Review and Update of Williams Consulting, Inc.'s 2004 Storm Response Report

Final Report

Division of Public Utilities

December 31, 2007

WCI Williams Consulting, Inc.

1. Executive Summary

1.1. Introduction and Objectives

Following a severe winter storm and related outages experienced in December 2003, The Utah Department of Public Utilities (DPU) retained Williams Consulting, Inc. (WCI) to perform a review of PacifiCorp's report entitled "Utah Holiday Storm Inquiry – December 2003". Our report entitled Review of PacifiCorp's Storm Response Report, Williams Consulting, Inc., was submitted on May 13, 2004, and contained 18 recommendations in addition to the 28 recommendations that were contained in PacifiCorp's report. Subsequent to that report PacifiCorp undertook to satisfy both sets of recommendations. Further, in December, 2005, PacifiCorp was acquired by MidAmerican Energy Holdings and agreed to a series of merger commitments. In the merger, the former western and eastern operating entities of PacifiCorp were combined to form Pacific Power, operating on the West Coast and Rocky Mountain Power (RMP), operating in Utah, Wyoming and Idaho.

The Utah DPU retained WCI in May, 2007 to conduct a review of PacifiCorp's progress and to provide technical assistance to the DPU in a complaint matter brought by one of Rocky Mountain Power's (RMP) customers, a Dr. Richard Drake. Our findings and recommendations relative to Dr. Drake's complaint were addressed in separate report.

Our approach to this assignment was to structure a work plan to provide a comprehensive review of the status of implementation of the recommendations that we made in our Storm Response Review Report[1] in 2004, to examine a number of additional items as directed by the DPU, and to provide technical support to the DPU in the Drake Complaint case.

In conducting these tasks, we examined documents provided by RMP in response to 35 data requests and we conducted over 20 focused interviews with RMP and PacifiCorp staff.

1.2. Review and Update of WCI's 2004 Storm Review

In this task, we reviewed the Company's progress in implementing the 28 recommendations from PacifiCorp's report and the 18 recommendations set forth in our report.

1.2.1 Comments on the Company's Conclusions and Recommendations

RMP submitted its final report on the 2003 storm, under Docket No. 04-035-01 in May 2004. Following that submission, RMP held five separate meetings with the Utah Division of Public Utilities, and other interested parties between July 2004 and April 2005 to report on progress on implementing the 28 recommendations contained in their report. RMP stated that at that time all recommendations were either completed, or closed and required no further reporting. On June 24, 2005, the Commission issued a memorandum concluding the investigation and directing parties to address further issues through the Service Quality Task Force. The Service Quality Task Force reports on a six-monthly basis to the Utah Division of Public Utilities and other interested parties.

[1] Review of PacifiCorp's Storm Response Report, Williams Consulting, Inc., May 13, 2004

RMP has taken a proactive approach to addressing the recommendations contained in their Storm Review Report, and has structured its practices to achieve measurable results in the areas noted above. We reviewed RMP's most recent Service Quality Report covering the January 1 to June 30, 2007 six month period, and agree that RMP has put into place standards, methods and activities that meet or exceed the intent of the 28 recommendations they committed to achieving. In particular RMP has made significant progress in the following areas:

- Service and performance standards
- Maintenance programs and expenditures
- Vegetation management

1.2.2 Status on WCI's Prior Recommendations

This review consisted of examining the specific recommendations in each of the following areas.

