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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of PacifiCorp for Approval of a 2009 Request for Proposals for Flexible Resource	DOCKET NO. 05-035-47 **NOTICE OF WITHDRAWAL OF ROCKY MOUNTAIN POWER'S MOTION TO AMEND ITS 2012 REQUEST FOR PROPOSALS**

PacifiCorp, by and through its Rocky Mountain Power division ("Rocky Mountain Power" or the "Company"), hereby provides notice that it is withdrawing its motion to amend its 2012 request for proposals that was filed with the Public Service Commission of Utah ("Commission") October 2, 2007 and is presently scheduled for hearing November 29, 2007 ("Motion").

1. The Company's Motion requested Commission authorization to amend the 2012 request for proposals (that requested proposals for the 2012 to 2014 timeframe) ("2012 RFP") with respect to the following: (1) to modify the proposal response date, thus permitting new and existing bidders an opportunity to submit new bids or refresh their existing bids; (2) to eliminate the request for qualifications procedure and to modify the qualification requirements; and (3) to

permit the inclusion of a Company benchmark resource at the Company's Currant Creek plant site and/or the Lake Side plant site.

2. The Company filed the Motion to address and mitigate the Company's concerns regarding the rapidly changing conditions impacting the selection of generation options nationwide and the absence of a viable company own/operate option in the 2012 RFP without an amendment.

3. The current 2012 RFP benchmark options included: (i) the 2012 Company benchmark, 340MW Intermountain Power Project 3 ("IPP 3"), and (ii) (a) the 2014 Company benchmark 500MW Jim Bridger Integrated Gasification Combined Cycle ("IGCC") plant, or (b) 527MW Jim Bridger 5 super critical pulverized coal plant ("Bridger 5").

4. Since the Company's submission of IPP 3 as a 2012 benchmark resource, actions and statements have been made by Intermountain Power Agency and the Los Angeles Department of Water and Power indicating that they would no longer support the development of IPP 3. On July 18, 2007, the Company sent notices of intent to sue to the Intermountain Power Agency and the Los Angeles Department of Water and Power, claiming that both entities breached contracts and otherwise violated the law as their public statements and actions indicated that they would no longer support the development of IPP 3, which puts at risk the timeliness and viability of the construction of this 2012 RFP benchmark.

5. Furthermore, Bridger 5 as an IGCC unit is also not a viable option for 2014 at this time because the federal government has not yet appropriated any funding to the Company for the construction of the unit as an IGCC pursuant to Section 413 of the Energy Policy Act of 2005. Federal funding for higher altitude Western coal based IGCC development has not been appropriated. In October, Xcel, a competitor with Bridger 5 for Federal IGCC funding,

announced that it was postponing its IGCC for at least two years. On November 13, 2007, Southern Companies announced it was terminating its IGCC project – which had received federal funding.

6. Furthermore, due to the current uncertainty in the ability to quantify in any meaningful way the cost of compliance with potential federal CO_2 legislation, Bridger 5 as a supercritical unit is no longer a viable option for 2014. Within the last few months, it has become apparent that Congress will enact some restriction upon carbon emissions, but the projected cost impact upon new coal generation is currently within such a wide range as to make meaningful risk assessment futile. On November 13, 2007, the National Association of Regulatory Utility Commissioners adopted its first resolution acknowledging that climate change legislation addressing carbon emissions will occur. Within the last few months, most of the planned coal plants in the United States have been cancelled, denied permits, or been involved in protracted litigation. Accordingly, the Company submits that IPP 3, Bridger 5, and the IGCC option at Jim Bridger, are no longer viable options for 2012 RFP for the 2012 and 2014 time frame, respectively.

7. While the Company is not excluding new coal generation ownership from its 20 year options, absent some change in conditions, it cannot be determined at this time whether new coal generation ownership will satisfy the least cost, least risk standards that would enable us to consider it as a viable option within our ten year plans.

