coming season, including capacity of main feeder lines in Rock Springs.

No accidents to employees or the public occurred during the year, the difficulties that were experienced by the Railroad and the Coal Company extending in a lesser way to the Utilities Company's working force. No complaints as to measure and quality of service rendered were received during the year. We extend thanks to all employees for the loyal and competent character of service rendered.

Respectfully submitted,

Original Signed
EUGENE MAULIFFE

President

YEAR 1942

SOUTHERN WYOMING UTILITIES COMPANY
1416 Dodge Street
Omaha, Nebraska

200-41

March 22, 1943

Mr. W. M. Jeffers - President
Union Pacific Railroad Company
Omaha, Nebraska

Dear Sir:

I beg to submit herewith a resume of the activities of the Southern Wyoming Utilities Company for the calendar year 1942:

CAPITAL EXPENDITURES:

Electric Service Department	\$16,457.54
Water Service Department	<u>1,177.82</u>
Total	\$17,635.36

NON-CAPITAL EXPENDITURES:

Electric Service Department	954.99
Water Service Department	<u>6,539.69</u>
Total	\$ 7,494.68

The following is a condensed statement of income, expenses, and net revenues of the Light Department (exclusive of Merchandise Department) for the four years ending December 31, 1942:

	<u>1939</u>	<u>1940</u>	<u>1941</u>	<u>1942</u>
Electric Energy Sold, K. W. H.	9,759,944	10,330,320	11,627,277	13,293,058
Revenue received:				
Sale of Energy	\$307,993.40	\$308,356.14	\$329,981.71	\$358,866.91
Misc. Oper. Revenues	<u>6.60</u>	<u>4.90</u>	<u>18.31</u>	<u>3.40</u>
Total Oper. Revenues	<u>\$308,000.00</u>	<u>\$308,361.04</u>	<u>\$330,000.02</u>	<u>\$358,870.31</u>
Operating Expenses:				
Energy Purchased	\$249,655.47	\$227,097.71	\$247,719.49	\$289,116.96
Other Expenses	<u>32,689.43</u>	<u>37,468.74</u>	<u>35,805.49</u>	<u>36,569.20</u>
Total Expenses, Exclusive of Taxes	<u>\$282,344.90</u>	<u>\$264,566.45</u>	<u>\$283,524.98</u>	<u>\$325,686.16</u>
Net Revenue, Exclusive of Taxes	\$ 25,655.10	\$ 43,794.59	\$ 46,475.04	\$ 33,184.15
Taxes & Uncoll. Bills	<u>11,135.34</u>	<u>20,386.52</u>	<u>20,186.31</u>	<u>19,630.91</u>
Net Income	<u>\$ 14,519.76</u>	<u>\$ 23,408.07</u>	<u>\$ 26,288.73</u>	<u>\$ 13,553.24</u>

Sales of energy increased 1,665,781 K.W.H., this being largely due to increase in the consumption at commercial mines of 1,328,200 K.W.H. Residential Service increased 168,703 K.W.H., and Commercial Light, 63,961 K.W.H.

Net Revenue appears low considering the increase in gross revenue. This is due to an undercharge for electric energy purchased during the first seven months of 1941, which makes Net Earnings appear disproportionate.

The following statement reflects gross income by sources:

K. W. H.

	<u>1939</u>	<u>1940</u>	<u>1941</u>	<u>1942</u>
1-Residential Service	1,285,864	1,521,993	1,749,267	1,917,970
2-Commercial Light	877,882	1,007,865	1,204,575	1,268,536
3-Commercial Appliances	233,682	256,259	266,813	277,175
4-Small Power	848,376	780,558	760,340	705,152
5-Signs	91,140	84,345	84,673	81,956
6-Hospital	96,300	105,990	113,106	109,158
7-Large Power	5,863,000	6,095,210	6,935,300	8,229,530
8-South Superior	185,700	195,100	209,200	234,300
9-Street Lighting	278,000	283,000	304,000	348,000
10-Rural				121,281
TOTAL	<u>9,759,944</u>	<u>10,330,320</u>	<u>11,627,277</u>	<u>13,293,058</u>

	<u>Gross Revenue Received</u>			
	<u>1939</u>	<u>1940</u>	<u>1941</u>	<u>1942</u>
1-Residential Service	\$69,018.59	\$71,273.10	\$72,652.43	\$74,382.44
2-Commercial Light	49,041.89	44,925.94	48,399.49	48,059.56
3-Commercial Appliances	7,306.77	6,629.75	6,846.69	7,018.42
4-Small Power	35,248.40	33,618.34	33,700.59	31,385.65
5-Signs	4,462.51	3,638.56	3,578.37	3,321.52
6-Hospital	4,574.22	3,524.16	3,413.79	3,111.01
7-Large Power	121,352.99	127,872.59	143,172.58	167,456.11
8-South Superior	7,136.40	6,857.75	7,353.35	8,269.29
9-Street Lighting	9,851.63	10,015.95	10,864.42	11,071.08
10-Rural				4,791.83
TOTAL	<u>\$307,993.40</u>	<u>\$308,356.14</u>	<u>\$329,981.71</u>	<u>\$358,866.91</u>

No revisions in rates were made during the year 1942, the last rate reduction having been effective May 1, 1941. This would, however, affect comparisons as between 1941 and 1942. An analysis of decrease in revenues for classes of service affected is shown below:

<u>Residential Service</u>	<u>K.W.H.</u>	<u>Amount</u>
Increased consumption, January to Apr., Inc.	106,528	\$4,024.63
Decrease due to rate revision, Jan.-Apr. "		4,226.52
Increased consumption, May to Dec., Inc.	<u>62,175</u>	<u>1,931.90</u>
Net Increase	168,703	\$1,730.01

Commercial Light

Increased consumption, Jan. to Apr., Inc.	53,491	2,018.48
Decrease due to rate revision, Jan.-Apr., Inc.		2,279.26
Increased consumption, May to Dec., Inc.	<u>10,470</u>	<u>79.15*</u>
	63,961	\$ 339.93

*Increase in consumption, but decrease in realization per K.W.H. due to increased usage in lower brackets.

Hospital

Increased consumption, Jan. to Apr., Inc.	1,849	\$ 52.70
Decrease due to rate revision, Jan.-Apr., Inc.		190.02
Decreased consumption, May to Dec., Inc.	<u>5,797</u>	<u>165.46</u>
	3,948	\$ 302.78

It will be noted from the statement reflecting income by sources that an additional sub-division, "Rural," has been added. This represents energy furnished and revenue received from the line constructed to serve the Airport and the American Telephone and Telegraph Company's repeater stations. Inasmuch as special tariffs have been issued to cover this service, it was thought advisable to make a separate sub-division to cover.

The number of ranges on the line increased 28 during 1942, there being 171 in use as of December 31. This is a very good increase considering the fact that it has been impossible to secure electric ranges for a number of months, and in view of the stringent regulations governing their installation.

Twenty-six miles of rural type steel line was constructed by company forces, and in addition approximately 1.75 miles of line, together with transformer and switching rack, was constructed at the Stansbury Mine for The Union Pacific Coal Company.

Commercial meters are being brought in for test, and this should prove helpful from a revenue standpoint.

Water Department

Below is shown a condensed statement of income, expenses, and net revenues for the Water Department for the four years ending December 31, 1942:

	<u>1939</u>	<u>1940</u>	<u>1941</u>	<u>1942</u>
Water Sales:				
UPRR Co.	\$ 66,165.12	\$ 58,392.15	\$ 61,494.35	\$ 82,307.02
The UPCCo.	13,765.44	14,596.49	15,719.87	18,720.83
Others	115,177.39	119,367.49	105,046.94	110,442.32
Hydrant Rentals	4,092.54	4,115.00	4,140.00	4,195.04
Misc. Revenue, Income & Royalty	<u>164.57</u>	<u>193.85</u>	<u>39.86</u>	<u>1.46</u>
Total Operating Revenues	\$199,035.92	\$196,277.28	\$186,361.30	\$215,666.67
Total Operating Expenses	<u>71,285.10</u>	<u>73,028.28</u>	<u>107,261.62</u>	<u>96,955.68</u>
Depreciation	<u>54,777.08</u>	<u>17,804.50</u>	<u>17,488.96</u>	<u>18,160.87</u>
Total Oper. Expenses & Depr.	\$126,062.18	\$ 90,832.78	\$124,750.58	\$115,116.55
Net Oper. Revenue Exclusive of Taxes	\$ 72,973.74	\$105,444.50	\$ 61,610.72	\$100,550.12
Taxes	<u>26,455.05</u>	<u>80,135.84</u>	<u>32,309.63</u>	<u>53,265.41</u>
Net Income from Operations	<u>\$ 46,518.69</u>	<u>\$ 25,308.66</u>	<u>\$ 29,301.09</u>	<u>\$ 47,284.71</u>

The principal differences in expenses were a decrease due to extremely heavy retirement expense during 1941, and an increase in the cost of fuel due to the large increase in the volume of water handled.

Pumpage for the year reached a new high of 1,170,093,000 gallons at the Green River station. Of this quantity, 717,803,000 gallons was pumped twice, once from the river to the sedimentation tanks, and next from the clear well to the distribution system, in addition to which a large quantity of water was pumped for sludging sedimentation tanks and back-washing filters. The pumping facilities, both boilers and pumps, were extended to approximately their maximum capacity, particularly during periods of peak demand. During the month of July there was pumped 115,055,000 gallons, an average of 3,711,450 gallons per day.

The distribution of pumpage for the year 1942 as compared with 1941 is shown below:

	<u>Gallons</u>	
	<u>1941</u>	<u>1942</u>
<u>Green River</u>		
Union Pacific Railroad Co.	490,289,640	660,900,556
Others	181,622,360	199,122,444
<u>Rock Springs</u>		
Union Pacific Railroad Co.	58,999,113	79,567,328
Others	214,560,887	230,502,672
	<u>745,472,000</u>	<u>1,170,093,000</u>
<u>Reliance</u>		
The Union Pacific Coal Co.	25,105,014	28,555,533
TOTAL PUMPAGE	970,577,014	1,198,648,533

All water unaccounted for has been included under "Others." Due to numerous main-line breaks, a considerable quantity of water was wasted. Considerable trouble has been experienced with the old 8-inch main which has been in service 52 years. While cast-iron pipe is supposed to have an indefinite life, this is not true under the extreme acid soil conditions which prevail here. Breaks for the most part are due to corrosion. The old 8-inch main line shows considerable tuberculation, with attendant reduction in carrying capacity. It would appear that in the not too distant future it will be necessary to replace the 8-inch main with one of increased capacity. This might be deferred by cleaning the existing line.

Our boilers, pumping equipment, and filtration plant have about reached the limit of their capacity, and to meet the anticipated increase in consumption during 1943, we plan to purchase and install a 1,075-GPM centrifugal pump with 112-HP Diesel engine and 12,000 gallon oil storage tank, to reinforce the present pumping plant at Green River. The purchase of the Diesel equipment was decided upon due to the fact that steam boilers cannot be obtained at the present time, and the commercial power plant at Green River, owned by the Utah Power & Light Company, is now overloaded. The cost of this installation is estimated at \$13,105.

During the year 1942, a large amount of work installing water line to "E" Plane was done for The Union Pacific Coal

Company. The line foreman from Rock Springs supervised the Union Pacific Water Company's installation of 5.25 miles of 12-inch line in the vicinity of Sinclair.

No personal injuries to either employees or the public occurred during the year, and an almost total absence of complaints as to the service was the rule. We extend thanks to all employees for loyal and competent service rendered during the year.

Respectfully submitted,

Original Signed
EUGENE MCAULIFFE

President

YEAR 1941

SOUTHERN WYOMING UTILITIES COMPANY
1416 Dodge Street
Omaha, Nebraska

200-41

March 6, 1942

Mr. W. M. Jeffers - President
Union Pacific Railroad Company
Omaha, Nebraska

Dear Sir:

I beg to submit herewith a resume of the activities of the Southern Wyoming Utilities Company for the calendar year 1941:

CAPITAL EXPENDITURES:

Electric Service Department	\$35,032.40
Water Service Department	58,539.37
Total	<u>\$93,571.77</u>

NON-CAPITAL EXPENDITURES:

Electric Service Department	1,635.56
Water Service Department	33,000.95
Total	<u>\$34,636.51</u>

The following is a condensed statement of income, expenses, and net revenues of the Light Department (exclusive of Merchandise Department) for the four years ending December 31, 1941:

	<u>1938</u>	<u>1939</u>	<u>1940</u>	<u>1941</u>
Electric Energy Sold, K.W.H.	9,847,036	9,759,944	10,330,320	11,627,277
Revenue Received:				
Sale of Energy	\$315,604.66	\$307,993.40	\$308,356.14	\$329,981.71
Misc. Oper. Revenues	7.20	6.60	4.90	18.31
Total Oper. Revenues	<u>\$315,611.86</u>	<u>\$308,000.00</u>	<u>\$308,361.04</u>	<u>\$330,000.02</u>
Operating Expenses:				
Energy Purchased-	\$251,537.33	\$249,655.47	\$227,097.71	\$247,719.49
Other Expenses-	33,893.77	32,689.43	37,468.74	35,805.49
Total Expenses, Exclusive of Taxes	<u>\$285,421.10</u>	<u>\$282,344.90</u>	<u>\$264,566.45</u>	<u>\$283,524.98</u>
Net Revenue, Exclusive of Taxes	\$ 30,190.76	\$ 25,655.10	\$ 43,794.59	\$ 46,475.04
Taxes & Uncoll. Bills	11,631.08	11,135.34	20,386.52	20,186.31
Net Income	<u>\$ 18,559.68</u>	<u>\$ 14,519.76</u>	<u>\$ 23,408.07</u>	<u>\$ 26,288.73</u>

The gross revenue increased \$21,638.98, due largely to an increase in energy sold to commercial mines and for commercial lighting,

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amounting to \$15,299.99, and \$3,473.55, respectively. There was but little change in expenses other than in the cost of energy purchases. We purchased from The Union Pacific Coal Company, 1,624,848 K.W.H. more energy than during 1940, at an increased cost due to the additional volume of \$32,779.92, less decrease due to reduction in charge per K.W.H. of \$7,300.53, or \$25,479.39. However, \$4,857.61 of this amount was for additional energy required for the operation of the Water Department, leaving \$20,621.78 the cost of additional power for resale.

The following comparative statement reflects gross income by sources:

	<u>K. W. H.</u>			
	<u>1938</u>	<u>1939</u>	<u>1940</u>	<u>1941</u>
1-Residential Service	1,193,050	1,285,864	1,521,993	1,749,267
2-Commercial Light	807,904	877,882	1,007,865	1,204,575
3-Commercial Appliances	238,765	233,682	256,259	266,816
4-Small Power	820,160	848,376	780,558	760,340
5-Signs	92,998	91,140	84,345	84,673
6-Hospital	93,310	96,300	105,990	113,106
7-Large Power	6,022,649	5,863,000	6,095,210	6,935,300
8-South Superior	305,200	185,700	195,100	209,200
9-Street Lighting	273,000	278,000	283,000	304,000
TOTAL	9,847,036	9,759,944	10,830,320	11,627,277

	<u>Gross Revenue Received</u>			
	<u>1938</u>	<u>1939</u>	<u>1940</u>	<u>1941</u>
1-Residential Service	\$ 68,382.60	\$ 69,018.59	\$ 71,273.10	\$ 72,652.43
2-Commercial Light	49,851.14	49,041.89	44,925.94	48,399.49
3-Commercial Appliances	7,464.59	7,306.77	6,629.75	6,846.69
4-Small Power	34,191.84	35,248.40	33,618.34	33,700.59
5-Signs	4,525.56	4,462.51	3,638.56	3,578.37
6-Hospital	4,432.19	4,574.22	3,524.16	3,413.79
7-Large Power	125,364.83	121,352.99	127,872.59	143,172.58
8-South Superior	11,677.40	7,136.40	6,857.75	7,353.35
9-Street Lighting	9,714.51	9,851.63	10,015.95	10,864.42
TOTAL	\$315,604.66	\$307,993.40	\$308,356.14	\$329,981.71

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Rate reductions were made in several classes of service effective May 1, 1941, and an analysis of the classes affected is shown below:

Residential Service

K.W.H.

Increased consumption, January to Apr., Inc.	72,952	\$2,452.68
Increased consumption, May to December, Inc.	154,322	6,140.47
Decrease due to rate revision, May to Dec.		<u>7,213.82</u>
Net Increase		\$1,379.33

Commercial Lighting

Increased consumption, January to Apr., Inc.	63,150	2,393.96
Increased consumption, May to December, Inc.	133,560	4,958.71
Decrease due to rate revision, May to Dec.		<u>3,879.12</u>
Net Increase		\$3,473.55

Hospital

Increased consumption, January to Apr., Inc.	2,924	97.22
Increased consumption, May to December, Inc.	4,192	119.47
Decrease due to rate revision, May to Dec.		<u>327.06</u>
Net Decrease		\$ 110.37

It will be noted that, for the eight-months period affected by the rate decrease, the total reduction due to the rate revision amounted to \$11,420.00, while additional volume amounted to \$11,218.65 for the classes of service above enumerated. If the entire year is taken into consideration, the increased volume aggregated \$16,162.51, or \$4,742.51 in excess of the decrease due to the rate revision for the eight-months period.

The number of ranges has increased steadily, there being 143 on the line as of December 31st, an increase of 50 ranges. It is improbable that as many will be sold during 1942 due to the difficulty

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of obtaining merchandise, the manufacture of electric appliances having been drastically reduced.

The installation of voltage regulators and additional transformers, and the making of some line changes to balance the load centers have resulted in much-improved voltage. From the standpoint of capacity to render service we are now in a better position than we have been for a number of years.