Topical Area	Recommendation Status
The Storm	No additional recommendations were made
Utah Power's Response	**Table-top Exercises**: RMP/PacifiCorp has undertaken a number of table-top exercises internally and with external agencies as was recommended. **Mutual Aid**: While RMP has not elected to participate in EEI's Restore Power mutual assistance program, they are a signatory with the Western Region Mutual Assistance Agreement, which provides a mutual assistance network of 31 Western US utilities. We are satisfied that RMP has adequately addressed our recommendations in this area.
Technology Issues	**Trunk Line Bottlenecks**: It is our opinion that the current expanded telecommunications configuration, including overflow capability should permit RMP to adequately respond to outage calls during emergencies and maintain the integrity of the OMS provided outage information to both customer representatives and through the IVR. **IVR Improvements**: Based on the improvements to the IVR system and processes described above and in view of RMP's high benchmark ratings[2], we are satisfied that RMP has significantly improved their systems to provide customers with better and more accurate outage information
Vegetation Management	**3-Year Trim Cycle**: RMP has increased its spending an average of 30% per year on vegetation management and this has resulted in reaching 3-year cycle by the end of 2006. As a result of achieving a 3-year cycle RMP has: • Reduced the preventable tree related outages 47% from 2004 to 2006. • Reduced tree related outages as a percentage of overall outages from 7% to 3%.

[2] IVR/ASR benchmarking study in 2007, conducted by Market Strategies, Inc.

Topical Area	Recommendation Status
	In our opinion, RMP has satisfied these recommendations, by having taken the appropriate steps to accelerate its tree trimming program to mitigate tree-related outages
Investment Standards	No additional recommendations were made
Reliability and Maintenance	**Maintenance Plan Audit**: RMP has satisfied this recommendation through its enhanced inspection programs **Condition Codes**: RMP expanded its 2 tier condition code prioritization program to a 5 tier program to permit better tracking and execution. We believe this will assist RMP in continuing to improve system performance. **Corrective Maintenance**: RMP has successfully reduced the outstanding "A" priority conditions to just about zero. While "B" conditions are increasing in number, RMP is working to reduce them through increased maintenance activities and a thorough review of data residing in the FPI database to eliminate stale and redundant data. **Physical Inspection of the System**: While PacifiCorp's distribution maintenance inspection program was at or above targets, they implemented an enhanced program that couples outsourced (and quality audited) safety and test/treat inspections, coupled with Reliability Work Plans that systematically target pockets of poor reliability for inspection and correction. In addition, RMP continues to execute its "Worst Performing Circuit" program with a target to achieve a 20% improvement in performance. We believe that the combination of these programs adequately addresses our recommendation. **Distribution Business Resource Plan update**: While RMP has not developed a formal update to this plan, they have actively implemented programs to streamline the distribution maintenance work planning that includes both work requirements and resource needs. **Increase Maintenance Budget**: RMP has increased its baseline maintenance budgets, particularly in vegetation management. We believe this recommendation has been met. **Reliability Metrics**: RMP participates in the Institute of Electrical and Electronic Engineers (I.E.E.E) annual reliability survey and participated in PA Consulting Group's 2005 T&D Benchmarking. RMP also provides annual reliability reports to the Department of Public Utilities containing their performance metrics. We consider this recommendation to be satisfied.
Organization and Resourcing	**Activity Analysis and External Assessment of Staffing Requirements**: RMP has in essence internally performed an assessment of resource needs and by employing software tools such a GREAT[3] and RUT[4]. Through these and other tools, outsourcing

[3] Geographic Reliability and Analysis Tool
[4] Resource Utilization Tool

Topical Area	Recommendation Status
	distribution line inspections, actively recruiting apprentices, RMP is able to satisfy resource needs.
Comparative Performance and Benchmarking	Participation in Benchmarking: RMP does not subscribe to the Edison Electric Institute, but RMP participates in the Institute of Electrical and Electronic Engineers (I.E.E.E) annual reliability survey and participated in PA Consulting Group's 2005 T&D Benchmarking, as well as the FPL[5] survey. We consider this recommendation to be satisfied.
Major Event Definition and Compensation	No additional recommendations were made

1.3. Additional General Areas of Investigation

This review consisted of examining RMP's performance in the following specific areas.