8. The absence of a viable Company own/operate option in the 2012 RFP not only concerned the Company from the standpoint of having an option to compare against bids, it also was potentially in conflict with the Company's merger commitments. Commitment 39 obligates the Company to "submit as part of any commission approved RFPs for resources with a

dependable life greater than 10 years and greater than 100 MW – including renewable energy RFPs – a 100 MW or more utility 'own/operate' alternative for the particular resource." In addition, Commitment 39 further states that "It is not the intent or objective that such alternatives be favored over other options. Rather, the option for PacifiCorp to own and operate the resource which is the subject of the RFP will enable comparison and evaluation of the option against other viable alternatives." This commitment was supported by all settlement parties presumable so parties would have the ability to compare and evaluate the Company option to other viable alternatives. As such, implicit in this commitment was the concept that the Company's own/operate option would be a viable option.

9. As a result, the Company's Motion was intended to address the concerns the Company had regarding whether or not the 2012 RFP would yield a resource acquisition that meets the public interest criteria set forth in the Energy Resource Procurement Act, including, that the process and schedule will ultimately result in the acquisition, production, and delivery of low risk and reliable electricity at the lowest reasonable cost to retail customers. Unfortunately, none of the Utah interested parties agreed with the Company's proposal as it was set forth in the Motion.

10. In response to the Company's Motion, all Utah interested parties filed comments and objections to the Motion listing a variety of concerns.[1] The overriding concern seemed to be with the potential for delay associated with an in-service date of 2012 for a new resource and the integrity of the request for proposal process and the perception that bidders may have as a result of the Company being permitted to amend the 2012 RFP and include additional Company owned/operated resource options.

[1] Parties in Oregon objected as well.

11. In light of the overwhelming opposition to the Company's Motion, the Company arranged meetings with the Utah interested parties (the Utah Division of Public Utilities, the Utah Committee of Consumer Services, and the Utah Association of Energy Users) who filed objections to the Motion to further discuss the reasons why the Company filed the Motion and to discuss potential alternatives to amending the 2012 RFP. As a result, the Company has decided to withdraw its Motion, and instead, the Company intends to proceed with the 2012 RFP and to seek expedited approval for a new incremental request for proposal that will further the Company's efforts to obtain all needed resources for the timeframe 2012 and beyond. This approach was supported by the Division and UAE. The CCS also supports the withdrawal of the Motion, but expressly reserved its right to challenge the Company's resource selection during the preapproval process, a right that is available to all parties in this proceeding.

12. Following the withdrawal of its Motion, the Company will continue processing its 2012 RFP, which shall include completing the evaluation of all bids (except bids that present significant risk due to the pendency of bankruptcy proceedings); the identification of a final shortlist; negotiation with the bidders who presented the most beneficial bids after all bidders have had the opportunity to cure any credit or minimum eligibility requirements, consistent with what the Utah Independent Evaluator has previously recommended.

13. However, even if the Company can successfully negotiate with bidders from the 2012 RFP for new resources, given the potential bids that have been submitted, the Company will still have a need for additional capacity in the 2012 through 2017 time frame. Notably, no bids were received for 2013 or 2014 in the 2012 RFP. As a result, the Company intends to issue a new system-wide all-source (with the exception of renewable energy resources, which will be the subject of a separately issued request for proposal by the Company at a later date)

incremental request for proposal to address these needs, as well as protect customers against the risk that no bids are selected in the 2012 RFP. This new incremental request for proposals will not be duplicative of the 2012 RFP, but separate and distinct.

14. In order to accomplish these objectives, the new request for proposal will need to be expedited by the Company, something the Utah interested parties have agreed to support within the constraints of work load from other dockets. Accordingly, the Company anticipates filing this new request for proposal no later than January 31, 2008 and will request that the Commission approve the solicitation within 60 days instead of 90 days and that the Commission approve the resource within 120 days instead of 180 days.

15. Based upon the foregoing, the Company hereby withdraws its Motion and requests that the Commission vacate the hearing on the Motion that is presently scheduled for November 29, 2007.

DATED this ____ day of November 2007.

Respectfully submitted,

ROCKY MOUNTAIN POWER

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CERTIFICATE OF SERVICE

I hereby certify that on this ___ day of November 2007, I caused to be e-mailed a true and correct copy of the foregoing Notice of Withdrawal of Rocky Mountain Power's Motion to Amend its 2012 Request for Proposals and Request for Expedited Treatment, as follows.

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