Below is shown a condensed statement of income, expenses, and net revenues for the Water Department for the four years ending December 31, 1941:

	<u>1938</u>	<u>1939</u>	<u>1940</u>	<u>1941</u>
Water Sales:				
U.P.R.R.Co.	\$ 67,444.54	\$ 66,165.12	\$ 58,392.15	\$ 61,494.35
The U.P.Coal Co.	13,958.38	13,765.44	14,596.49	15,719.87
Others	114,705.94	115,177.39	119,367.48	105,046.94
Hydrant Rentals	4,045.87	4,092.54	4,115.00	4,140.00
Misc.Revenue, Income & Royalty	<u>388.31</u>	<u>164.57</u>	<u>193.85</u>	<u>39.86</u>
Total Operating Revenues	\$199,766.42	\$199,035.92	\$196,277.28	\$186,361.30
Total Operating Expenses	69,137.27	71,285.10	73,028.28	107,261.62
Depreciation	<u>54,391.50</u>	<u>54,777.08</u>	<u>17,804.50</u>	<u>17,488.96</u>
Total Operating Expenses and Depreciation	<u>\$123,528.77</u>	<u>\$126,062.18</u>	<u>\$ 90,832.78</u>	<u>\$124,750.58</u>
Net Operating Reve- nue Exclusive of Taxes	\$ 76,237.65	\$ 72,973.74	\$105,444.50	\$ 61,610.72
Taxes	<u>27,533.77</u>	<u>26,455.05</u>	<u>80,135.84</u>	<u>32,309.63</u>
Net Income from Operations	<u>\$ 48,703.88</u>	<u>\$ 46,518.69</u>	<u>\$ 25,308.66</u>	<u>\$ 29,301.09</u>

The Total Operating Expenses reflects an increase of \$34,233.34. As shown under unusual operating expenditures, the retirement of property, cost of reclaiming 12-inch C.I. pipe, and reconstruction of 8-inch C.I. line in connection with the work of laying 11,318 feet of steel pipe, the construction of pumping station at Blairtown, etc., account for \$25,995.18 of this amount, the balance being largely due to increased cost of fuel and filtration supplies due to larger increase in volume of water handled.

The pumpage for the year reached an all-time high of 979,577,014 gallons, the peak month having been July, when 102,303,828 gallons were pumped.

The distribution of pumpage for the year 1941 as compared with 1940 is shown below:

	<u>1940</u>	<u>Gallons</u> <u>1941</u>
<u>Green River</u>		
Union Pacific Railroad Co.	404,334,273	490,289,640
Others	204,870,727	181,622,360
<u>Rock Springs</u>		
Union Pacific Railroad Co.	51,082,488	58,999,113
Others	190,177,512	214,560,887
	<u>850,465,000</u>	<u>945,472,000</u>
<u>Reliance</u>		
The Union Pacific Coal Co.	<u>25,619,903</u>	<u>25,105,014</u>
Total Pumpage	876,084,903	970,577,014

All water unaccounted for has been included under "Others". Due to numerous main-line breaks between Rock Springs and Green River, particularly on the old 8-inch main, a very considerable quantity of water was wasted. The actual consumption to "Others"

Mr. W. M. Jeffers
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at Rock Springs increased 8,673,547 gallons, being curtailed somewhat by a very wet, cold summer.

It will be recalled that water rates were decreased effective January 1, 1941, at Rock Springs, in addition to the revision of May 1, 1940. The rate of May 1, 1940, will have to be considered also at Green River in making comparisons for the first five months. Below are shown the principal results of the rate revisions:

Rock Springs

Others

Decrease due to rate revision	\$ 20,091.31
Increase due to consumption	5,087.04
	<u>\$ 15,004.27</u>

Union Pacific Railroad Company

Decrease due to rate revision	776.76
Increase due to consumption	2,734.26
	<u>\$ 1,957.50</u>

Green River

Union Pacific Railroad Company

Decrease due to rate revision	6,020.54
Increase due to consumption	7,165.24
	<u>\$ 1,144.70</u>

The discontinuance of the Kanda pumping station, which was replaced by the automatic electric station constructed at Blairtown, has proven to be satisfactory. During the greater part of the year we are able to pump to Blairtown without any increase in pressure at Green River. During peak months, the pressure however is increased quite appreciably due to increased friction head.

The cost of fuel at Kanda was \$2,146.99 less than during the year 1940, in addition to which three men were eliminated, their

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wages approximating \$3,304.00 for the seven-month period, a total of \$5,450.99. The cost of electrical energy at Blairtown amounted to \$5,290.20; however, there was an increase of 13.2 percent in the amount of water handled.

Due to excessive rains, the Green River was very high in turbidity all year, raising costs of coagulation, and placing a heavy strain on the entire system. The intake wells had to be cleaned three times during the summer, and the filtration capacity was heavily burdened.

No personal injuries to either employees or the public occurred during the year, and an almost total absence of complaints as to the service was the rule. We extend thanks to all employees for loyal and competent service rendered during the year.

Respectfully submitted,

Original Signed
EUGENE MCAULIFFE

President

YEAR 1940

SOUTHERN WYOMING UTILITIES COMPANY
1416 Dodge Street
Omaha, Nebraska.

200-41

March 22, 1941

Mr. W. M. Jeffers, President,
Union Pacific Railroad Company,
Omaha, Nebraska.

Dear Sir:

I beg to submit herewith a resume of the activities of the Southern Wyoming Utilities Company for the calendar year 1940:

CAPITAL EXPENDITURES:

Electric Service Department	\$ 2,373.63	
Water Service Department	9,989.94	
Total		\$12,363.57

NON-CAPITAL EXPENDITURES:

Electric Service Department	\$ 4,651.60	
Water Service Department	4,283.72	
Total		\$ 8,935.32

The following is a condensed statement of income, expenses, and net revenues of the Light Department (exclusive of Merchandise Department) for the four years ending December 31,

1940:	<u>1937</u>	<u>1938</u>	<u>1939</u>	<u>1940</u>
Elec. Energy Sold, K.W.H.	9,872,620	9,847,036	9,759,944	10,330,320
Revenue Received, Sale of Energy	\$309,828.92	\$315,604.66	\$307,993.40	\$308,356.14
Misc. Operating Revenues	4.00	7.20	6.60	4.90
Total Operating Revenues	\$309,832.92	\$315,611.86	\$308,000.00	\$308,361.04
Oper. Expenses:				
Energy Purch.	\$253,474.55	\$251,537.33	\$249,655.47	\$227,097.71
Other Expenses	33,418.38	33,683.77	32,689.43	37,468.74

	<u>1937</u>	<u>1938</u>	<u>1939</u>	<u>1940</u>
Total Expenses, Exclusive of Taxes	<u>\$286,892.93</u>	<u>\$285,421.10</u>	<u>\$282,344.90</u>	<u>\$264,566.45</u>
Net Revenue, Exclusive of Taxes	\$ 22,939.99	\$ 30,190.76	\$ 25,655.10	\$ 43,794.59
Taxes & Uncoll. Bills	<u>9,570.18</u>	<u>11,631.08</u>	<u>11,135.34</u>	<u>20,386.52</u>
Net Income	<u>\$ 13,369.81</u>	<u>\$ 18,559.68</u>	<u>\$ 14,519.76</u>	<u>\$ 23,408.07</u>

The gross revenue is practically the same as for the year 1939, despite the rate decrease, which will be referred to later in this report. The increase in net revenue is due to a decrease in the cost of power purchased. The decrease in rate paid resulted in a saving of \$29,560.09, increased consumption amounting to \$6,511.79.

Taxes for the year 1940 include \$3,340.74 adjustment for prior years. Federal excise tax on sale of energy was increased to ten per cent during 1940, and the income tax was, of course, increased due to increased earnings.

The following comparative statement reflects gross income by sources:

	<u>K.W.H.</u>			
	<u>1937</u>	<u>1938</u>	<u>1939</u>	<u>1940</u>
1-Residential Service	1,050,758	1,193,050	1,285,864	1,521,993
2-Commercial Light	779,610	807,904	877,882	1,007,865
3-Commercial App.	252,788	238,765	233,682	256,259
4-Small Power	767,053	820,160	848,376	780,558
5-Signs	89,037	92,998	91,140	84,345
6-Hospital	80,080	93,310	96,300	105,990
7-Large Power	6,584,222	6,022,649*	5,863,000	6,095,210
8-South Superior		305,200*	185,700	195,100
9-Street Lighting	269,072	273,000	278,000	283,000
TOTAL	<u>9,872,620</u>	<u>9,847,036</u>	<u>9,759,944</u>	<u>10,330,320</u>

	<u>Gross Revenue Received</u>			
	<u>1937</u>	<u>1938</u>	<u>1939</u>	<u>1940</u>
1-Residential Service	\$61,655.63	\$68,382.60	\$69,018.59	\$71,273.10
2-Commercial Light	47,767.64	49,851.14	49,041.89	44,925.94
3-Commercial App.	7,844.39	7,464.59	7,306.77	6,629.75
4-Small Power	32,168.03	34,191.84	35,248.40	33,618.34
5-Signs	4,317.67	4,525.56	4,462.51	3,638.56
6-Hospital	3,825.46	4,432.19	4,574.22	3,524.16

Gross Revenue Received (Cont'd)

	<u>1937</u>	<u>1938</u>	<u>1939</u>	<u>1940</u>
7-Large Power	\$ 142,617.00	\$125,364.83*	\$121,352.99	\$127,872.59
8-South Superior		11,677.40*	7,136.40	6,857.75
9-Street Lighting	9,633.10	9,714.51	9,851.63	10,015.95
Total	\$ 309,828.92	\$315,604.66	\$307,993.40	\$308,356.14

*Line 7, 1937, compares with lines 7 and 8 subsequent thereto.

Further rate reductions were made January 1, 1940, and an analysis of the effect of these reductions will be of interest. It will be recalled that a reduction was made in residential service and commercial light rates March 1, 1939, hence two reductions must be considered in comparing the first two months of 1940 with the similar period of 1939, and only the reduction effective January 1, 1940, thereafter. The results were as follows:

Residential Service

Decrease due to rate revision, Jan. and Feb.	\$2,259.40
Decrease due to rate revision, Mar. to Dec.	6,561.31
Increase consumption	<u>11,062.07</u>
Net Increase	\$2,241.36

Commercial Lighting

Decrease due to rate revision, Jan. and Feb.	\$2,465.49
Decrease due to rate revision, Mar. to Dec.	7,446.78
Increased consumption	<u>5,796.32</u>
Net Decrease	\$4,115.95

Commercial Appliances

Decrease due to rate revision	\$1,261.09
Increased consumption	<u>584.07</u>
Net Decrease	\$ 677.02

Hospital

Decrease due to rate revision	\$1,372.25
Increased consumption	<u>322.19</u>
Net Decrease	\$1,050.06

Town of South Superior

Decrease due to rate revision
Increased consumption

\$ 609.06

330.41

Net Decrease

\$ 278.65

TOTAL DECREASE

\$ 3,880.32

The total decrease due to rate revisions was \$21,975.38, which was largely overcome by the sale of additional energy amounting to \$18,095.06 to consumers affected. However, this required the distribution of an additional 407,779 K.W.H. of energy, which was purchased at a cost of \$8,563.36. In this connection it is interesting to note that only 310,085 K.W.H. of additional energy was purchased, better operating results being secured by increasing the voltage and raising the power factor.

The number of electric ranges in use continues to increase, there being 93 as of December 31st, an increase of 30 ranges over last year. Three electric water heaters have been installed; however, the rate is not conducive to water heating.

During the past year a survey was made of lines - primary and secondary, transformers - sizes, load carried, voltages, power factor, etc. Due to changes being made at the power plant, it was impossible to coordinate some of this information with the power plant readings. This information was turned over to the General Electric Company engineers, and their recommendations will be carefully studied in planning system improvements. Several very apparent weaknesses have been disclosed which it is planned to correct during 1941. It is believed that improvement in voltage and power factor will result in substantial revenue gains in addition to rendering a more satisfactory service. Some transformers were added during 1940, but little line

work was done due to extensive changes necessitated by street changes in connection with the construction of the overpass and underpass by the City of Rock Springs.

The construction of the overpass and underpass necessitated a large amount of extra work. The line on "M" Street was rebuilt on the east side of the street, inside of the sidewalk, due to narrowing of the walks made necessary by the enforced widening of the street. The lines on North Front Street, on Elk Street, in the vicinity of the coal chute, in the rear of the Park Hotel, and on Fourth and "A" Streets, were also relocated and reconstructed in part. All service lines on "M" Street and a number in other locations were renewed.

Below is shown a condensed statement of income, expenses, and net revenues for the Water Department for the four years ending December 31, 1940:

	<u>1937</u>	<u>1938</u>	<u>1939</u>	<u>1940</u>
Water Sales				
U.P.R.R.Co.	\$73,836.89	\$67,444.54	\$66,165.12	\$58,392.15
The U.P.C.Co.	16,340.29	13,958.38	13,765.44	14,596.49
Others	111,688.29	114,705.94	115,177.39	119,367.49
Hydrant Rentals	3,970.00	4,045.87	4,092.54	4,115.00
Miscellaneous Revenue, Income & Royalty	<u>316.75</u>	<u>388.31</u>	<u>164.57</u>	<u>193.85</u>
Total Operating Revenues	\$205,518.72	\$199,766.42	\$199,035.92	\$196,277.28
Total Operating Expenses	\$ 77,703.99	\$ 69,137.27	\$ 71,285.10	\$ 73,028.28
Depreciation	<u>54,622.39</u>	<u>54,391.50</u>	<u>54,777.08</u>	<u>17,804.50</u>
Total Operating Expenses and Depreciation	<u>\$132,326.38</u>	<u>\$123,528.77</u>	<u>\$126,062.18</u>	<u>\$ 90,832.78</u>
Net Operating Revenue Exclusive of Taxes	\$ 73,192.34	\$ 76,237.65	\$ 72,973.74	\$105,444.50
Taxes	<u>25,091.79</u>	<u>27,533.77</u>	<u>26,455.05</u>	<u>80,135.84</u>
Net Income from Operations	<u>\$ 48,100.55</u>	<u>\$ 48,703.88</u>	<u>\$ 46,518.69</u>	<u>\$ 25,308.66</u>

The item of "Taxes" includes additional Federal income taxes paid during 1940 for the years prior thereto in the amount of \$41,817.92, due to revision in the Depreciation rates. This amount is divided as follows:

1934	\$4,955.31
1935	4,914.83
1936	9,226.09
1937	8,825.29
1938	7,106.75
1939	<u>6,789.65</u>
Total	\$ 41,817.92

If this amount were excluded from the figures for 1940, the "Net Income from Operations" would be \$67,126.58.

The revision in water rates, effective May 1, 1940, resulted in a saving to the Railroad of \$10,099.92 at Green River and \$1,524.90 at Rock Springs during the eight month period. The reduction to "Others" has been overcome by increased consumption.

There has been but little change in the total gross revenue or expenses, the difference in net income being entirely due to reduction in the amount charged for "Depreciation" with attendant increase in income taxes on account of increased earnings.

The distribution of pumpage for the year 1940 as compared with 1939 will be of interest and is shown herewith:

	1939	Gallons 1940
<u>Green River</u>		
Union Pacific Railroad Company	384,792,708	404,334,273
Others	205,408,506	204,870,727
<u>Rock Springs</u>		
Union Pacific Railroad Company	46,871,860	51,082,488
Others	169,618,926	190,177,512
<u>Reliance</u>		
The Union Pacific Coal Company	24,471,588	25,619,903
TOTAL PUMPAGE	831,163,588	876,084,903

All water unaccounted for has been included under "Others". The maximum pumpage was during July, 93,787,000 gallons being pumped at Green River, and 3,723,135 gallons at Reliance.

Considerable work was made necessary by the construction of the underpass and overpass in Rock Springs. An eight inch main ran directly through the underpass location, necessitating construction of a new line one block west. The line to the railroad water tank at the coal chute was cut off and meters relocated. Hydrants at the coal chute, the passenger depot, North Front and "K" Streets, Elk Street, Repair Track, and "M" Street were relocated. At "A" Street it was necessary to move lines on both North and South Front Streets a few feet, due to their interfering with the bridge abutments.

The extension of the 10 inch main on Pine Street to the intersection of "D" Street aided materially, increasing pressure in the adjacent vicinity approximately five pounds.

No personal injuries to either employees or the public occurred during the year, and an almost total absence of complaints as to the service was the rule. We extend thanks to all employees for loyal and competent service rendered during the year.

Respectfully submitted

Original Signed
EUGENE McAULIFFE

President

YEAR 1939

SOUTHERN WYOMING UTILITIES COMPANY
1416 Dodge Street
Omaha, Nebraska

Eugene McAuliffe,
President

Mar. 6, 1940

Mr. W. M. Jeffers, President,
Union Pacific Railroad Company,
Omaha, Nebraska.