Topical Area	Findings
Maintenance Expenditures	In our May 13, 2004 report on PacifiCorp's storm response report, we made a comparison of Utah distribution maintenance spending per customer of $27.78. These figures placed Utah in the lowest quartile of spending, compared to a panel of 21 utilities. In the PA Consulting, Inc. 2004 Benchmark study, PacifiCorp placed in the highest quartile (of a panel of 24 utilities) of distribution maintenance spend per customer at $55.43. (PA's survey does not disaggregate PacifiCorp's component entities). RMP and Pacific Power are nearly equal in spend levels per customer at about $71.00 for 2006 data. Based on these facts, it is our opinion that RMP has improved its maintenance spending level per customer since the 2001 period
Reliability Performance	In our May 13, 2004 report on PacifiCorp's storm response we stated PacifiCorp (Utah only) ranked in the 4th quartile for both System Average Interruption Frequency Index (SAIFI) at 2.6 interruptions, and System Average Interruption Duration Index (SAIDI) at 260 minutes as compared to a national panel in the Edison Electric Institute (EEI) 2002 Reliability Survey. These results were near the high end of the 4th quartile (worst performers). In the 2005 Institute of Electronic and Electrical Engineers (I.E.E.E.) Reliability Survey, PacifiCorp - Utah improved their performance to 2.021 interruptions for SAIFI (22% better) and 215.53 minutes for SAIDI (17% better). These results place Utah (Company ID 61) nearer the middle of the 4th quartile. While RMP's base performance level is still in the higher (poorer performing) quartiles, they have made improvements that are in opposition to the national trend. Further, RMP has committed to a 2% annual improvement in these indices and so far has met that target.
MEHC Merger - Service quality commitments	In their report dated June 1, 2007 submitted by MEHC and PacifiCorp there are 11 commitments relative to service quality.

[5] Florida Power and Light

Topical Area	Findings
	PacifiCorp has met or is in the process of proactively meeting these requirements.
Prior Rate Case Stipulation on Maintenance Spending	Through 7 months (October, 2006 to April, 2007), PacifiCorp has consistently spent in excess on their commitment as of April 2007 were 8% above the commitment.
Handling of Safety-Related Calls	RMP has enabled improved call handling for safety-related calls and other emergency calls. For example, 911 calls can be routed directly to Dispatch. Callers who opt for selection 2 in the IVR for emergency calls (life-threatening emergencies) are immediately routed to a Customer Service Agent, who is able to conference Dispatch in as needed. Emergency calls are coded "red" in Dispatch.

1.4. Recommendations

1. We encourage RMP to continue refining its condition priority classifications and to continue its annual review of the descriptions and condition code assignments.

2. Background

In March 2004, Williams Consulting, Inc. (WCI) was retained by the Utah Division of Public Utilities (DPU) to review and comment on a series of reports prepared by PacifiCorp, doing business as Utah Power (the Company), in response to widespread outages caused by a major snowstorm that began on December 26, 2003. The series of reports was compiled into one document titled, "Utah Holiday Storm Inquiry – December 2003" (the report). WCI has performed an independent assessment of the report with the following objectives:

- Perform a comprehensive analysis of the report with focus on conclusions and recommendations.
- Comment on the completeness of the terms of reference (TOR) addressed in each section of the report.
- Prepare professional opinions regarding the conclusions and recommendations contained in the report.
- Offer additional conclusions and recommendations with supporting rationale, analysis, and/or industry comparisons as appropriate.

In May of 2004, WCI issued its final report that addressed the objectives above and resulted in an additional 18 recommendations.

In December, 2005 PacifiCorp was acquired by Mid-American Energy Holdings Corporation (MEHC) and reorganized and consolidated its operations into two regions: Pacific Power (Oregon, Washington and California) and Rocky Mountain Power (Utah, Idaho and Wyoming).