Dear Sir:

I beg to submit herewith a resume of the activities of the
Southern Wyoming Utilities Company for the calendar year 1939:

ELECTRIC SERVICE DEPARTMENT:

Capital Expenditures, 1939

New primary power line 3400 ft. long in Rock Springs	\$ 1,044.65
Additional transformers	454.90
Total	<u>\$ 1,499.55</u>

Non-Capital Expenditures

Three 15 K.V.A. transformers	\$ 509.66
Seventy-two meters	680.27
Replacing 1 current transformer	65.56
Total	<u>\$ 1,275.49</u>

WATER SERVICE DEPARTMENT:

Capital Expenditures, 1939

Laying 500 ft. 4 inch water line Rock Springs	\$ 1,250.75
" 700 " 2 " " " " "	720.38
" 200 " 2 " " " " "	229.32
" 230 " 4 " " " " "	218.78
" 2300 " 10 " " " " "	5,672.13
" 840 " 4 " " " " "	1,049.69
One steam turbine centrifugal pump, Green River	3,098.50
Laying 400 ft. 4 inch water line Green River	
" 2190 " 2 " " " " " }	1,605.16
" 350 " 1.5 " " " " " }	
Total	<u>\$13,844.71</u>

Non-Capital Expenditures, 1939

Painting pumping plants, Kanda, Green River, Reliance	\$ 688.01
Repairing roofs, Reliance	228.86
Reinforcing fence at reservoir, Rock Springs	399.10
Lowering lines, etc. acct. grade changes, Rock Springs	1,319.10
Repairing paving account line breaks	239.62
Extending lines with used material	319.34
Replacing 215 ft. line Rock Springs	147.14
Laying 96 ft. water line	95.45
Forty-five 5/8", Two 1 inch, Two 1.5 inch meters	602.70
Extension 10" main work only	370.87
Removing old pump Green River	100.00
Total	\$4,510.19

The following is a condensed statement of the income, expenses, and net revenues for the five years ending Dec. 31, 1939, for the Water Department:

	<u>1935</u>	<u>1936</u>	<u>1937</u>	<u>1938</u>	<u>1939</u>
Water Sales					
U.P.R.R.Co.	\$60,264.21	\$64,856.01	\$73,836.69	\$67,444.54	\$66,165.12
The U.P.C.Co.	13,125.05	18,270.82	16,340.29	13,958.38	13,765.44
Others	108,577.87	109,649.50	111,688.29	114,705.94	115,177.39
Hydrant Rentals	3,895.00	3,970.00	3,970.00	4,045.87	4,092.54
Misc. Revenue,					
Income & Roy-					
alty	699.07	1,399.56	316.75	388.31	164.57
Total Operat-					
ing Revenues	\$185,193.06	\$195,346.77	\$205,518.72	\$199,766.42	\$199,035.92
Total Operat-					
ing Expenses	\$ 64,958.48	\$70,356.95	\$ 77,703.99	\$ 69,137.27	\$71,285.10
Depreciation	54,534.97	54,579.25	54,622.39	54,391.50	54,777.08
Total Operat-					
ing Expenses					
and Deprecia-					
tion	\$119,493.35	\$124,936.20	\$132,326.38	\$123,528.77	\$126,062.18
Net Operating					
Revenue Exclu-					
sives of Tax-					
es	\$ 65,699.71	\$ 70,410.57	\$ 73,192.34	\$ 76,237.65	\$ 72,973.74
Taxes	24,119.49	23,888.83	25,091.79	27,533.77	26,455.05
Net Income from					
Operations	\$ 41,580.22	\$ 46,521.74	\$ 48,100.55	\$ 48,703.88	\$ 46,518.69

It will be noted that sales to "Others" increased \$471.45 over 1938, although a special lawn rate was put into effect which it was anticipated would decrease revenues approximately \$7,000.00 during the six months' period. During the year 1939, 806,692,000 gallons of water were pumped at Green River, as compared with 771,817,000 gallons during the year 1938. During July 92,967,000 gallons of water were pumped, of which 31,660,000 gallons were pumped to Rock Springs, and the balance of 61,307,000 to Green River. Of the total quantity furnished at Green River, 31,295,550 gallons were used by the Union Pacific Railroad, and 30,011,450 gallons by "Others."

GREEN RIVER

Prior to the paving of city streets, water lines were lowered where necessary, and wrought-iron pipe was replaced with cast-iron pipe.

A new 1,400-G.P.M. centrifugal pump was installed, which aided materially during the peak season. The apparent steam consumption was rather heavy, taxing the boiler facilities to the utmost. Some experiments have been and are being conducted and changes made which it is hoped will curtail steam consumption on this pump. These pumps are comparatively inexpensive, and, if operating costs are equitable and the steam consumption not beyond the boiler capacity, a similar installation should be made at Kanda, as it is possible to pump but little over 700 gallons per minute with present equipment.

Some trouble was experienced at the intake during the latter part of December, due to low water and the channel deepening to such an extent that sufficient water could not be obtained to supply the

pumps. This was handled temporarily by placing obstructions across the channel below the intake, thus raising the level of the water approximately 18 inches. Since doing this, no trouble has been experienced. Dredging operations below the intake and on the south side of the river have caused the channel to deepen rather rapidly, and it may become necessary to take some action to divert the major portion of the flow from the south channel to the north channel where the intake is located.

ROCK SPRINGS

Installation of the 10 inch main from Blairtown to Pine and Walnut Streets relieved a rather bad situation, as neither of the two existing lines into the city was sufficiently large to supply the requirements in the event of a break on the other. The new main provides needed protection in this respect, and supplies additional volume, with consequent improvement in pressure. Provision has been made in the 1940 Budget to continue this line to the intersection of Pine and "D" Streets. The existing 6 inch line on "D" Street is fed by two 4 inch mains, located on Pine and Cedar Streets. The "D" Street line furnishes water for Wardell Court, the Mountain Fuel Supply Company property, and all of the lower half of the Belmont Addition. In addition to this, it supplies water to the pump at Cedar and "D" Streets which pumps water to the higher portions of town and the Hospital tank. This is rather a severe drain on these small feeders, and the new line will alleviate this condition.

Considerable work will be involved in connection with the construction of the proposed overpass and underpass. In addition to

relocation of the 8 inch line from "M" Street to "N" Street, which has been included in the Budget, some Operating Expense work will be required. The 6 inch line serving the railroad coal chute tank will have to be cut off and meters relocated. On "A" Street it is probable that lines will have to be moved on both South Front and North Front Streets to keep them from under the structure abutments.

Below is shown a condensed statement of income, expenses, and net revenue of the Light Department (exclusive of Merchandise Department) for the five years ending Dec. 31, 1939:

	<u>1935</u>	<u>1936</u>	<u>1937</u>	<u>1938</u>	<u>1939</u>
Elec. Energy Sold, KWH	4,549,855	7,336,677	9,872,620	9,847,036	9,759,944
Rev. Rec'd, Sale of Energy	\$202,977.66	\$262,853.59	\$309,828.92	\$315,604.66	\$307,993.40
Misc. Operating Revenues	7.47	4.00	4.00	7.20	6.60
Total Operating Revenues	\$202,985.13	\$262,857.59	\$309,832.92	\$315,611.86	\$308,000.00
Oper. Exp: Energy Pur.	\$156,018.02	\$218,598.07	\$253,474.55	\$251,537.33	\$249,655.47
Other Exp:	32,660.00	33,099.90	33,418.38	33,883.77	32,689.43
Total Exp. Excl. of Taxes	\$180,678.02	\$251,697.97	\$286,892.93	\$285,421.10	\$282,344.90
Net Revenue, Excl. of Taxes	\$ 12,307.11	\$ 11,159.62	\$ 22,939.99	\$ 30,190.76	\$ 25,655.10
Taxes & Uncoll. Bills	7,691.09	8,247.96	9,570.18	11,631.08	11,135.34
Net Income	\$ 4,616.02	\$ 2,911.66	\$13,369.81	\$ 18,559.68	\$14,519.76

Compared with 1938, the gross revenue decreased \$7,611.26.

Below is shown comparative statement reflecting gross income by sources, from which it will be noted that the reduction in revenue

was due to reduced consumption by commercial coal companies, and in the quantity furnished to the Town of South Superior. The latter reduction was caused by the installation of a Diesel unit at the water plant.

	<u>K. W. H.</u>				
	<u>1935</u>	<u>1936</u>	<u>1937</u>	<u>1938</u>	<u>1939</u>
1-Lights	1,130,672	1,315,701*			
2-Dom. App.	458,258	517,793**			
3-Res. Serv.			1,050,758	1,193,050	1,285,864
4-Commercial Light			779,610	807,904	877,882
5-Commercial App.			252,788	238,765	233,682
6-Small Power	666,890	714,508	767,053	820,180	848,376
7-Signs	80,845	94,309	89,037	92,998	91,140
8-Hospital	49,840	68,100	80,080	93,310	96,300
9-Large Power	1,993,940	4,466,366	6,584,222	6,022,649#	5,863,000
10-South Superior				305,200#	185,700
11-Street Lighting	169,410	159,900	269,072	273,000	278,000
Total	4,549,855	7,336,677	9,872,620	9,847,036	9,759,944

Gross Revenue Received

	<u>1935</u>	<u>1936</u>	<u>1937</u>	<u>1938</u>	<u>1939</u>
1-Lights	\$89,072.03	\$95,919.58*			
2-Dom. App.	16,470.32	18,336.43**			
3-Res. Serv.			61,655.63	68,382.60	69,018.59
4-Commercial Lights			47,767.64	49,851.14	49,041.89
5-Commercial App.			7,844.39	7,464.59	7,306.77
6-Small Power	28,418.37	30,068.94	32,168.03	34,191.84	35,248.40
7-Signs	4,121.57	4,628.04	4,317.67	4,525.56	4,462.51
8-Hospital	2,376.57	3,248.78	3,825.46	4,432.19	4,574.22
9-Large Power	53,981.25	101,081.46	142,617.00	125,364.83#	121,352.99
10-South Superior				11,677.40#	7,136.40
11-Street Lighting	9,537.55	9,570.36	9,633.10	9,714.51	9,851.63
Total	\$202,977.66	\$262,853.59	\$309,828.92	\$315,604.66	\$307,993.40

*Includes residential appliances November and December, 1936
 **Commercial Appliances only November and December, 1936
 #Lines 9 and 10 for 1938 and 1939 compared with line 9 prior thereto.

NOTE: To make a comparison of electric energy sold for lighting and appliances, it is necessary to take the total of Items 1 and 2 for 1936 and prior, as compared with the total of Items 3, 4, and 5 subsequent to 1937.

A rate reduction was made effective March 1, 1939, for residential service and commercial light. It will be noted that, in so far as gross revenue is concerned, the decrease has been largely overcome by increased consumption. An analysis of 1939 consumption for this class of service reflects the following results:

Residential Service

Increase January and February	21,066 K.W.H.	\$ 993.72
Decrease rate March to December	981,432 K.W.H.	4,190.71
Increase consumption	71,748 K.W.H.	<u>3,832.98</u>
Net Increase		\$ 635.99

Commercial Light

Increase January and February	12,199 K.W.H.	\$ 351.54
Decrease rate March to December	655,568 K.W.H.	4,347.05
Increase consumption	57,779 K.W.H.	<u>3,186.26</u>
Net Decrease		\$ 809.25

It will be seen that the decrease due to the reduction in rates for the ten months' period amounted to \$8,537.76, while the increase due to increased volume amounted to \$7,019.24, a net decrease in gross revenue of only \$1,518.52 for the period. However, there was an increase in the cost of power purchased covering this additional energy amounting to \$3,078.86, effecting a total net reduction in revenues from this source of \$4,597.38.

The number of electric ranges in use is increasing constantly, there being 63 as of December 31st, an increase over last year of 23 ranges. Only 11 ranges were in use in 1937 at the time the electrical appliance store was opened. Greater interest in electric cooking is being manifested, and much less sales resistance encountered, all of the present users being helpful in this respect.

Under date of Oct. 25, 1939, the Public Service Commission of

Wyoming, advised that it would "on its own motion, make a complete investigation of all rates charged by the Southern Wyoming Utilities Company," etc. An informal hearing was set for December 5, 1939, which was attended by the full Board, its Secretary, and State Attorney General Kerr. There appeared for the Company the undersigned, Attorney John U. Loomis, Cheyenne, Auditor H. S. Walker, Omaha, and K. E. Darling, General Manager, Rock Springs. This meeting followed similar meetings attended by the various commercial electric companies in the State, who were persuaded to make rather sweeping reductions in their charges for electric energy. The Commission made frequent public announcements that it proposed to save the consumers of electricity in Wyoming \$600,000 per year. Statements of reductions secured were given to the press, a reduction of \$125,078 credited to Cheyenne, \$44,660 to Casper, the combined reductions totalling to end of year about \$250,000 annually.

At the hearing of December 5th, the Commission demanded a net reduction in total annual charges made for energy by the Utilities Company, of \$165,000, or 52.2 per cent of the total of \$315,611.86 received from sales of electricity in 1938. As it had been the policy of the Company to keep its rates down to the level of the commercial power and light companies, the Commission's demand was deemed unreasonable and the conference was adjourned, meeting again on January 4th, 1940, at which time the question of electric rates and other related matters were discussed by the undersigned and Mr. W. M. Jeffers, President, Union Pacific Railroad. At this conference the Commission was advised of our intention to file amended tariffs effective Jan. 1, 1940, equivalent to the charges made by the Cheyenne Light, Fuel

& Power Company, providing for a reduction of \$19,241.11 annually which added to a reduction made effective March 1, 1939, represents an annual reduction for 1940, compared with 1939 charges, of \$29,541.11. The tariffs filed effective January 1st, were approved by the Commission on January 23, 1940.

During the forthcoming year it is planned to make a complete survey of the electric power system, preparing maps which will show primary and secondary lines, and sizes of wire, also sizes and locations of transformers. In addition, a load survey will be made which will include the load at each transformer, primary and secondary voltage, power factor, and other data which it is now found necessary to have for the information of the management, and because of the probability that the Public Utilities Commission will be asking for similar information from year to year.

Steps have been taken to revise the depreciation charges, particularly those pertaining to the Water Service Dept., which have been carried at a high rate and which, if continued, would result in completely depreciating the water service investment early in 1944. This matter is now receiving deserved attention.

No personal injuries to either employees or the public occurred during the year and complaints regarding continuity of service, etc., were maintained at an absolute minimum. The thanks of the management is extended to all employees for competent, loyal service rendered during the year.

Respectfully submitted,

Original Signed
EUGENE McCAULIFFE
President

Year 1938

NET INCOME FROM SALE OF ELECTRICITY
THE UNION PACIFIC COAL COMPANY AND SOUTHERN WYOMING UTILITIES COMPANY

<u>Year</u>	<u>The Union Pacific Coal Co.</u>	<u>*Southern Wyo. Utilities Co.</u>	<u>Total</u>
1924	\$ 71,100.53	\$ 8,165.58	\$ 79,266.11
1925	83,424.27	15,457.69	98,881.96
1926	67,530.44	10,612.30	78,142.74
1927	102,500.30	15,219.46	117,719.76
1928	106,765.47	16,570.36	123,335.83
1929	133,776.47	16,272.59	150,049.06
1930	127,551.16	25,993.80	153,544.96
1931	128,886.53	25,793.31	154,679.84
1932	127,960.65	18,793.77	146,754.42
1933	115,254.78	7,041.67	122,296.45
1934	107,158.39	6,412.68	113,571.07
1935	116,742.54	4,616.02	121,358.56
1936	143,082.58	2,911.66	145,994.24
1937	168,953.70	13,369.61	182,323.31
1938	164,974.47	18,552.68	183,527.15
TOTAL	\$1,785,800.50	\$207,789.28	\$1,993,589.78

* Southern Wyoming Electric Company 1924 to 1934, inclusive.

SOUTHERN WYOMING UTILITIES COMPANY
1416 Dodge Street
Omaha, Nebraska

Eugene McAuliffe,
President

In Reply, Please Refer To

File 200-41 SWU

March 20, 1939.

Mr. W. M. Jeffers, President,
Union Pacific Railroad Company,
Omaha, Nebraska.

Dear Sir:

I beg to submit herewith a resume of the activities of the Southern Wyoming Utilities Company for the calendar year 1938:

ELECTRIC SERVICE DEPARTMENT:

The energy distributed by the Company is purchased from The Union Pacific Coal Company under contract dated July 1, 1937, and running until June 30, 1942, subject to cancellation on six months written notice given by either party to the other, which provides for the following rates:

For the first 250,000 KWH purchased per month	\$.03 per KWH
For the next 170,000 KWH purchased per month	.025 per KWH
For all over 420,000 KWH purchased per month	.02 per KWH

In addition, an annual rental charge for use of transmission lines and other equipment of \$1,750.00 is provided for in the contract.

The K.W.H. purchased from The Union Pacific Coal Company for the years 1936, 1937 and 1938 are shown below:

<u>Year</u>	<u>K.W.H.</u>	<u>Cost</u>	<u>Cost K.W.H.</u>
1936	8,157,763	\$220,058.22	\$.0269
1937	10,815,055	256,501.10	.0237
1938	10,713,673	254,473.46	.0237

In order that the actual net earnings from the sale of electric energy might be determined, it is necessary to combine the earnings from the sale of electric energy at Rock Springs by The Union Pacific Coal Company, with the earnings of the Southern Wyoming Utilities Company, which are set forth below:

Revenue from The Union Pacific Coal Company's Electric Light Plant,
Rock Springs, and Southern Wyoming Utilities Company, Consolidated,
Years 1936, 1937 and 1938 Compared.

<u>The Union Pacific Coal Co.</u>	<u>1936</u>	<u>1937</u>	<u>1938</u>
Net income from sale of electricity	\$143,082.48	\$168,953.70	\$164,974.47
<u>Southern Wyoming Utilities Co.</u>			
Net income from sale of elec- tricity and merchandise	4,472.78	13,410.15	12,559.68
Total net income, two companies	\$147,555.26	\$182,363.85	\$183,534.15

A comparison of the net earnings from public service sales since the in-
corporation of the Southern Wyoming Electric Company shows the following results:

ELECTRIC PUBLIC SERVICE REVENUES

<u>Year</u>	<u>Amount</u>	<u>Increase</u>	<u>Decrease</u>
1923	\$68,205.72		
1924	82,082.09	\$13,876.37	
1925	101,988.95	19,906.86	
1926	101,656.60		\$ 332.35
1927	118,403.19	16,746.59	
1928	123,937.95	5,534.76	
1929	153,130.78	29,192.83	
1930	154,716.36	1,585.58	
1931	155,403.58	687.22	
1932	147,825.25		7,578.33
1933	122,103.93		25,721.32
1934	113,394.42		8,709.51
1935	121,656.20	8,261.78	
1936	147,555.36	25,899.16	
1937	182,363.85	34,808.49	
1938	183,534.15	1,170.30	

For purposes of comparison the K.W.H. sold and gross revenue received for
a five year period is shown below:

<u>Year</u>	<u>KWH Sold</u>	<u>Gross Revenue</u>
1934	4,211,182	191,299.61
1935	4,549,855	202,977.77
1936	7,336,677	262,853.59
1937	9,872,620	309,832.92
1938	9,847,036	315,611.86

Capital Expenditures:

Installing transformers and heavier wire
in Rock Springs

\$ 3,631.92

Non-Capital Expenditures

Rental of Gunn-Quealy Coal Company's line to Quealy, for the period August, 1936 to January 1, 1938, included in the January accounts		\$ 900.00
Operating expense in connection with Work Order No. 23, repairs and extensions to power lines		982.42
Additional meters purchased and installed		424.37
Transformers installed to replace those which had been burned out		507.38

Shown below is statement reflecting K.W.H. of energy furnished and gross revenue received therefrom for the years 1934 to 1938, inclusive:

K. W. H.

	<u>1934</u>	<u>1935</u>	<u>1936</u>	<u>1937</u>	<u>1938</u>
1-Lights	1,074,158	1,130,672	1,315,701*		
2-Dom.App.	396,980	458,258	517,793**		
3-Res.Light				1,050,758	1,193,050
4-Comm.Light				779,610	807,904
5-Comm.App.				252,788	238,765
6-Small Power	666,967	666,890	714,508	767,053	820,160
7-Signs	78,948	80,845	94,309	89,037	92,998
8-Hospital	49,900	49,840	68,500	80,080	93,310
9-Large Power	1,783,759	1,993,940	4,466,366	6,584,222	6,327,849
10-St.Lighting	161,470	169,410	159,900	269,072	273,000
Total	4,211,182	4,549,855	7,336,677	9,872,620	9,847,036

Gross Revenue Received

	<u>1934</u>	<u>1935</u>	<u>1936</u>	<u>1937</u>	<u>1938</u>
1-Lights	\$84,022.51	\$88,072.14	\$95,919.58*		
2-Dom.App.	14,144.29	16,470.32	18,336.42**		
3-Res.Light				\$61,559.63	\$68,382.60
4-Comm.Light				47,787.64	49,851.14
5-Comm.App.				7,844.39	7,464.59
6-Small Power	28,643.52	28,418.37	30,068.94	32,168.03	34,191.84
7-Signs	3,879.40	4,121.57	4,628.04	4,317.67	4,525.56
8-Hospital	2,322.72	2,376.57	3,248.79	3,825.46	4,432.19
9-Large Power	49,059.90	53,981.25	101,081.46	142,617.00	137,042.23
10-St.Lighting	9,227.27	9,537.55	9,570.36	9,633.10	9,714.51
Total	\$191,299.61	\$202,977.77	\$262,853.59	\$309,832.92	\$315,604.56

* Includes residential appliances, November and December, 1936.
 ** Commercial appliances only, November and December, 1936.

In order to make a comparison of electric energy sold for lighting and appliances, it is necessary to take the total of items 1 and 2 for 1936 and prior as compared with the total of items 3, 4, and 5 for 1937 and 1938. It will be noticed that while K.W.H. sold, fell off 25,584 in 1938, revenue increased \$5,771.64. This situation is due to the fact that K.W.H. sold to mines at the lowest rate fell off sharply while the volume sold to higher price bracket consumers increased.

WATER SERVICE DEPARTMENT:
Capital Expenditures, 1938:

Lay 450-foot, 2-inch, C.I. pipe line from intersection of E and Ludvig Streets south in E Street to alley between blocks 7 and 8, thence east to alley in block 8, thence south in said alley, replacing existing 200-foot, 2-inch C.I. pipe line in E Street \$ 497.77

Lay 140-foot, 4-inch, C.I. pipe line in F Street from intersection of Wendt Avenue to intersection of Park Avenue, and lay 150-foot, 2-inch, C.I. pipe line northeastwardly in Park Avenue from intersection of F Street, in Kendall Addition, Rock Springs 408.24

Non-capital Expenditures, 1938:

New smoke stack, Reliance pump house	130.55
Rewire and paint Kanda pump house	225.51
Repairs to roofs and wire fencing at storage tanks, Rock Springs and Green River	1,732.14
Connecting through 12-inch line, Kanda	887.65
Lowering line on A Street	238.36
Install three new hydrants, Green River	429.64

Meters purchased and installed account new installations, and to replace obsolete meters	\$ 756.00
Construct fence around material yard	247.34

Herewith condensed statement of income expenses and net revenues for water service, years 1937 and 1938 as shown by Form 227:

	<u>1937</u>	<u>1938</u>
Total Operating Revenues	\$205,906.87	\$200,178.49
Total Operating Expenses	77,703.99	69,137.27
Depreciation	54,622.39	54,391.50
Total Operating Expenses and Depreciation	132,326.38	123,528.77
Net Operating Revenue exclusive of Taxes and Uncollectible Bills	73,580.49	76,649.71
Taxes & Uncollectible Bills	<u>25,482.94</u>	<u>27,945.83</u>
Net income from Operation	\$ 48,097.55	\$ 48,703.88

The consolidated revenues of the Company for the two years, 1937 and

1938 were:

	<u>1937</u>	<u>1938</u>
Electric Light and Power	\$ 13,369.81	\$ 18,559.68
Water Department	48,097.55	48,097.55
Merchandising Department	<u>40.34</u>	<u>160.91</u>
Total	\$ 61,507.70	\$ 66,818.14
Adjustments	801.47	358.22
Net Revenue	\$ 60,706.23	\$ 66,459.92

GENERAL:

The properties are being well maintained with adequate depreciation charges, and operating costs are kept at the minimum through joint service arrangements with The Union Pacific Coal Company. The thanks of the management

is extended for loyal, conscientious service on the part of our staff and employees. No injuries occurred during the year to either employees or the public.

Respectfully submitted

Original Signed
EUGENE MCAULIFFE

President

YEAR 1937

SOUTHERN WYOMING ELECTRIC COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA

EUGENE MCAULIFFE,
PRESIDENT

IN REPLY, PLEASE REFER TO
FILE 200-41

Feb. 28, 1938.

Mr. W. M. Jeffers, President,
Union Pacific Railroad Co.,
Omaha, Nebraska.

Dear Sir:

I beg to submit herewith a resume of the activities of the Southern Wyoming Utilities Company for the calendar year 1937:

ELECTRIC SERVICE DEPARTMENT:

The energy distributed by the Company is purchased from The Union Pacific Coal Company under contract dated July 1, 1937, and running until June 30, 1942, subject to cancellation on six months written notice given by either party to the other, which provides for the following rates:

For the first 250,000 KWH purchased per month	\$.03 per KWH
For the next 170,000 KWH purchased per month	.025 per KWH
For all over 420,000 KWH purchased per month	.02 per KWH

In addition, an annual rental charge for use of transmission lines and other equipment of \$1,750.00 is provided for in the contract. During the year energy was purchased as follows:

From The Union Pacific Coal Company	10,815,055
-------------------------------------	------------

The K.W.H. purchased from The Union Pacific Coal Company for the years 1936 and 1937 are shown below:

<u>Year</u>	<u>K.W.H.</u>	<u>Cost</u>	<u>Cost K.W.H.</u>
1936	8,157,763	\$220,058.22	\$.0269
1937	10,815,055	256,501.10	.0237
Increase	2,657,292	\$ 36,442.88	(Dec.)\$.0032

Included in the 1936 figures are 135,300 K.W.H. purchased from the Central Coal and Coke Company.

In order that the actual net earnings from the sale of electric energy might be determined, it is necessary to combine the earnings from the sale of electric

energy at Rock Springs by The Union Pacific Coal Company, with the earnings of the Southern Wyoming Utilities Company, which are set forth below:

Revenue from The Union Pacific Coal Company's Electric Light Plant, Rock Springs, and Southern Wyoming Utilities Company, Consolidated, Years 1936 and 1937 Compared.

<u>The Union Pacific Coal Co.</u>	<u>1936</u>	<u>1937</u>	<u>Increase</u>
Net income from sale of electricity	\$143,082.48 ✓	\$168,953.70 ✓	\$25,871.12
<u>Southern Wyoming Utilities Co.</u>			
Net income from sale of electricity and merchandise	\$ 4,472.78 ✓	\$ 13,410.15 ✓	\$ 8,937.37
Total net income, two companies	\$147,555.36 ✓	\$182,363.85 ✓	\$34,808.49

A comparison of the net earnings from public service sales since the incorporation of the Southern Wyoming Electric Company shows the following results:

ELECTRIC PUBLIC SERVICE REVENUES

<u>Year</u>	<u>Amount</u>	<u>Increase</u>	<u>Decrease</u>	<u>Per Cent</u>
1923	\$68,205.72			
1924	82,082.09	\$13,876.37		20.3
1925	101,988.95	19,906.86		24.2
1926	101,656.60		\$ 332.35	.3
1927	118,403.19	16,746.59		16.4
1928	123,937.95	5,534.76		4.5
1929	153,130.78	29,192.83		23.5
1930	154,716.36	1,585.58		1.02
1931	155,403.58	687.22		.04
1932	147,825.25		7,578.33	4.87
1933	122,103.93		25,721.32	17.4
1934	113,594.42		8,709.51	7.1
1935	121,656.20	8,261.78		7.3
1936	147,555.36	25,899.16		17.5
1937	182,363.85	34,808.49		19.1

For purposes of comparison the K.W.H. sold and gross revenue received for a five year period is shown below:

<u>Year</u>	<u>KWH Sold</u>	<u>Gross Revenue</u>
1933	4,233,969	\$188,134.00
1934	4,211,182	191,299.61
1935	4,549,855	202,977.77
1936	7,336,677 ✓	262,853.59
1937	9,872,620 ✓	309,832.92

Capital Expenditures:

Replace power line and install metering equipment to the Peacock Mine \$ 535.20

Extend power lines to serve Clark, Brooks
and Pryde Additions, including transformers, etc. \$ 1,648.69

Install additional transformers and heavier
wire at various locations to increase voltage and to
supply additional demand 2,723.83

Purchase and install one 30-K.W. transformer, Rock Springs 712.55
\$ 5,620.27

Non-Capital Expenditures:

Replace secondary coil in transformer, burned out
by lightning \$ 143.75

Changing, installing and testing meters 715.20

There were 863 meters tested during the year. We expect to complete the work of testing meters during the present year.

Operating expense in connection with Work Orders Nos.

14, 18, and 19, repairs and extensions to power distribution lines 1,357.32

This has increased our power facilities, but it will be necessary to continue this work during the present year.

Total non-capital expenditures \$ 2,216.27

Effective Nov. 1, 1936, the rates for electric light and power were reduced, and the following statement reflects the effect of this reduced rate for the first twelve months of its operation; compared with the previous twelve months:

Month	1935 and 1936			1936 and 1937		
	K.W.H.	Total Amount	Per KWH	KWH	Total Amount	Per KWH
Nov.	162,442	\$10,606.81	\$.0653	175,575	\$9,919.57	\$.0565
Dec.	158,417	10,632.16	.0671	173,942	10,244.86	.0589
Jan.	168,619	11,260.33	.0668	200,091	11,127.19	.0556
Feb.	163,400	10,770.82	.0659	171,435	9,756.57	.0565
Mar.	143,495	9,437.05	.0658	152,536	8,843.10	.0580
Apr.	141,249	9,122.54	.0646	168,930	9,513.44	.0563
May	140,451	8,846.17	.0630	154,879	8,716.86	.0563
June	128,636	8,099.19	.0630	150,857	8,644.34	.0573
July	145,585	8,666.27	.0595	152,645	8,674.33	.0568
Aug.	146,092	8,815.16	.0603	166,556	9,290.84	.0558
Sept.	146,947	9,168.70	.0624	169,952	9,567.04	.0563
Oct.	159,204	10,147.62	.0637	182,746	10,325.79	.0565
Total &						
Average	1,804,537	\$115,572.82	\$.0640	2,020,144	\$114,623.93	\$.0567
Difference				215,607 (Red)	948.89 (Red)	.0073

Decrease due to change in rate - 1,804,537 KWH @ \$.0073	\$13,173.12
Increase in consumption 215,607 KWH @ .0567	12,224.92
Net Decrease	\$ 948.20

Shown below is statement reflecting K.W.H. of energy furnished and gross revenue received therefrom for the years 1933 to 1937, inclusive:

	1933	K. W. H. 1934	1935	1936	1937
1-Lights	1,002,779	1,074,158	1,130,672	1,315,701*	
2-Dom.App.	320,507	396,980	458,258	517,793**	
3-Res.Light					1,050,753
4-Comm.Light					779,610
5-Comm.App.					252,783
6-Small Power	603,691	666,967	666,890	714,508	767,053
7-Signs	75,712	78,948	80,845	94,309	89,037
8-Hospital	50,430	49,900	49,840	68,500	80,080
9-Large Power	2,027,270	1,783,759	1,993,940	4,466,366	6,524,222
10-St.Lighting	153,780	161,470	169,410	159,900	269,072
Total	4,233,969	4,211,182	4,549,855	7,336,677	9,872,620

Gross Revenue Received

	1933	1934	1935	1936	1937
1-Lights	\$ 81,149.69	\$84,022.51	\$88,072.14	\$95,919.58*	
2-Dom.App.	11,341.91	14,144.29	16,470.32	18,336.43**	
3-Res.Light					\$61,659.63
4-Comm.Light					47,767.64
5-Comm.App.					7,844.39
6-Small Power	27,055.00	28,643.52	28,418.37	30,068.94	32,168.03
7-Signs	3,674.41	3,879.40	4,121.57	4,628.04	4,317.67
8-Hospital	2,430.50	2,322.72	2,376.57	3,248.78	3,825.46
9-Large Power	53,379.19	49,059.90	53,981.25	101,081.46	142,617.00
10-St.Lighting	9,109.30	9,227.27	9,537.55	9,570.36	9,633.10
Total	\$188,134.00	\$191,299.61	\$202,977.77	\$262,853.59	\$309,832.92

* Includes residential appliances, November and December, 1936.

** Commercial appliances only, November and December, 1936.

In order to make a comparison of electric energy sold for lighting and appliances, it is necessary to take the total of items 1 and 2 for 1936 and prior as compared with the total of items 3, 4, and 5 for 1937. It will be noted that consumption from this source increased 249,662 KWH over 1936, while revenues increased \$3,015.65. While the increase in revenue is not commensurate with the increase in consumption, this is due to the decrease in rates which took effect Nov. 1, 1936.

WATER SERVICE DEPARTMENT:

Capital Expenditures, 1937:

Lay 900 feet of pipe line in certain streets and avenues, Green River	\$ 2,206.34
Lay 2,350 feet of 2", 4", 6", and 8", C.I. pipe in Pryde Addition to Rock Springs, replacing 6" and 8" C.I. pipe	<u>4,039.79</u>
Total, Capital Expenditures	\$ 6,246.13

Non-capital Expenditures, 1937:

Clean and paint filter plant at Green River	515.43
Repair boiler at Green River pumping plant	491.65
Replace strainers one filter tub, Green River	400.65
Repair, clean and paint one-million-gallon storage tank at Rock Springs	1,060.16
Repair and protect pipe lines due to heavy damage caused by flood waters	10,639.01
Extend pipe line west from Elk Street to serve Johnson Brothers' camp ground	259.84
Extend 4" C.I. line on "O" Street, from intersection of "N" Street	320.99
Extend 2" C.I. line west end of 8th Street	174.55
Extend 2" C.I. line east end of Ridge Avenue	235.30
4" C.I. line to Railroad Club House, Green River	313.70
Operating expense in connection with Work Order No.17	94.50
Install one 4" meter to serve The Union Pacific Coal Com- pany's power plant, Rock Springs	170.00
Install two 4" and two 3" meters to serve Union Pacific Railroad Company, Green River	544.00
Install three 1", seven 3/4" and ninety-five 5/8" meters, for additional services and to replace obsolete meters	1,177.05

Dredge river to insure adequate supply of water
at intake 378.00

Total, Non-Capital Expenditures \$ 16,774.88

Herewith condensed statement of income expenses and net revenues for

years 1936 and 1937:	1936	1937
Total Operating Revenues	\$196,904.51	\$205,906.87
Total Operating Expenses	70,356.95	77,703.99
Depreciation	54,579.25	54,622.39
Total Operating Expenses and Depreciation	124,936.20	132,326.38
Net Operating Revenue exclusive of Taxes and Un- collectible Bills	71,968.31(Bills)	73,580.49
Taxes & Uncollectible Bills (Bills \$1,557.74)	25,446.57(\$391.15)	
		25,482.94
Net income from Operation	\$ 46,521.74	\$ 48,097.55

The consolidated revenues of the Company for the two years, 1936 and

1937 were:

	1936	1937
Electric Light and Power	\$ 2,911.66	\$ 13,369.81
Water Department	46,521.74	48,097.55
Merchandising Department	1,561.12	40.34
Total	\$50,994.52	\$ 61,507.70
Adjustments	139.58	801.47
Net Revenue	\$50,854.94	\$ 60,706.23

Due to the organization of the Electrical Workers in Rock Springs the management decided to retire from Electric Contract installation work, rather than to accept a second Union organization. The merchandise formerly sold by the Electric Company is now sold by the new electric store owned and operated by The Union Pacific Coal Company.

On Sunday evening, July 11th, heavy flood water coming down Bitter Creek washed out about seven hundred feet of both pipe lines about $2\frac{1}{2}$ miles east of Green River. It was necessary to lay two emergency ten-inch lines to supply water for Rock Springs, and later the location of the permanent lines was moved and the lines relaid, the emergency lines being taken up, and the new creek bank ripped to protect the new pipe line location. The total flood expense charged to operation was \$10,639.01

There was no interruption to service due to this flood, as sufficient storage was on hand in the reservoir at Blairtown to furnish a full supply of water until the repairs were finished.