In May of 2007, the DPU determined to conduct a review of Rocky Mountain Power's progress in implementing those recommendations and to address several other areas, including adherence to MEHC merger conditions. The DPU contracted WCI on May 15, 2007 to conduct this review and to provide technical assistance to the DPU in a complaint matter brought by one of Rocky Mountain Power's (RMP) customers, a Dr. Richard Drake. Our findings and recommendations relative to Dr. Drake's complaint were addressed in separate report.

Our review comprised the following areas:

1. Status on WCI's Prior Storm Report Review Recommendations
2. Additional Areas of Investigation
    a. Technical Summary – Drake Complaint
    b. Maintenance expenditures
    c. Reliability performance
    d. MEHC Merger - Service quality commitments
    e. Last rate case stipulation on maintenance spending
    f. Handling of safety-related calls

3. Approach and Methodology

3.1. Work Plan

We structured our work plan to provide a comprehensive review of the status of implementation of the recommendations that we made in our Storm Response Review Report[6] in 2004. The following table lists the storm report items and the task activities that were undertaken.

Storm Report Items	Task Activities
1.4 Comments on the Company's Conclusions and Recommendations	Develop a data request and analyze the data to examine the company's tracking of the recommendations with the detail suggested.
2. Utah Power's Response	Review PacifiCorp's emergency planning and use of exercises since 2004
3. Technology Issues	Review current status of telephone system bottlenecks and remediation taken, including IVR
4. Vegetation Management	Review progress on accelerating VM program to reach 3 year trim cycle – examine budget and actual VM expenditures for the last 4 years
	Review status reports to the DPU on cycle goals
6. Reliability and Maintenance	Review maintenance plan audit
	Review maintenance priority code changes and review maintenance records since 2004
	Review physical inspection plan and results including actions since 2004
	Review updated Distribution Business Resource Plan
	Review changes in baseline maintenance budgets since 2004
	Review progress on maintenance "catch-up" program
7. Organization and Resourcing	Review results of activity analysis and/or independent assessment for staffing levels
8. Comparative Performance and Benchmarking	Review comparison of reliability metrics for Utah Power, Other PacifiCorp entities and industry. Also review PacifiCorp's external benchmarking results (PA Consulting, I.E.E.E. and EEI).

In addition to our review of the current status of the recommendations made in the Storm Response Review, we examined a number of additional items as directed by the DPU, listed in the following table.

Additional Items	Scope
1. Pole Fires	Review PacifiCorp's records to examine trends on pole fire cause types
2. Irvine Complaint	Follow-up on Irvine (Kempner Avenue) complaint
3. Field Force Interviews	Conduct confidential interviews with field work force, including line supervisors, line workers and line inspectors. (we assume 10-15 interviews)
4. Contamination Review	Perform weather pattern and contamination cause review
5. Inspection Records - grounds	Examine inspection records on cut or missing ground wires and their repair classification
6. Staffing	Examine management and field staff numbers and qualifications and compare to historical
7. Maintenance Expenditures	Compare and contrast Utah with Portland with regard to maintenance expenditures and reliability performance.
8. Service Quality re merger	Review Service quality commitments from the Mid-American merger and what PacifiCorp has done and is doing to uphold these commitments

[6] Review of PacifiCorp's Storm Response Report, Williams Consulting, Inc., May 13, 2004

9. Rate case stipulation on maintenance levels	Review last rate case stipulation regarding monetary levels for maintenance activities and compare PacifiCorp's current and budgeted spending levels.
10. Safety related call handling - PacifiCorp	Review PacifiCorp's handling of safety-related calls, including how allocated to appropriate staff and how documented.
11. Safety related call handling – Commission	Review the Commission's response and process for handling emergency call made to the Commission.