GENERAL:

The cost of preparing water and pumping same to Rock Springs precludes even a reasonable rate. There is much water wasted at Green River due to lack of meters and the use of flat rates. Eventually the steam plants at Green River and Kanda will be worn out. When that time comes a power line should be constructed from Rock Springs to both points, and electric driven turbine pumps should be installed to take the place of the present old boilers and straight line pumps.

The properties are being well maintained with adequate depreciation charges, and operating costs are kept at the minimum through joint service arrangements with The Union Pacific Coal Company.

Respectfully submitted

Original Signed
EUGENE McAULIFFE

President

YEAR 1936

SOUTHERN WYOMING UTILITIES CO.
SUCCESSOR TO
SOUTHERN WYOMING ELECTRIC COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA

EUGENE MCAULIFFE,
PRESIDENT

IN REPLY, PLEASE REFER TO
FILE **200-41**

March 15, 1937.

Mr. W. M. Jeffers,
Executive Vice-President,
Union Pacific Railroad Co.,
Omaha, Nebraska.

Dear Sir:

I beg to submit herewith a resume of the activities of the Southern Wyoming Utilities Company for the calendar year 1936:

Electric Service Department.

The energy distributed by the Company is purchased from The Union Pacific Coal Company, at a rate of 3.2 mills per kilowatt-hour plus certain transmission line and transformer rentals paid up to July 1, 1937, when a modification in price was made. The new schedule covered by Contract dated July 1, 1937, and running until June 30, 1942, subject to cancellation on six months written notice given by either party to the other, provides for the following rates:

For the first 250,000 KWH purchased per month	\$.03 per KWH
For the next 170,000 KWH purchased per month	.025 per KWH
For all over 420,000 KWH purchased per month	.02 per KWH

In addition, an annual rental charge for use of transmission lines and other equipment of \$1,750.00 is provided for in the Contract. During the year energy was purchased as follows:

From The Union Pacific Coal Company	8,022,463 KWH
From Central Coal and Coke Company	<u>135,300 KWH</u>
Total	8,157,763 KWH

The cost of energy purchased was \$218,598.07, an increase in KWH from 1935 of 3,219,700 and in cost of \$60,580.05.

On November 1, 1937, a new tariff was placed in effect, combining domestic lighting and appliance usage, the rates reduced in amount approximating \$6,000.00 an-

nually. This reduction was found necessary in order to meet similar reductions made elsewhere in the state by other Public Service Companies. For the four months, November, 1936, to February, 1937, inclusive, the average rate received from domestic sales was \$.0568 per KWH, compared with \$.0663 under the old tariff, the gross reduction in the four months due to change in rates was \$6,202.34, an increase in consumption of \$3,876.88 reducing the loss to \$2,325.46. Approximately 510 electric meters have been reclaimed through the combination rate, an investment approximating \$4,500.00.

During the year a campaign of testing meters was inaugurated. Of 498 meters tested, 52 per cent were found slow, 25 per cent fast, the remaining 23 per cent found accurate, the average of all meters were found to be 6.9 per cent slow. Many of the meters in service were old and badly impaired.

In order that the actual net earnings from the sale of electric energy might be determined, it is necessary to combine the earnings from the sale of electric energy at Rock Springs by The Union Pacific Coal Company, with the earnings of the Southern Wyoming Utilities Company, which are set forth below:

Revenue from The Union Pacific Coal Company's Electric Light Plant,
Rock Springs, and Southern Wyoming Utilities Company, Consolidated,
Years 1935 and 1936 Compared

<u>The Union Pacific Coal Co.</u>	<u>1935</u>	<u>1936</u>	<u>Increase</u>
Net income from sale of electricity	\$116,742.54	\$143,082.58	\$ 26,340.04
<u>Southern Wyoming Utilities Co.</u>			
Net income from sale of electricity and merchandise	\$ 4,913.66	\$ 4,472.78 (Dec.)	440.88
Total net income, two companies	\$121,656.20	\$147,555.36	\$ 25,899.16
Salable output, KWH, Coal Company	28,060,350	33,793,500	5,733,150
KWH sold to Southern Wyoming Utilities Company	4,938,063	8,032,463	3,094,400

A comparison of the net earnings from public service sales since the incorporation of the Southern Wyoming Electric Company shows the following results:

PUBLIC SERVICE REVENUES

<u>Year</u>	<u>Amount</u>	<u>Increase</u>	<u>Decrease</u>	<u>Per Cent</u>
1923	\$68,205.72			
1924	82,082.09	\$13,876.37		20.3
1925	101,988.95	19,906.86		24.2
1926	101,656.60		\$ 332.35	.3
1927	118,403.19	16,746.59		16.4
1928	123,937.95	5,534.76		4.5
1929	153,130.78	29,192.83		23.5
1930	154,716.36	1,585.58		1.02
1931	155,403.58	687.22		.04
1932	147,825.25		7,578.33	4.87
1933	122,103.93		25,721.32	17.4
1934	113,394.42		8,709.51	7.1
1935	121,656.20	8,261.78		7.3
1936	147,555.36	25,899.16		17.5

During the year 1936, capital expenditures for improvements were as follows:

Three curve-drawing meters and switches	\$1,207.96
Two Dodge trucks	1,350.00
One 13,800-volt outdoor metering set	939.91
1,900 feet of power line, Hillside Addition	546.89
Increase in capacity of power line to Peacock Mine	<u>3,433.77</u>
Total capital expenditures:	\$7,478.53

The non-capital expenditures for the year were as follows:

Expense disconnecting and testing domestic meters	\$ 474.13
Purchase and installation 214 new meters	1,905.23
Purchase and installation one 2 KVA, three 5 KVA and four 10 KVA transformers	<u>757.15</u>
Total non-capital expenditures:	\$3,136.51

The marked increase in sale of power was in part due to the closing down of the power plant of the Lion Coal Company, destroyed by fire in May, 1936, and the abandonment of the Central Coal and Coke Company's plant in September, 1936. A further substantial increase in sales is anticipated for the year 1937. For comparative purposes, the KWH sold, and gross revenue received, for the sale of power by the Utilities Company for five years is shown below:

<u>Year</u>	<u>KWH Sold</u>	<u>Gross Revenue</u>
1932	4,538,423	\$212,302.40
1933	4,233,969	188,134.00
1934	4,211,182	191,299.61
1935	4,549,855	202,977.77
1936	7,336,677	262,853.59

The limited measure of energy bought from the Central Coal and Coke Company, 135,800 KWH, was taken during peak demand and preceding the completion of the new extension made to its power plant at Rock Springs by the Coal Company. An ample supply of energy is now available for the present demand.

Water Department.

During the year, the following capital expenditures were made:

Installation of 274 feet of 4 inch C.I. water main on "D" Street and 460 feet of 2 inch C.I. water main on Gale and Gobel Streets, Rock Springs	\$ 821.09
Installation of 800 feet of 4 inch C.I. water main on "F" Street, Rock Springs	1,026.62
One S.H. centrifugal pump	<u>400.00</u>
Total capital expenditures	\$2,247.71

The non-capital expenditures for the year were as follows:

Painting and repairing Reliance and Green River pumping stations	\$ 533.89
Installation of fan in pump house Green River	124.21
Painting and repairing 500,000 steel tank, Rock Springs	1,018.30
Painting wood tanks at Reliance	189.66
Repairing subsidence North Front Street, Rock Springs	216.03
Lowering mains for paving Gobel St., Rock Springs	245.46
Relocating mains account subsidence	298.51
Extending mains Sidney and McCarty Streets	900.83
Relocating 8 inch main account building new stock yards, Green River	1,893.41
Replacing 365 feet 2 inch gal. line with C.I. pipe Green River	249.85
Installing three 4 inch meters Rock Springs	510.00
Installing eighty 5/8 inch meters Rock Springs	<u>877.60</u>
Total non-capital expenditures	\$7,058.75

The water supply from Green River was adequate, and, with the present heavy snows, the same situation will obtain for the present year.

The following is a condensed statement of the income, expenses and net revenues for the five-year period ending December 31, 1936, for the Water Department:

	<u>1932</u>	<u>1933</u>	<u>1934</u>	<u>1935</u>	<u>1936</u>
Water Sales:					
U.P.R.R.Co.	\$56,198.37	\$36,410.33	\$50,039.58	\$60,264.21	\$64,856.01
The U.P.C.Co.	12,085.66	12,446.68	12,039.83	13,125.05	18,270.82
Others	97,444.19	97,414.29	107,797.16	108,557.87	109,649.50
Hydrant Rentals	3,880.83	3,830.00	3,850.04	3,895.00	3,970.00
Misc. Revenue,					
Income & Royalty	386.97	988.03	(Dec)484.18	(Dec.)669.07	(Dec)1,399.56
Income from Depo-					
sits, etc.	(Dec.) 12.62	(Dec.) 8.76	(Dec.)13.70		
Total Operating					
Revenues	<u>\$169,983.40</u>	<u>\$151,080.57</u>	<u>\$173,228.73</u>	<u>\$185,193.06</u>	<u>\$195,346.77</u>
Total Operating					
Expenses	\$ 70,969.98	\$ 64,351.82	\$ 81,852.26	\$ 64,958.48	\$ 70,356.95
Depreciation	<u>54,490.03</u>	<u>54,512.87</u>	<u>54,507.56</u>	<u>54,534.87</u>	<u>54,579.25</u>
Total Operating					
Expenses and	<u>\$125,460.01</u>	<u>\$118,864.69</u>	<u>\$136,359.82</u>	<u>\$119,493.35</u>	<u>\$124,936.20</u>
Depreciation					
Net Operating					
Revenue Exclu-	\$ 44,523.39	\$ 32,215.88	\$ 36,868.91	\$ 65,699.71	\$ 70,410.57
sive of Taxes					
Taxes	<u>18,075.79</u>	<u>14,676.46</u>	<u>19,007.39</u>	<u>24,119.49</u>	<u>23,888.83</u>
Net Income from					
Operations	<u>\$ 26,447.60</u>	<u>\$ 17,539.42</u>	<u>\$ 17,861.52</u>	<u>\$ 41,580.22</u>	<u>\$ 46,521.74</u>

The discontinuance of the power plants of the Lion Coal Corporation in May and the Central Coal & Coke Company in September resulted in a loss of water revenue from these sources, as compared with the year 1935, of \$4,359.14. This loss was overcome by an increase in revenue from The Union Pacific Coal Company of \$5,145.77.

Effective January 1, 1935, the Southern Wyoming Electric Company and The Green River Water Works Company were consolidated under the name of the Southern Wyoming Utilities Company. The combined net revenues of electric, water and merchandising for the two yearly periods are shown below:

<u>Department</u>	<u>1935</u>	<u>1936</u>	
Electric Light and Power	\$ 4,616.02	\$ 2,911.66	Dec. \$1,704.36
Water Department	41,580.22	46,521.74	Inc. 4,941.52
Merchandising Department	<u>297.64</u>	<u>1,561.12</u>	Inc. <u>1,263.48</u>
Total	\$46,493.88	\$50,994.52	\$4,500.64
Adjustments	<u>512.78</u>	<u>139.58</u>	
Net Profit	\$45,981.10	\$50,854.94	Inc. \$4,873.84

In analyzing the electric, light and power revenues of the Company, the statement of earnings from sale of electric energy by The Union Pacific Coal Company should be taken into account.

The heavy spring run-off and subsequent heavy rainfalls in the upper Green River drainage area causing excessive turbidity in water supply entailed an increased use of chemicals for purification purposes, costing for the year \$1,330.45 more than was expended in 1935. During periods of peak demand the capacity of the steam pumping plants at Green River and Kanda were heavily taxed and new equipment will be required at these points in the not remote future. While numerous breaks in water mains occurred during the year, repairs were made promptly and no serious interruption in supply to any patron occurred during the year, no accident of consequence occurred to employees during the year and the property is being well maintained throughout.

Respectfully submitted

Original Signed
EUGENE MCAULIFFE

President.

YEAR 1935

*Book
copy*

SOUTHERN WYOMING UTILITIES CO.
SUCCESSOR TO
SOUTHERN WYOMING ELECTRIC COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA

EUGENE MCAULIFFE,
PRESIDENT

IN REPLY, PLEASE REFER TO
FILE _____

March 3, 1936.

Mr. W. M. Jeffers,
Executive Vice-President,
Union Pacific Railroad Co.,
Omaha, Nebraska.

Dear Sir:

I beg to submit herewith a resume of the activities of the Southern Wyoming Utilities Company for the calendar year 1935. Effective January 1, 1935, the Southern Wyoming Electric Company and the Green River Water Works Company were consolidated under the name of the Southern Wyoming Utilities Company, and this report will cover both electric power and water service.

Electric Service Department.

The energy distributed by the Company is purchased from The Union Pacific Coal Company at 3.2 cents per kilowatt-hour, plus certain transmission line and transformer rental charges. During the year, 4,938,063 K.W.H. were purchased from The Union Pacific Coal Company at a cost of \$158,018.02.

Five street lights were added to the quota of the City of Rock Springs, making a total for 1935 of 365. During the year, a special lighting schedule was promulgated covering festoon lights, consisting of twenty 10 watt lamps, burning from dusk until midnight, at \$2.00 per festoon per month, this arrangement providing some additional revenue, and adding very materially to the appearance of the business district of the City of Rock Springs.

In order that the actual net earnings from the sale of electric energy might be determined, it is necessary to combine the earnings from the sale of electric energy at Rock Springs by The

Union Pacific Coal Company, with the earnings of the Southern Wyoming Utilities Company, which are set forth below:

Revenue from The Union Pacific Coal Company's Electric Light Plant, Rock Springs, and Southern Wyoming Utilities Company, Consolidated, Years 1934 and 1935 Compared

<u>The Union Pacific Coal Co.</u>	<u>1934</u>	<u>1935</u>	<u>Increase</u>
Net income from sale of electricity	\$107,158.39	\$116,742.54	\$ 9,584.15
<u>Southern Wyoming Utilities Co.</u>			
Net income from sale of electricity and merchandise	6,256.03	4,913.66	1,322.37 *
Total net income, two companies	\$113,394.42	\$121,656.20	\$8,261.78
Salable output, KWH, Coal Company	25,849,231	28,060,350	2,211,119
KWH sold to Southern Wyoming Utilities Company	4,546,690	4,938,063	391,373

* Decrease.

A comparison of the net earnings from public service sales since the incorporation of the Southern Wyoming Electric Company shows the following results:

PUBLIC SERVICE REVENUES

<u>Year</u>	<u>Amount</u>	<u>Increase</u>	<u>Decrease</u>	<u>Per Cent</u>
1923	\$68,205.72			
1924	82,082.00	\$13,876.37		20.3
1925	101,988.95	19,906.86		24.2
1926	101,656.60		\$ 332.35	.3
1927	116,403.19	16,746.59		16.4
1928	123,937.95	5,534.76		4.5
1929	153,130.78	29,192.83		23.5
1930	154,716.36	1,585.58		1.02
1931	155,403.58	687.22		.04
1932	147,825.23		7,578.35	4.87
1933	122,103.93		25,721.32	17.4
1934	113,394.42		8,709.51	7.1
1935	121,656.20	8,261.78		7.3

The number of meters increased from 2,818 in 1934 to 2,937 in 1935, the various classes of meters used for the two years shown below:

<u>Meters</u>	<u>1934</u>	<u>1935</u>	<u>Increase</u>
Lighting	2,202	2,213	11
Power	160	170	10
Domestic Appliance	414	506	92
Signs	42	48	6
TOTAL	2,818	2,937	119

During the year 1935, the following non-capital expenditures were incurred:

Purchase new meters to replace meters which were worn out, and for new domestic appliance installations	\$ 1,656.49
Purchase seven new transformers	811.06
Purchase metal tags for re-numbering meters	168.44
TOTAL	\$ 2,635.99

During the year, five thousand feet of 2,300 volt capacity power line was constructed to replace the old and lighter carrying capacity line leading to the airfield, cost \$1,628.50, this being the only capital expenditure made during the year by the Electric Service Department.

Water Department.

During the year, the following non-capital expenditures were incurred and charged to operation, all of same except the item of cost of establishing Neon sign on the General Office Building, proportion of cost of repairing pavement on Elk Street at Rock Springs, and proportion of expense of tax examination, totaling \$504.82, properly chargeable to the Water Department:

Paint pumpers' dwellings, pump stations, etc., Green River and Kanda	\$ 351.30
Repair roof coal bin and rebuild coal hopper at Green River	158.92
Replace entire set boiler flues, west boiler, Kanda	229.32
Extend coal conveyor at Green River	264.40
Replace Triplex vertical pump at Reliance with centrifugal pump and provide foundation and fittings	88.35
Proportion of cost of repairing pavement on Elk Street, Rock Springs	543.44
Proportion of cost of Neon sign on General Office Building, Rock Springs	123.75
Proportion of expense of tax examination made by Mr. Pitts	37.63
TOTAL	\$1,597.09

The capital expenditures chargeable to the Water Department were as follows:

Purchase one 1½-ton automobile truck, replacing Ford 1½-ton truck	\$ 846.00
Lay 640 feet of 4" C.I. pipe line in Center Street from intersection of McClelland Street to south end of Center Street, replacing pre- sent 2" galvanized iron main, install hydrants south end of Center Street and intersection "C" and North Front Streets	1,001.81
Lay 340 feet of 2" C.I. pipe in McKeehan Avenue from intersection of Swann Street to inter- section of Sidney Street, in Hillside Addition	283.93
TOTAL	\$2,131.74

Consolidated Return, Water and Electric Service Departments:

For comparison, the consolidated revenues and expenses, water, electric energy, and merchandise, for the calendar years 1934 and 1935, are set forth below:

	<u>1934</u>	<u>1935</u>
Total operating revenues	\$173,759.71	\$185,875.35
Maintenance expense	31,589.04	12,697.54
Operating expense	44,362.18	46,559.15
General expense	5,901.04	5,721.79
Depreciation	54,507.56	54,554.87
Total operating expenses, including depreciation	\$136,359.82	\$119,493.35

	1954	1955
Total taxes		
Total operating expenses and taxes	\$ 19,007.39	\$24,119.49
Miscellaneous charges	\$155,367.21	\$143,612.84
Total all expenses	550.28	682.29
Net operating revenue, excluding taxes and uncollectible bills	\$155,917.49	\$144,295.13
Taxes	\$ 37,399.89	\$ 66,382.00
Uncollectible bills	19,007.39	24,119.49
Total all expenses	550.28	682.29
	\$ 19,557.67	\$24,801.78
Net income from operation	\$ 17,842.22	\$ 41,580.22
Increase, net income		\$ 23,738.00

Electric Light & Power Department

Total operating revenues	\$191,319.61	\$202,985.13
Production expenses	145,494.02	158,018.02
Distribution expenses	8,695.34	9,383.62
Utilization expenses	1,754.07	1,553.20
Commercial expenses	4,667.20	4,607.04
General and miscellaneous expense	16,937.27	17,116.14
Total operating expenses	\$177,547.96	\$190,678.02
Net operating revenue, exclusive of uncollectible bills and taxes	13,771.65	12,307.11
Taxes	7,213.81	7,602.20
Uncollectible bills	145.16	88.69
Total all expenses	\$184,906.93	\$198,369.11
Net income from operation	6,412.68	4,616.02
Decrease net revenue		1,796.66

Merchandise Department

Total operating revenues	\$ 407.70	\$ 1,066.44
Total operating expenses	508.12	592.94
Net operating revenue, excluding taxes and uncollectible bills		
(Debit)	100.42	473.50
	76.23	135.03
Taxes	-	40.83
Uncollectible bills		
Total all expenses	584.35	768.80
Net income from operation (Debit)	176.65	297.64
Increase, net income		474.29

Summary - All Departments

	<u>1934</u>	<u>1935</u>
Total operating revenues	\$365,487.02	\$389,926.92
Total operating expenses	314,415.90	310,764.31
Total taxes	26,297.43	31,856.72
Total uncollectible bills	695.44	812.01
Total expenses, taxes, and uncollectible bills	\$341,408.77	\$343,435.04
Net income from operation	24,078.25	46,493.88
Other income charges, net (Debit)	372.99	623.07 (Debit)
Total net income	\$ 23,705.26	\$ 45,870.81
Profit & Loss charges (Credit)	9.76	110.29 (Credit)
Net profit	\$ 23,715.02	\$ 45,981.10
Increase, net profit		\$ 22,266.08

GENERAL:

During the year 1935, an adequate stage of water was maintained in Green River, and a very heavy snow deposit in the upper headwaters of Green River will insure an ample water stage for 1936, it more than probable that flood conditions will result in an increased cost for sedimentation and water treatment, which invariably occurs following heavy snowfalls.

No accident to employes occurred during the year, and labor conditions were maintained in a most satisfactory manner. The properties are being well maintained throughout.

Respectfully submitted,

Original Signed
EUGENE McAULIFFE

President.

YEAR 1934

SOUTHERN WYOMING ELECTRIC COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA

EUGENE MCAULIFFE,
PRESIDENT

IN REPLY, PLEASE REFER TO
FILE 200-41

March 20, 1935.

Mr. W. H. Jeffers,
Executive Vice-President,
Union Pacific System,
Omaha, Nebraska.

Dear Sir:

The following resume covering the operations of the Southern Wyoming Electric Company for the calendar year 1934 is submitted for your information:

Energy is purchased by the Electric Company from The Union Pacific Coal Company at 3.2 cents per kilowatt-hour, plus certain transmission line and transformer rental charges. During the year, the Electric Company purchased 4,546,690 K.W.H. at a cost of \$145,494.08, this energy distributed to various commercial consumers in Sweetwater County, Wyoming.

The Union Pacific Coal Company and the Southern Wyoming Electric Company combined earnings from the sale of merchandise and electricity for the years 1933 and 1934, are set forth below:

Revenue from The Union Pacific Coal Company Electric Light Plant, Rock Springs; and Southern Wyoming Electric Company Consolidated - Years 1933 and 1934 Compared

<u>The Union Pacific Coal Co.</u>	<u>1933</u>	<u>1934</u>	<u>Decrease</u>
Net Income from Sale of Electricity	\$115,254.78	\$107,158.39	\$8,096.39
<u>Southern Wyoming Electric Co.</u>			
Net Income from Sale of Electricity & Merchandise	<u>6,849.15</u>	<u>6,236.03</u>	<u>613.12</u>
Total Net Income, Two Companies	\$122,103.93	\$113,394.42	\$8,709.51

	<u>1933</u>	<u>1934</u>	<u>Increase</u>
Salable Output, K.W.H., Coal Company	23,471,046	25,849,251	2,378,185
K.W.H. Sold to Southern Wyoming Electric Company	4,531,197	4,546,690	15,503

A comparison of the net earnings from public service sales since the incorporation of the Southern Wyoming Electric Company shows the following results:

PUBLIC SERVICE REVENUES

<u>Year</u>	<u>Amount</u>	<u>Increase</u>	<u>Decrease</u>	<u>Per Cent</u>
1923	\$68,205.72			
1924	82,082.09	\$13,876.37		20.3
1925	101,988.95	19,906.86		24.2
1926	101,656.60		\$ 332.35	.3
1927	118,403.19	16,746.59		16.4
1928	123,937.95	5,534.76		4.5
1929	153,130.73	29,192.83		23.5
1930	154,716.36	1,585.53		1.02
1931	155,403.58	687.22		.04
1932	147,825.25		7,578.33	4.87
1933	122,103.93		25,721.32	17.4
1934	115,394.42		8,709.51	7.1

The contracts with the United States Post Office Department and United Air Line, Inc., successors to Boeing Air Transport, Inc., covering the sale of energy for use at their air mail landing field west of Rock Springs, were renewed for one year without change in rates.

The number of meters increased from 2,702 in 1933 to 2,818 in 1934, the various classes of meters used for the two years shown below:

<u>Meters</u>	<u>1933</u>	<u>1934</u>	<u>Increase</u>
Lighting	2,182	2,202	20
Power	157	160	3
Domestic	325	414	89
Signs	38	42	4
TOTAL	2,702	2,818	116

The number of street lights paid for by the City of Rock Springs increased from 350 to 360 during the year.

No changes in tariff rates were made in 1934. A Federal sales tax of three per cent was paid during the year on sales of electric energy, amounting to \$3,401.83.

During the year, 116 meters costing \$1,019.68, were purchased and charged to Operating Expenses. The lines and other equipment were maintained in good condition. No injuries to persons or property were reported during the year.

The name of the corporation was changed to Southern Wyoming Utilities Company in December, 1934, and thereafter the Utilities Company purchased the capital stock of the Green River Water Works Company, which is now being operated by the Utilities Company.

Respectfully submitted,

Original Signed
EUGENE MCANIFFE
Per R. W. R.

YEAR 1933

February 17, 1934.

Mr. W. M. Jeffers,
Executive Vice-President,
Union Pacific System,
Omaha, Nebraska.

Dear Sir:

The following resume covering the operations of the Southern Wyoming Electric Company for the calendar year 1933 is submitted for your information:

Energy is purchased by the Electric Company from The Union Pacific Coal Company at 5.2 cents per kilowatt-hour, plus certain transmission line and transformer rental charges. During the year, the Electric Company purchased 4,531,187 K.W.H. at a cost of \$144,997.97; this energy distributed to various commercial consumers in Sweetwater County, Wyoming.

The Union Pacific Coal Company and the Southern Wyoming Electric Company combined earnings from the sale of merchandise and electricity for the years 1932 and 1933, are set forth below:

Revenue from The Union Pacific Coal Company Electric Light Plant, Rock Springs; and Southern Wyoming Electric Company
Consolidated - Years 1932 and 1933 Compared

	<u>1932</u>	<u>1933</u>	<u>Increase</u>	<u>Decrease</u>
<u>The Union Pacific Coal Co.</u>				
Net Income from Sale of Electricity	\$127,960.65	\$115,254.78		\$12,705.87
<u>Southern Wyoming Electric Co.</u>				
Net Income from Sale of Electricity & Merchandise	<u>19,864.60</u>	<u>6,849.15</u>		<u>13,015.45</u>
Total Net Income, Two Companies	\$147,825.25	\$122,103.93		\$25,721.32

	<u>-2-</u> <u>1932</u>	<u>1933</u>	<u>Increase</u>	<u>Decrease</u>
Salable Output, K.W.H. Coal Company	23,301,202	23,471,046	169,844	

K.W.H. Sold to Southern Wyoming Electric Co.	4,915,301	4,531,187		384,114
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A comparison of the net earnings from public service sales since the incorporation of the Southern Wyoming Electric Company shows the following results:

PUBLIC SERVICE REVENUES

<u>Year</u>	<u>Amount</u>	<u>Increases</u>	<u>Decreases</u>	<u>Per Cent</u>
1923	\$ 68,205.72			
1924	82,082.09	\$ 13,876.37		20.3
1925	101,988.95	19,906.86		24.2
1926	101,656.60		\$ 332.35	.3
1927	118,403.19	16,746.59		16.4
1928	123,937.95	5,534.76		4.5
1929	153,130.78	29,192.83		23.5
1930	154,716.36	1,585.58		1.02
1931	155,403.58	687.22		.04
1932	147,825.25		7,578.33	4.87
1933	122,103.93		25,721.32	17.4

The contracts with the United States Post Office Department and the Boeing Air Transport, Inc., covering the sale of energy for use at the air mail landing field west of Rock Springs were renewed for one year without change in rates.

The number of meters increased from 2,433 in 1932 to 2,702 in 1933, the various classes of meters used for the two years shown below:

<u>Meters</u>	<u>1932</u>	<u>1933</u>	<u>Increase</u>
Lighting	2,012	2,182	170
Power	126	157	31
Domestic	259	325	66
Signs	36	38	2
TOTAL	2,433	2,702	269

The number of street lights paid for by the City of Rock Springs increased from 345 to 350 during the year.

A change in "general rates for lighting service" effecting a reduction of ten to twelve per cent was made effective March 1, 1933, and Tariffs No's. 20 to 26, inclusive, taking effect March 1, 1933, provided for a discount of five per cent on bills paid within ten days after same were rendered. In addition to the discount provided, Tariff No. 26, effective March 1, 1933, provided for a reduction in the demand charge per horse-power connected load from \$1.00 to 50 cents. The changes referred to were made to correspond with similar charges made by neighboring public service companies and to avoid protest to the Public Service Commission.

During the year 75 meters costing \$636.00 were purchased and charged to Operating Expenses. The lines and other equipment were maintained in good condition. The line from No. 6 Pumping Plant, The Union Pacific Coal Company, to the air mail field, will require a substantial number of pole renewals during the current year, but limited repair work carried on in 1933 due to reduced forces. It will also be necessary to clean and test a number of meters during the year.

No injuries to persons or property were reported during the year.

Respectfully submitted,

Original signed
EUGENE McALLISTER
President

YEAR 1932

STATEMENT OF K.W.H. PURCHASED BY SOUTHERN WYOMING
ELECTRIC COMPANY, WITH NET REVENUE RECEIVED,
U.P.Coal Co. and So. Wyo. Elec. Co., com-
bined, 1924 to 1932, inclusive.

<u>Year</u>	<u>K.W.Hours Purchased</u>	<u>Net Revenue Received</u>	<u>Net Revenue Per K.W.H. Purchased</u>
1924	3,817,606	\$82,082.09	\$.0215
1925	4,817,739	101,988.95	.0211
1926	4,876,659	101,656.60	.0208
1927	5,350,066	118,403.19	.0221
1928	5,385,299	123,937.95	.0230
1929	5,906,450	153,130.78	.0259
1930	5,768,186	154,716.36	.0268
1931	5,458,739	155,403.58	.0284
1932	4,915,301	147,825.25	.0307

Omaha, March 8, 1933.

200-42

February 24, 1933.

Mr. H. W. Clark,
Chairman, Board of Trustees,
The Union Pacific Coal Company,
120 Broadway, New York, N. Y.

Dear Sir:

The following resume covering the operations of the Southern Wyoming Electric Company for the calendar year 1932 is submitted for your information:

Energy is purchased by the Electric Company from The Union Pacific Coal Company at 3.3¢ per kilowatt hour, this rate in effect for several years past. During the year, the Electric Company purchased 4,915,301 E.W.H. at a cost of \$157,200.62, this energy distributed to various commercial consumers in Sweetwater County, Wyoming.

All commercial coal companies, other than the Central Coal & Coke Company, the Lion Coal Corporation and the Burn-Quealy Coal Company, purchase their power requirements from the Electric Company. In the event of failure of any of the coal companies' other plants, the Electric Company is in a position to carry their load. The Premier Coal Company closed their mine at Superior during the year, discontinuing their electric power purchases.

The Union Pacific Coal Company and the Southern Wyoming Electric Company combined earnings from the sale of merchandise and electricity for the years 1931 and 1932, are set forth below:

Revenue from The Union Pacific Coal Company Electric Light Plant, Rock Springs; and Southern Wyoming Electric Company, Consolidated- Years 1931 and 1932, Compared

<u>The Union Pacific Coal Co.</u>	<u>1931</u>	<u>1932</u>	<u>Increase</u>	<u>Decrease</u>
Net Income from Sale of Electricity	\$128,886.53	\$127,960.65		\$ 925.88
<u>Southern Wyoming Electric Co.</u>				
Net Income from Sale of Electricity	\$ 25,792.31	\$ 18,793.77		\$6,998.54
Net Income from Sale of Merchandise	<u>724.74</u>	<u>1,070.83</u>	<u>\$346.09</u>	
Total Net Income	<u>\$ 26,517.05</u>	<u>\$ 19,864.60</u>		<u>\$6,652.45</u>
Total Net Income, Two Companies	\$155,403.53	\$147,825.25		\$7,578.28
Salable Output K.W.H. Coal Company	24,626,358	23,301,202		1,325,156
K.W.H. Sold to Southern Wyoming Electric Co.	5,458,739	4,915,301		543,438

The earnings from the Public Service Department of The Union Pacific Coal Company for the year 1923, preceding incorporation of the Southern Wyoming Electric Company, are shown below for convenience of comparison:

From Sale of Merchandise	\$ 2,151.40
From Sale of Electricity	<u>66,054.32</u>
Total Electric Public Service Revenue	\$ 68,205.72

A comparison of the net earnings from public service sales since the incorporation of the Southern Wyoming Electric Company shows the following changes:

<u>Year</u>	<u>Amount</u>	<u>Public Service Revenues</u> <u>Increases</u>	<u>Decreases</u>	<u>Per Cent</u>
1923	\$ 68,205.72			20.5
1924	82,082.09	\$ 13,876.37		24.2
1925	101,988.95	19,906.86		.3
1926	101,656.60	-	\$ 332.35	16.4
1927	118,403.19	16,746.59		4.5
1928	123,937.95	5,534.76		

Year	Public Service Revenues (Cont'd.)			
	Amount	Increase	Decrease	Per Cent
1929	\$ 153,130.78			
1930	154,716.56	\$ 29,192.83		23.5
1931	155,403.53	1,585.58		1.02
1932	147,825.25	687.22		.04
			\$ 7,578.33	4.87

Both the United States Post Office Department and the Boeing Air Transport, Incorporated, renewed their contracts covering the sale of energy for use at the air mail landing field west of Rock Springs, for a period of one year.

The number of meters in use increased from 2,330 in 1931 to 2,433 in 1932, the various classes of meters being as follows:

Kind of Service	Number of Meters		
	1931	1932	Increase
Lighting	1,982	2,012	30
Power	122	126	4
Domestic Appliances	190	259	69
Signs	36	36	-
TOTAL	2,330	2,433	103

The number of street lights paid for by the City of Rock Springs increased from 339 to 345 during the year.

Effective February 1st, Schedule XVI, reducing street lights from \$3.00 to \$2.30 per month was placed in effect.

Effective April 1st, Schedule XVII allowing large consumers and commercial coal mines, a discount of five per cent for prompt payment, and Schedule XVIII, reducing the general lighting rate about five per cent, were placed in effect.

Effective November 1st, Schedule XIX, reducing the rate to the Wyoming General Hospital, was placed in effect.

These reductions were made to avoid complaint to the Public Service Commission, the rates charged, with the exception of "street lights", by our Company, above those charged elsewhere

in Wyoming. It is anticipated that further reductions in lighting and domestic rates must be made in 1933.

The service rendered The Union Pacific Coal Company and commercial consumers during the year was of the usual dependable character.

During the year, 103 meters were installed, the cost of same \$1,004.00, charged to Operating Expense, the total fixed capital increased during the year \$849.18.

Effective February 1st, all salaries were reduced ten per cent and the position of Superintendent was abolished. Line and repairmen were placed on part-time basis and the monthly maximum payroll has been reduced as shown below:

February 1, 1932	\$ 1,154.00
October 1, 1932	794.00
February 1, 1933	794.00

No accidents to employees or the public were reported during the year. The property is being well maintained throughout.

Respectfully submitted,

Eugene McAuliffe
EUGENE MCAULIFFE

President.

YEAR 1931

SOUTHERN WYOMING ELECTRIC COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA

EUGENE MCAULIFFE,
PRESIDENT

IN REPLY, PLEASE REFER TO

FILE _____

February 19, 1932.