3.2. Interviews

We conducted a total of 20 interviews with RMP's staff as summarized in the following table:

Interviewee	Title	Functional Area	Date(s)	Interview Topics
Rich Walje	President, Rocky Mountain Power	General	6/11/07 1-2PM	Initiatives, Strategy, Merger Impacts and Commitments, Emergency Planning, Organizational Responsibilities.
Doug Bennion	Managing Director	Network Reliability and Investment	6/13/07 2-5PM	Reliability Performance, Benchmarking, Pole Fire Cause Analysis, NESC Clearances, Design Standards, Insulator Pin Strength
Heidi Caswell	Director	Reliability	6/13/07 2-5PM	CADOPS, I.E.E.E. benchmarking Reliability
Karen Gilmore	Vice President	Customer Services	6/11/07 10-noon	Call Center, IVR, HVCA, Upgrade telephony system Safety Call-in Handling (public and agency)
Rick Vail			6/13/07 by phone 7/12/07 2:00-4:00PM	Facility Point Inspections NESC Adherence GISMO Condition codes
Dave Eskelsen	Manager	External Communications and News Media Relations	6/12/07 2-3PM	Outreach Programs, Emergency Communications
Paul Radakovich	Vice President	Operations	6/13/07 5:30PM-7:30PM	Staffing, Emergency Planning and Exercises Maintenance Programs and Audits, Inspection Cycles, Rate Case Stipulations of Maintenance Spend Distribution Business Resource Plan
Jody Berger, Scott Derrick, Vaughn Rasmussen, Randy Miller	Director, Director, Director, Chief Arborist	Dist. UT South, Dist. UT Central, Dist. UT Northern Vegetation Mgmt	6/11/07 1-3 PM as a group	Squatting Insulators, Ground Wires, Inspection Programs, Work Order Classifications, Safety Related Problem Handling. Status of vegetation management program VM cycle achieved Initiatives in progress Use of contract trimming
Curtis Mansfield	Managing Director	Distribution Support	7/12/07 4:00-6:00PM	Outsourced inspection programs RMP inspection program Inspection audits
Mark Moench	Sr. VP and General Counsel	Merger Commitments	6/13/07 1-3PM	Merger Commitments Targets and Tracking
Joe Lopez	Line Supervisor	Distribution	6/12/07	Field and facility visits tour

Interviewee	Title	Functional Area	Date(s)	Interview Topics
			1-5PM	
Kelly Shafer, Wayne Calobeer, Dave Sjoblom, John Burt, Paul Garcia, Dave Larsen (WRC).	Line Supervisors, Distribution Inspectors, Line Workers	Distribution	7/11/07 8AM-2:30PM	Work assignments, W/O handling Inspection methods, Priorities Scheduling.

3.3. Research and Document Reviews

We developed data requests and reviewed a number of documents as listed in the following table:

Ref ID	Recommendation	Data Request
1.4	Recommendations Implementation Plan	Please provide a detailed listing of the tracking employed and results for each recommendation in the Storm Response report. Please segregate or identify those proposed by PacifiCorp and those recommended by WCI
2a	Table-top exercises	Please provide detail on the type, timing and results of table-top or other emergency preparedness exercises conducted by the company and indicate participants.
2b	EEI's Restore Power	Has PacifiCorp engaged in participation in this service. If not, please indicate what other mutual aid arrangements PacifiCorp has employed.
3a, 3b	Call Center telephone system, IVR	Please provide detail of improvements implemented to assure adequate communications trunk capacity, IVR messaging and ETR data.
4a, 4b	Vegetation Management	Please provide the following data: 1. Vegetation Management Budget and Actual expenditures from 2003 to present. 2. Current effective trim cycle (in years) 3. Progress reports provided to the Utah PSC/DPU on this program
6a	Maintenance Plan Audit	Please provide results of maintenance plan audit
6b	Maintenance priority codes	Please provide: 1. Descriptions of changes made to maintenance prioritization codes or levels 2. Explain how immediate, safety issues are coded and handled
6c	Corrective maintenance	Please provide: details of corrective maintenance (by priority classification) showing when booked and when completed from 2004 to present
6d	Physical Inspections	Please provide: 1. Inspections scheduled and completed since 2004, by work center or area 2. Results of inspections – condition assessment broken down by asset type
6e	Distribution Business Resource Plan	Please provide update(s) to the last plan (prepared in 2002)
6g	"Catch-up" Maintenance Plan	Please provide details on how the 'catch-up' maintenance program was established and its results
7a, 7b	Maintenance Plan Activity Analysis	Please provide results of such study
8a	Comparative Performance	Please provide results of latest PA Consulting Group's Benchmarking for PacifiCorp, segregated by operating entity or state
8b	Other Benchmarking	Did PacifiCorp participate in I.E.E.E and EEI reliability surveys? If so, please provide result data
New 1	NESC insulator clearances	Please provide engineering analysis on insulator clearances and creepage lengths
New 2	Industry research on 'squatting" insulators	Please provide results of PacifiCorp's research in this area
New 3	Outage Statistics	Please provide detailed outage statistics for PacifiCorp's operating entities (Oregon, California, Wyoming and Utah) with a breakdown of these by area or center for Utah and further broken down by outage cause types from 2004
New 4	Pole fire causes	Please provide data on history of pole fires and their causes from 2004
New 5	Kempner Avenue Complaint	Please provide follow-up on resolution of this complaint, including all actions taken.
New 6	Field Interviews	Please provide organizational chart showing the line organization by center or area, including positions and names.
New 7	Weather patterns/contamination	On hold

Ref ID	Recommendation	Data Request
New 8	Cut ground wires	Please provide statistics on cut or missing ground wires and their repair classification.
New 9	Strength of wooden insulator pins	Please provide: 1. PacifiCorp's analysis of the pin strength 2. Actual or estimate of number of wooden insulator pins in use vs. all types
New 10	Maintenance Staffing	Please provide the number of field staff and management from 2004.
New 11	Maintenance Expenditures and Reliability	Please provide: 1. Maintenance expenditures from 2004 to present for Utah and Oregon 2. Reliability performance statistics for Utah and Oregon
New 12	Service Quality Commitments (MidAmerica Merger)	Please provide a listing of the service quality agreements and metrics agreed as part of the merger and report on progress in meeting them.
New 13	Last rate case stipulation	Please provide: 1. Rate case stipulation regarding maintenance spending 2. PacifiCorp's current and budget spending on maintenance activities

In addition to this initial data request, a number of other data items were requested during the course of our review and during interviews. A complete list of the data requests received is listed in Appendix 7.2.

4. Review and Update of WCI's 2004 Storm Review

4.1. Comments on the Company's Conclusions and Recommendations

In our Storm Response Review Report, we stated the following:

"WCI agrees with many of PacifiCorp's conclusions and supports the implementation of all of their recommendations. In addition, as shown below, we have formulated independent conclusions and additional recommendations in key areas of concern. Although the PacifiCorp's recommendations are generally supported by an explanatory comment and time frame for decisive action, the recommendations must be converted to an implementation plan including:

- *A statement of the recommendation with appropriate explanatory comment(s).*
- *A concise statement of the implementation objectives, i.e., what the Company wants to accomplish by implementing the recommendation.*
- *A summary of what will be done to implement the recommendation, i.e., the action steps required.*
- *An estimate of the benefits and costs of implementing the recommendation.*
- *A detailed listing of milestones, completion dates, and performance measurements for implementing the recommendation.*
- *The name and position of the Company official responsible for implementing the recommendation.*

In our opinion, the implementation plan should be monitored quarterly by a task force consisting of appropriate representatives from stakeholders to this inquiry process. Absent this level of detail, it will be difficult to monitor and manage implementation of the recommendations in an effective and efficient manner."