Mr. H. W. Clark,
Chairman, Board of Trustees,
The Union Pacific Coal Company,
120 Broadway,
New York, N. Y.

Dear Sir:

The following resume covering the operations of the Southern Wyoming Electric Company for the calendar year 1931 is submitted for your information.

Energy is purchased by the Electric Company from The Union Pacific Coal Company at 5.2¢ per kilowatt hour, this rate in effect for several years past. During the year, the Electric Company purchased 5,458,738 K.W.H. at a cost of \$274,679.66, this energy distributed to various commercial consumers in Sweetwater County, Wyoming. The amount of energy purchased in 1931 was 508,447 K.W.H. (5.4 per cent) less than was purchased in 1930.

All commercial coal companies, other than the Central Coal & Coke Company, the Lion Coal Company and the Gunn-Quincy Coal Company, purchase their power requirements from the Electric Company. In the event of failure of any of the Coal Companies' power plants, the Electric Company is in a position to carry their load. The Superior-Rock Springs Coal Company closed their mine at Superior during the year, discontinuing all but a fraction of their electric power purchases.

The Union Pacific Coal Company and the Southern Wyoming Electric Company combined earnings from the sale of merchandise and

electricity for the years 1930 and 1931, are set forth below:

Revenue from The Union Pacific Coal Company Electric Light Plant, Rock Springs, and Southern Wyoming Electric Company, Consolidated; Years 1930 and 1931, Compared

<u>The Union Pacific Coal Co.</u>	<u>1930</u>	<u>1931</u>	<u>Increase</u>	<u>Decrease</u>
Net Income from Sale of Electricity	\$127,551.16	\$128,886.53	\$1,335.37	
<u>Southern Wyoming Electric Co.</u>				
Net Income from Sale of Electricity	\$ 25,993.80	\$ 25,792.51		\$ 201.49
Net Income from Sale of Merchandise	1,171.40	724.74		446.66
Total Net Income	\$ 27,165.20	\$ 26,517.05		\$ 648.15
Total Net Income, Two Companies	\$154,716.36	\$155,403.58	\$ 687.22	
Salable Output K.W.H. Coal Company	23,846,188	24,626,358	1,280,170	
K.W.H. Sold to Southern Wyoming Electric Co.	5,768,186	5,458,739		309,447

The earnings from the Public Service Department of The Union Pacific Coal Company for the year 1923, preceding incorporation of the Southern Wyoming Electric Company, are shown below for convenience of comparison:

From Sale of Merchandise	\$ 2,151.40
From Sale of Electricity	66,054.32
Total Electric Public Service Revenue	\$ 68,205.72

A comparison of the net earnings from Public Service sales since the incorporation of the Southern Wyoming Electric Company shows the following increases:

Public Service Revenues

<u>Year</u>	<u>Amount</u>	<u>Increase</u>	<u>Decrease</u>	<u>Per Cent</u>
1923	\$ 68,205.72			
1924	82,082.09			
1925	101,988.95	\$ 15,876.37		20.3
1926	101,656.60	19,908.86		24.2
1927	118,403.19		\$ 532.35	.3
1928	123,937.95	16,746.59		16.4
1929	153,130.78	5,534.76		4.5
1930	154,716.56	29,192.63		25.6
1931	155,403.53	1,585.58		1.02
		687.22		.04
<hr/>				
Increase, 1931 over 1923	\$ 87,197.86			127.84

Both the United States Post Office Department and the Boeing Air Transport, Incorporated, renewed their contracts covering the sale of energy for use at the air mail landing field west of Rock Springs, for a period of one year.

The number of meters in use increased from 2,254 in 1930 to 2,330 in 1931, the various classes of meters being as follows:

<u>Kind of Service</u>	<u>Number of Meters</u>		
	<u>1930</u>	<u>1931</u>	<u>Increase</u>
Lighting	1,971	1,982	11
Power	131	122	9 (Dec.)
Domestic Appliances	118	190	72
Signs	<u>34</u>	<u>36</u>	<u>2</u>
TOTAL	2,254	2,330	76

Effective January 1st, Schedule XV superseded Schedule XI, this schedule granting a reduction in rates for city street lights from \$3.50 to \$3.00 per month, this reduction approximating \$1,800 for the year.

The service rendered The Union Pacific Coal Company and commercial consumers during the year was of the usual dependable character.

But minor service interruptions occurred during the year, as follows: A portion of the south side of the city was off one hour, a line cut off by a pistol shot. A twenty two minutes interruption occurred from lightning, and one street lighting circuit was broken for two hours and forty three minutes by wind and lightning.

During the year, 84 meters were installed, the cost of same charged to Operating Expense, the total capital expenditures for the year \$1,570.53. No accidents to employes or the public were reported during the year. The property is being well maintained throughout.

Respectfully submitted,

Original signed
EUGENE MAULIFF

President.

YEAR 1930

SOUTHERN WYOMING ELECTRIC COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA

EUGENE MCAULIFFE,
PRESIDENT

IN REPLY, PLEASE REFER TO
FILE _____

February 26, 1931.

Mr. H. W. Clark,
Chairman, Board of Trustees,
The Union Pacific Coal Company,
39 Broadway, New York, N. Y.

Dear Sir:

The following resume covering the operations of the Southern Wyoming Electric Company for the calendar year 1930 is submitted for your information.

Energy is purchased by the Electric Company from The Union Pacific Coal Company at 3.2¢ per kilowatt hour, this rate in effect for several years past. During the year, the Electric Company purchased 5,768,186 K.W.H. at a cost of \$184,581.95, this energy distributed to various commercial consumers in Sweetwater County, Wyoming. The amount of energy purchased in 1930 was 138,264 K.W.H. (2.34 per cent) less than was purchased in 1929.

All commercial coal companies, other than the Central Coal & Coke Company, the Lion Coal Company and the Gunn-Quealy Coal Company, purchase their power requirements from the Electric Company. In the event of failure of any of the Coal Companies' power plants, the Electric Company is in a position to carry their load.

The Union Pacific Coal Company and the Southern Wyoming Electric Company combined earnings from the sale of merchandise and electricity for the years 1929 and 1930, are set forth below:

Revenue from The Union Pacific Coal Company Electric Light Plant, Rock Springs, and Southern Wyoming Electric Co., Consolidated; Years 1929 and 1930, Compared

<u>The Union Pacific Coal Co.</u>	<u>1929</u>	<u>1930</u>	<u>Increase</u>	<u>Decrease</u>
Net Income from Sale of Electricity	\$133,776.47	\$127,551.16		\$6,225.31
<u>Southern Wyoming Electric Co.</u>				
Net Income from Sale of Electricity	\$ 18,272.59	\$ 25,993.80	\$7,721.21	
Net Income from Sale of Merchandise	<u>1,081.72</u>	<u>1,171.40</u>	<u>89.68</u>	
Total Net Income	<u>\$ 19,354.31</u>	<u>\$ 27,165.20</u>	<u>\$7,810.89</u>	
Total Net Income, Two Companies	\$153,130.78	\$154,716.36	\$1,585.58	
Salable Output K.W.H. Coal Company	21,449,263	23,346,188	1,896,925	X
K.W.H. Sold to Southern Wyoming Electric Co.	5,906,450	5,768,186		138,264

The earnings from the Public Service Department of The Union Pacific Coal Company for the year 1923, preceding incorporation of the Southern Wyoming Electric Company, are shown below for convenience of comparison:

From Sale of Merchandise	\$ 2,151.40
From Sale of Electricity	<u>66,054.32</u>
Total Electric Public Service Revenue	\$ 68,205.72

A comparison of the net earnings from Public Service sales since the incorporation of the Southern Wyoming Electric Company shows the following increases:

			<u>Increase</u>	<u>Decrease</u>	<u>Per Cent</u>
Public Service Revenue	- 1923	\$ 68,205.72			
"	"	"			
"	- 1924	82,082.09	\$13,876.37		20.3
"	"	"			
"	- 1925	101,988.95	19,906.86		24.2
"	"	"			
"	- 1926	101,656.60		\$332.35	.3
"	"	"			
"	- 1927	118,403.19	16,746.59		16.4
"	"	"			
"	- 1928	123,937.95	5,534.76		4.5
"	"	"			
"	- 1929	153,130.78	29,192.83		23.5
"	"	"			
"	- 1930	154,716.36	1,585.58		1.04

Increase, 1930 over 1923	\$86,510.64	126.84
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Both the United States Post Office Department and the Boeing Air Transport, Incorporated, renewed their contracts covering the sale of energy for use at the air mail landing field west of Rock Springs, for a period of one year.

The number of meters in use increased from 2,117 in 1929 to 2,254 in 1930, the various classes of meters being as follows:

<u>Kind of Service</u>	<u>Number of Meters</u>		
	<u>1929</u>	<u>1930</u>	<u>Increase</u>
Lighting	1,926	1,971	45
Power	123	131	8
Domestic Appliances	34	118	84
Signs	<u>34</u>	<u>34</u>	<u>-</u>
Total	2,117	2,254	137

A reduction in rates was made during the year, Schedule XIII superseding Schedule VI, effective February 1st, this schedule permitting all domestic appliances to be connected to one meter at substantially the same rate as provided in Schedule VI which covered

heating and cooking appliances only. Effective June 1st, Schedule XIV superseded Schedule I, this schedule granting a reduction in rates to customers using more than 500 K.W.H. per month.

The service rendered The Union Pacific Coal Company and commercial consumers during the year was of the usual dependable character. The service interruptions to the town of Rock Springs during the year amounted to a total of 47 minutes, 10 minutes due to a storm, and 2 periods of 25 minutes and 12 minutes, respectively, due to necessity of shutting down main power plant. The south side street lighting circuit was off a total of 1 hour 40 minutes due to storms, and the north side circuit was off 1 hour 15 minutes, 15 minutes of which was due to a storm, and 1 hour due to line being down. The property was maintained in first class condition throughout the year.

During the year, four 25 K.V.A. and one 15 K.V.A. and one pipe thawing transformers were purchased and installed, total capital expenditures for the year \$1,588.71. No accidents to employes or the public were reported during the year.

Respectfully submitted,

Original Signed
EUGENE MCAULIFFE

President.

YEAR 1929

SOUTHERN WYOMING ELECTRIC COMPANY

1416 DODGE STREET
OMAHA, NEBRASKA

EUGENE MCAULIFFE,
PRESIDENT

IN REPLY, PLEASE REFER TO
FILE 200-41

February 28, 1930.

Mr. H. W. Clark,
Chairman, Board of Trustees,
The Union Pacific Coal Company,
39 Broadway, New York, N. Y.

Dear Sir:

Herewith a brief resume covering the operations of the Southern Wyoming Electric Company for the calendar year 1929. The Electric Company purchases energy from The Union Pacific Coal Company, paying for same during the year 1929, a rate, including demand charge, of 3.2¢ per kilowatt hour. The contract between the Coal and Electric Companies was revised, effective January 1, 1926, from 3¢ to 3.2¢ per K.W.H.

During the year 1929, the Electric Company purchased 5,906,450 K.W.H. at a cost of \$189,006.40, distributing same to various commercial consumers in Sweetwater County, Wyoming, the energy purchased in 1929 exceeding the volume purchased in 1928 by 521,151 K.W.H., or 9.7 per cent. The number of meters in use increased from 2,031 in 1928 to 2,117 in 1929, all coal companies, other than the Central Coal & Coke Company, Lion Coal Company, and the Gunn-Quealy Coal Company, purchasing their power requirements from the Electric Company.

The combined earnings of The Union Pacific Coal Company and the Southern Wyoming Electric Company from the sale of merchandise and electricity for the years 1928 and 1929 are set forth below:

Revenue from The Union Pacific Coal Company Electric Light Plant, Rock Springs, and Southern Wyoming Electric Co., Consolidated, Years 1928 and 1929, Compared

<u>Union Pacific Coal Company</u>	<u>1928</u>	<u>1929</u>	<u>Increase</u>
Net Income from Sale of Electricity	\$106,765.47 ✓	\$133,776.47 ✓	\$27,011.00
<u>Southern Wyoming Electric Co.</u>			
Net Income from Sale of Electricity	\$ 16,570.36 ✓	\$ 18,272.59 ✓	\$ 1,702.23
Net Income from Sale of Merchandise	602.12 ✓	1,081.72 ✓	479.60
Total Net Income	\$ 17,172.48 ✓	\$ 19,354.31 ✓	\$ 2,181.83
Total Net Income, Two Companies	\$123,937.95 ✓	\$153,130.78 ✓	\$29,192.83
Saleable Output K.W.H. Coal Company	19,071,258	21,449,263	2,378,005
K.W.H. Sold to Southern Wyoming Electric Co.	5,385,299 ✓	5,906,450 ✓	521,151

For convenience of comparison, the earnings from the Public Service Department of The Union Pacific Coal Company for the year preceding the incorporation of the Southern Wyoming Electric Company, 1923, are shown below:

From Sale of Merchandise	\$ 2,151.40
From Sale of Electricity	66,054.32
Total Electric Public Service Revenue	\$68,205.72

A comparison of the net earnings made from electric public service sales since the inception of the Southern Wyoming Electric Company, shows increases as follows:

				<u>Increase</u>	<u>Decrease</u>	<u>Per Cent</u>
Public Service Revenue - 1923	\$ 68,205.72					
" " " - 1924	82,082.09	\$13,876.37				20.3
" " " - 1925	101,988.95	19,906.86				24.2
" " " - 1926	101,656.60		\$332.35			.3
" " " - 1927	118,403.19	16,746.59				16.4
" " " - 1928	123,937.95	5,534.76				4.5
" " " - 1929	155,150.78	29,192.83				23.5
<hr/>				<hr/>		
Increase 1929 over 1923		\$ 84,925.06				124.3

The contract covering the sale of energy to the United States Post Office Department for use at the Air Mail Landing Field west of Rock Springs was again renewed by both the Government and the Boeing Air Transport, Inc., for a period of one year.

The number of meters in service at the close of the years 1928 and 1929 was as follows:

	<u>1928</u>	<u>1929</u>	<u>Increase</u>
Lighting	1,860	1,926	66
Power	105	123	18
Heating	32	34	2
Street Signs	34	34	0
<hr/>			
Total	2,031	2,117	86

The service rendered The Union Pacific Coal Company and commercial consumers during the year was of a very dependable character. During the twelve months' period, power was off the Rock Springs South Side Circuit 56 minutes, 29 minutes due to lightning, and 7 minutes due to necessary shut-down to power plant. The North Side Rock Springs Circuit was off a total of 57 minutes, 29 minutes due to lightning, 21 minutes due to a fire, and 7 minutes due to the shut-down first mentioned.

No accidents of any character to workmen were reported during the year. The power lines, transformers and other equipment were maintained in first class condition. During the year, two 3/4 ton Dodge trucks were purchased; 8,000 feet of copper wire was installed on the line extending from the Coal Company's Power Plant to Wardell Court, and two 37.5 KVA and two 25 KVA lighting transformers were purchased and installed, total additions to Capital Account, \$5,858.94.

As a result of the improvements before mentioned, complaints regarding voltage are non-existent.

Respectfully submitted,

President.

YEAR 1928

February 12, 1929.

Mr. H. W. Clark,
Chairman, Board of Trustees,
The Union Pacific Coal Company,
39 Broadway, New York, N.Y.

Dear Sir:

Herewith a brief resume covering the operations of the Southern Wyoming Electric Company for the calendar year 1928. The Electric Company purchases energy from The Union Pacific Coal Company, paying for same during the year 1928, a rate, including demand charge, of 3.2¢ per kilowatt hour. The contract between the Coal and Electric Companies was revised, effective January 1, 1926, from 3¢ to 3.2¢ per K.W.H.

During the year 1928 the Electric Company purchased 5,385,299 K.W.H. at a cost of \$172,329.56, distributing same to various commercial consumers in Sweetwater County, Wyoming, the energy purchased in 1928 exceeding the volume purchased in 1927 by 35,233 K.W.H., or .6 per cent. The number of meters in use increased from 1,988 in 1927 to 2,021 in 1928, all coal companies, other than the Central Coal & Coke Company and the Gunn-Quealy Coal Company, purchasing their power requirements from the Electric Company.

The combined earnings of The Union Pacific Coal Company and the Southern Wyoming Electric Company from the sale of merchandise and electricity for the years 1927 and 1928 are set forth below:

Revenue from The Union Pacific Coal Company Electric Light Plant, Rock Springs, and Southern Wyoming Electric Co., Consolidated, Years 1927 and 1928, Compared

<u>Union Pacific Coal Company</u>	<u>1927</u>	<u>1928</u>	<u>Increase</u>	<u>Decrease</u>
Net Income from Sale of Electricity	\$102,560.30 ✓	\$106,765.47	\$4,205.17	
<u>Southern Wyoming Electric Co.</u>				
Net Income from Sale of Electricity	15,219.46 ✓	16,570.36	1,350.90	
Net Income from Sale of Merchandise	623.43 ✓	602.12		\$21.31
Total Net Income	\$15,842.89 ✓	\$17,172.48	\$1,329.59	
Total Net Income, Two Companies	\$118,403.19 ✓	\$123,937.95	\$5,534.76	
Salable Output K.W.H. Coal Company	18,073,994	19,071,258	997,274	
K.W.H. Sold to Southern Wyoming Electric Co.	5,350,066 ✓	5,385,299	35,233	

For convenience of comparison, the earnings from the Public Service Department of The Union Pacific Coal Company for the year preceding the incorporation of the Southern Wyoming Electric Company, 1923, are shown below:

From Sale of Merchandise	\$ 2,151.40
From Sale of Electricity	66,054.32
Total Electric Public Service Revenue	\$68,205.72

A comparison of the net earnings made from electric public service sales since the inception of the Southern Wyoming Electric Company shows increases as follows:

				<u>Increase</u>	<u>Decrease</u>	<u>Per Cent</u>
Public Service Revenue - 1923	\$	68,205.72				
" " " - 1924		82,082.09	\$13,876.37			20.3
" " " - 1925		101,988.95	19,906.86			24.2
" " " - 1926		101,656.60		\$332.35		.3
" " " - 1927		118,403.19	16,746.59			16.4
" " " - 1928		123,937.95	5,534.76			4.5

Increase 1928 over 1923			\$55,732.23			81.7

The capital expenditures for Additions and Betterments made in 1928 totalled \$1,397.26, consisting of additions to existing distribution lines.

The contract covering the sale of energy to the United States Post Office Department for use at the Air Mail Landing Field west of Rock Springs was again renewed by both the Government and the Boeing Air Transport, Inc., for a period of one year.

The number of meters in service at the close of the years 1927 and 1928 was as follows:

	<u>1927</u>	<u>1928</u>
Lighting	1,823	1,850
Power	99	106
Heating	33	32
Street Signs	33	34
	-----	-----
Total	1,988	2,021

The net increase in meters used over December 31, 1927, was 33. The service rendered consumers during the year was uniform and dependable, but one interruption of consequence occurring during

the year, October 13th, when an automobile collided with a guy wire, causing an interruption of twenty minutes.

All lighting transformers were provided with new neutral ground connections during the year.

New ornamental lighting posts were installed by the City on North Front Street, South Front Street, Elk Street, "C" Street, Bridger Avenue, "K" Street and Pilot Butte Avenue. The old style posts on North and South Front Streets, Pilot Butte Avenue and "K" Street were transferred to Elias Avenue and "B" Street and were fitted with new Novalux units similar to those on the new posts, which standardized the glassware.

Sixty-nine new posts were installed during the year, and in some cases the new posts replaced lighting units installed on wood poles. The total number of street lights at the close of the year was 312, which includes posts and pole bracket types.

The property is being maintained in good physical condition. Additional line carrying capacity will, however, be necessary to care for the growing commercial load offered.

No injuries involving a loss of time were experienced by employes during the year.

Respectfully yours,

Original Signed
EUGENE MCALIFFE

YEAR 1927

SOUTHERN WYOMING ELECTRIC COMPANY

OFFICE OF

1111 Union Pacific Building
Omaha, Nebraska

IN REPLY PLEASE REFER TO

NO.

President

March 1, 1928.

Mr. H. W. Clark,
Chairman, Board of Trustees,
The Union Pacific Coal Company,
120 Broadway, New York, N.Y.

Dear Sir:

Herewith a brief resume covering the operations of the Southern Wyoming Electric Company for the calendar year 1927. The Electric Company purchases energy from The Union Pacific Coal Company, paying for same during the year 1927 a rate, including demand charge, of 3.2¢ per kilowatt hour, the contract between the Coal and Electric Companies revised, effective January 1, 1926, from 3¢ to 3.2¢ per K.W.H.

During the year 1927 the Electric Company purchased 5,350,066 K.W.H., distributing same to various commercial consumers in Sweetwater County, Wyoming, the energy purchased in 1927 exceeding the volume purchased in 1926 by 473,407 K.W.H., or 9.7 per cent. The number of meters in use increased from 1,698 in 1926 to 1,908 in 1927, all coal companies, other than the Central Coal & Coke Company and the Gunn-Quealy Coal Company, purchasing their power requirements from the Electric Company.

The combined earnings of The Union Pacific Coal Company and the Southern Wyoming Electric Company from the sale of merchandise and electricity for the years 1926 and 1927 are set forth below:

Revenue from The Union Pacific Coal Company Electric Light Plant, Rock Springs, and Southern Wyoming Electric Co., Consolidated, Years 1926 and 1927, Compared

<u>Union Pacific Coal Company</u>	<u>1926</u>	<u>1927</u>	<u>Increase</u>	<u>Decrease</u>
Net Income from Sale of Electricity	\$87,580.44 ✓	\$102,560.30 ✓	\$14,979.86	
<u>Southern Wyoming Electric Co.</u>				
Net Income from Sale of Electricity	10,612.80 ✓	15,219.46 ✓	4,607.26	
Net Income from Sale of Merchandise	3,465.86 ✓	823.45 ✓		\$2,642.53
Total Net Income	\$14,076.16 ✓	\$15,842.89 ✓	\$1,766.73	
Total Net Income, Two Companies	\$101,656.60 ✓	\$118,403.19 ✓	\$16,746.59	
Salable Output K.W.H. Coal Company	16,102,965	13,073,984	3,068,019	
K.W.H. Sold to Southern Wyoming Electric Co.	4,876,659 ✓	5,350,066	473,407	

For convenience of comparison, the earnings from the Public Service Department of The Union Pacific Coal Company for the year preceding the incorporation of the Southern Wyoming Electric Company, 1925, are shown below:

From Sale of Merchandise	\$ 2,151.40
From Sale of Electricity	66,054.32
Total Electric Public Service Revenue	\$68,205.72

A comparison of the net earnings made from electric public service sales since the inception of the Southern Wyoming Electric Company shows increases as follows:

				<u>Increase</u>	<u>Decrease</u>	<u>Per Cent</u>
Public Service Revenue - 1923	\$	68,205.72				
" " " - 1924		82,082.00	\$13,876.37			20.3
" " " - 1925		101,988.95	19,906.88			24.2
" " " - 1926		101,656.00		\$ 332.35		.3
" " " - 1927		119,408.19	16,746.59			16.4
Increase 1927 over 1923			\$50,197.47			73.6

The capital expenditures for Additions and Betterments made in 1927 totalled \$2,818.86, consisting of 3200 feet of new 2500 volt distribution line.

The contract covering the sale of energy to the United States Post Office Department for use at the Air Mail Landing Field west of Rock Springs was again renewed by the Government and the Boeing Air Transport, Inc., for a period of one year.

The number of meters in service at the close of the year was as follows:

Lighting	1,823
Power	90
Heating	33
Street Signs	35
	=====
Total	1,981

The net increase in meters used over December 31, 1926, was 90. The service rendered consumers during the year was uniform and dependable.

The offices of the Company, as well as its repair and testing department, were moved into the new Headquarters Building in February, 1927, and the Electric Company's stock of merchandise was sold to the Merchandising Department of The Union Pacific Coal Company.

With the paving program entered into by the City of Rock springs in 1927, a substantial increase in the number of street lights is anticipated.

No injuries to employees and no changes in personnel, other than the usual shifting of the working force, occurred during the year.

The property is being maintained in first class condition, power and light interruptions at the minimum.

Respectfully submitted,

Original Signed
EUGENE McAUILL

YEAR 1926

1111 Union Pacific Building
Omaha, Nebraska

President

March 1, 1927.

Mr. H. W. Clark,
Chairman, Board of Trustees,
The Union Pacific Coal Company,
120 Broadway, New York, N.Y.

Dear Sir:

Herewith a brief resume covering the operations of the Southern Wyoming Electric Company for the calendar year 1926. The Electric Company purchases energy from The Union Pacific Coal Company, paying for same during the year 1926 a rate, including demand charge, of 3.2¢ per kilowatt hour, the contract between the Coal and Electric Companies revised effective January 1, 1926, from 3¢ to 3.2¢ per K.W.H.

During the year 1926 the Electric Company purchased 4,376,559 K.W.H., distributing same to various commercial consumers in Sweetwater County, Wyoming, the energy purchased in 1926 exceeding the volume purchased in 1925 by 56,820 K.W.H., or 1.3 per cent. The number of customers increased slightly during the year, the Lion Coal Company, who supplied their own power in the early portion of the year, beginning purchase August 1st, and the Green River Water Works Company (Reliance wells) October 1st.

The combined earnings of The Union Pacific Coal Company and the Southern Wyoming Electric Company from the sale of merchandise and electricity for the years 1925 and 1926 are set forth below:

Revenue from The Union Pacific Coal Company Electric
Light Plant, Rock Springs, and Southern Wyoming Elec-
tric Co., Consolidated, Years 1925 and 1926, Compared

<u>Union Pacific Coal Company</u>	<u>1925</u>	<u>1926</u>	<u>Increase</u>
Net Income from Sale of Electricity	\$83,424.27	\$87,580.44	\$4,156.17

Southern Wyoming Electric
Company (Continued)

	<u>1923</u>	<u>1926</u>	<u>Increase</u>	<u>Decrease</u>
Net Income from Sale of Electricity	\$15,457.69	\$10,612.20		\$4,845.49
Net Income from Sale of Merchandise	3,106.99	3,463.98	\$ 356.97	
Total Net Income	\$18,564.68	\$14,076.18		\$4,488.52
Total Net Income, Two Companies	\$101,938.95	\$101,686.60		\$252.35
Salable Output K.W.H. Coal Company	17,115,704	16,108,965		1,006,739
K.W.H. Sold to Southern Wyoming Electric Co.	4,817,759	4,876,659	58,900	

For convenience of comparison, the earnings from the Public Service Department of The Union Pacific Coal Company for the year preceding the incorporation of the Southern Wyoming Electric Company, 1923, are shown below:

From Sale of Merchandise	\$ 2,151.40
From Sale of Electricity	66,054.32
Total Electric Public Service Revenue	\$68,205.72

A comparison of the net earnings made from electric public service sales since the inception of the Southern Wyoming Electric Company shows increases as follows:

		<u>Increase</u>	<u>Decrease</u>	<u>Per Cent</u>
Public Service Revenue - 1923	\$ 68,205.72			
" " " - 1924	62,032.09	\$13,876.37		20.3
" " " - 1925	101,938.95	19,906.86		24.2
" " " - 1926	101,686.60		\$ 252.35	.3
Increase 1926 over 1923		\$33,480.88		49.5

The Capital Expenditures for Additions and Betterments made in

1926 totalled \$1,087.59, which included three new 15 K.V.A. transformers, amount \$595.57, and the installation of 16 additional street lights for the City of Rock Springs, \$490.02, the City Council appropriating \$12,000 for street lighting in 1927 as compared with \$10,440 in 1926.

The contract covering the sale of energy to the United States Post Office Department for use at the air mail landing field west of Rock Springs was again renewed for a period of one year.

The number of meters in service at the close of the year was as follows:

Lighting	1,754
Power	91
Heating	26
Street Signs	25
Total	1,896 1,896

The net increase in meters used over December 31, 1925, was 50. The service rendered consumers during the year was uniform and dependable. Complaints made by users of radios to the effect that interference was being experienced, led to an examination of street lighting circuits installed several years ago, wherein the difficulty was located and corrected.

The further curtailment of coal production in the Rock Springs field may affect the total net earnings for 1927, the volume of city sales not capable of further material expansion. No injuries to employees and no changes in personnel, other than the usual shifting of the working force, occurred during the year.

Respectfully submitted,

Original Signed
EUGENE McCAULIFFE

YEAR 1925

SOUTHERN WYOMING ELECTRIC COMPANY

OFFICE OF

1111 Union Pacific Building
Omaha, Nebraska

IN REPLY PLEASE REFER TO

NO.

~~PRESIDENT~~

February 10, 1926.

Mr. H. W. Clark,
Chairman, Board of Trustees,
The Union Pacific Coal Company,
120 Broadway, New York City.

Dear Sir:

Herewith a brief resume covering the operations of the Southern Wyoming Electric Company for the calendar year 1925. The Electric Company purchases energy from The Union Pacific Coal Company, paying for same during the year 1925 a rate, including demand charge, of 3¢ per kilowatt hour. For the purpose of effecting a more equitable distribution of expense, the contract covering the sale and purchase of energy between the two companies will be revised, effective January 1, 1926, to read 3.2¢ per kilowatt hour.

During the year 1925 the Electric Company purchased 4,817,739 K.W.H., distributing same to various commercial consumers in Sweetwater County, Wyoming, the energy purchased in 1925 exceeding the volume purchased in 1924 by 1,000,133 K.W.H., or 20.8 per cent. The number of customers increased slightly during the year, approximately 10 per cent of the 20.8 per cent increase consumed by the Lion Coal Company, which purchased energy for an eight months period, the remainder of the increase shown absorbed by extension of consumers' uses.

The combined earnings of The Union Pacific Coal Company and the Southern Wyoming Electric from the sale of merchandise and electricity for the years 1924 and 1925 are set forth

below:

Revenue from The Union Pacific Coal Company
Electric Light Plant, Rock Springs, and
Southern Wyoming Electric Company,
Consolidated, years 1924 and
1925, Compared

<u>Union Pacific Coal Company</u>	<u>1924</u>	<u>1925</u>	<u>Increase</u>
Net Income from Sale of Electricity	\$71,188.83	\$83,424.27	\$12,235.44
<u>Southern Wyoming Electric Co.</u>			
Net Income from Sale of Electricity	\$ 8,165.68	\$15,457.69	\$ 7,292.11
Net Income from Sale of Merchandise	2,727.68	3,106.99	379.31
Total Net Income	\$10,893.26	\$18,564.68	\$ 7,671.42
Total Net Income, two Companies	\$82,082.09	\$101,988.95	\$19,906.86
 Salable Output K.W.H. Coal Company	 15,365,951	 17,115,704	 1,751,753
K.W.H. Sold to Southern Wyoming Electric Co.	3,817,606	4,817,739	1,000,133

For convenience of comparison, the earnings from the Public Service Department of The Union Pacific Coal Company for the year preceding the incorporation of the Southern Wyoming Electric Company, 1923, are shown below:

From Sale of Merchandise	\$2,151.40
From Sale of Electricity	66,054.32
Total Electric Public Service Revenue	\$68,205.72

A comparison of the net earnings made from electric public service sales since the inception of the Southern Wyoming Electric Company shows increases as follows:

		<u>Increase</u>	<u>Per Cent</u>
Public Service Revenue - 1923	\$68,205.72		
" " " - 1924	82,082.09	\$13,876.37	20.3
" " " - 1925	101,988.95	19,906.86	24.2
Increase 1925 over 1923		33,783.23	49.5

The Electric Company submitted for 1925 improvement items totalling \$8,068.07, of which \$7,862.82 was expended, divided \$7,628.55 charged to Investment, \$234.27 to Operating Expenses. Marked betterment in voltage throughout the City of Rock Springs has resulted from the improvements made.

The contract covering the sale of energy to the United States Post Office Department for use at the mail aeroplane landing field was renewed for a period of one year.

No changes in personnel, other than the usual shifting in working forces, was experienced.

No serious accidents occurred to employes of this company during the year.

The year 1926 should show results fully equal to 1925.

Respectfully submitted,

Original Signed
EUGENE MCAULIFFE

YEAR 1924

1014 Union Pacific Building
Omaha, Nebraska

President

February 23, 1925.

Mr. H. W. Clark,
Chairman, Board of Trustees,
The Union Pacific Coal Company,
120 Broadway, New York City.

Dear Sir:

The following resume of the Southern Wyoming Electric Company operations for the calendar year 1924 is submitted for your information:

This company was incorporated in 1923, capital \$150,000, \$125,000 of which was sold to The Union Pacific Coal Company at par, leaving \$25,000 capital stock unsold in the treasury.

As of January 1, 1924, the Electric Company purchased from the Coal Company all the Coal Company's right, title and interest in the public service business heretofore carried on in Sweetwater County, Wyoming, by the Coal Company, paying for same as follows:

Material and Supplies	\$ 8,897.44
Electrical Supplies	5,700.94
Commercial Light and Power Lines and Equipment	100,000.00

Total	\$114,807.38

In addition the Electric Company took over from the Coal Company certain consumers' meter deposits, total \$7,731.37, the Electric Company now working under a "Certificate of Convenience and Necessity," issued by the State of Wyoming, securing in addition from the City of Rock Springs a franchise for the conduct of a public service business.

In addition to the above, a formal contract now under preparation provides for the Union Pacific Coal Company selling to the Southern Wyoming Electric Company electric energy f.o.b. its plant at Rock Springs, as well as at certain outside metering stations, the price paid during the calendar year 1924 3.4¢ per kilowatt hour, price beginning January 1, 1925, 3¢ per kilowatt hour.

During 1924 the Electric Company purchased from the Coal Company 3,817.608 H.W.H. One hundred and nineteen new customers were secured in 1924, the largest the Lion Coal Company, there remaining but one commercial mine operation in the Rock Springs District, i.e., the Central Coal and Coke Company, which generates electric power.

The comparative earnings from electric public service, Union Pacific Coal Company, 1923, and Southern Wyoming Electric Company, to which has been added the net income from the sale of energy accruing to the Coal Company in 1924, set forth below:

Union Pacific Coal Company

Net Income - 1923

From Sale of Merchandise	\$2,151.40
" " " Electricity	66,054.32

Total Net Income	\$68,205.72

Southern Wyoming Electric Company

Net Income - 1924

From Sale of Merchandise	\$ 2,727.68
" " " Electricity	8,165.93

Total Net Income	\$10,893.26
Net Income from Operation of The Union Pacific Coal Company Electric Light & Power Department	\$71,188.83

Combined Net Income - 1924	\$82,082.09
Increase - 1924	\$13,576.37 or 20.3%

In view of the heavy decrease of coal mined in the Rock Springs field, the increase set forth above represents a very satisfactory improvement, same very largely due to the better management given the property by General Manager D. G. McKeehan, net addition to Profit and Loss Account for the calendar year \$10,977.80.

During the year extensive repairs were made to distribution lines, the line on "c" Street, which trespassed on private property, was relocated, and No. 6 wire was substituted for No. 12 wire, which was found to be overloaded. In addition, fuses and disconnecting switches were installed throughout the city, sectionalizing the lines, thereby facilitating repairs and restricting temporary failures to a minimum range of territory.

The budget for the calendar year 1923 provides for extensions and betterments, total amount \$7,442.00, of which \$6,982.00 is chargeable to Capital Account.

Respectfully submitted,

BC - Mr. Gray

Original Signed
EUGENE McAULIFFE