RMP submitted its final report on the 2003 storm, under Docket No. 04-035-01 in May 2004. Following that submission, RMP held five separate meetings with the Utah Division of Public Utilities, and other interested parties between July 2004 and April 2005 to report on progress on implementing the 28 recommendations contained in their report. RMP stated that at that time all recommendations were either completed, or closed and required no further reporting. On June 24, 2005, the Commission issued a memorandum concluding the investigation and directing parties to address further issues through the Service Quality Task Force. The Service Quality Task Force reports on a six-monthly basis to the Utah Division of Public Utilities and other interested parties.

RMP has taken a proactive approach to addressing the recommendations contained in their Storm Review Report, and has structured its practices to achieve measurable results in the areas noted above. We reviewed RMP's most recent Service Quality Report covering the January 1 to June 30, 2007 six month period, and offer the following comments.

1. Service Standards Program

RMP previously had a set of goals in place for service standards. They have enhanced these and provided measurable goals for its Service Standards Program covering Customer Guarantees and Performance Standards and illustrated in the following tables:

Customer Guarantees

Guarantee	Goal
Customer Guarantee 1: Restoring Supply After an Outage	The Company will restore supply after an outage within 24 hours of notification with certain exceptions as described in Rule 25.
Customer Guarantee 2: Appointments	The Company will keep mutually agreed upon appointments which will be scheduled within a two-hour time window.
Customer Guarantee 3: Switching on Power	The Company will switch on power within 24 hours of the customer or applicant's request, provided no construction is required, all government inspections are met and communicated to the Company and required payments are made. Disconnection for nonpayment, subterfuge or theft/diversion of service is excluded.
Customer Guarantee 4: Estimates For New Supply	The Company will provide an estimate for new supply to the applicant or customer within 15 working days after the initial meeting and all necessary information is provided to the Company and any required payments are made.
Customer Guarantee 5: Respond To Billing Inquiries	The Company will respond to most billing inquiries at the time of the initial contact. For those that require further investigation, the Company will investigate and respond to the Customer within 10 working days.
Customer Guarantee 6: Resolving Meter Problems	The Company will investigate and respond to reported problems with a meter or conduct a meter test and report results to the customer within 10 working days.
Customer Guarantee 7: Notification of Planned Interruptions	The Company will provide the customer with at least two days notice prior to turning off power for planned interruptions.

Performance Standards

Standard	Goal
Network Performance Standard 1: Improve System Average Interruption Duration Index (SAIDI)	The Company will improve SAIDI by 6% by March 31, 2008.
Network Performance Standard 2: Improve System Average Interruption Frequency Index (SAIFI)	The Company will improve SAIFI by 6% by March 31, 2008.
Network Performance Standard 3: Improve Under Performing Circuits	The Company will reduce by 20% the circuit performance indicator (CPI) for a maximum of five under performing circuits on an annual basis within five years after selection.
Network Performance Standard 4: Supply Restoration	The Company will restore power outages due to loss of supply or damage to the distribution system on average to 80% of customers within three hours.

Standard	Goal
Customer Service Performance Standard 5: Telephone Service Level	The Company will answer 80% of telephone calls within 30 seconds. The Company will monitor customer satisfaction with the Company's Customer Service Associates and quality of response received by customers through the Company's eQuality monitoring system.
Customer Service Performance Standard 6: Commission Complaint Response/Resolution	The Company will a) respond to at least 95% of non-disconnect Commission complaints within three working days; b) respond to at least 95% of disconnect Commission complaints within four working hours; and c) resolve 95% of informal Commission complaints within 30 days, except in Utah where the Company will resolve 100% of informal Commission complaints within 30 days.

2. Post Merger Performance Standards

Over the 6 month report period, RMP has performed very close to plan for System Average Interruption Duration Index (SAIDI) and System Average Interruption Frequency Index (SAIFI). Over a 5 year historical period, RMP's SAIFI and SAIDI (including major events) have declined (improved) and continue to trend downward. However, SAIDI (excluding major events) has been relatively level. RMP recognized this and has made crew shift changes to permit more rapid response during high outage times in an effort to reduce (improve) SAIDI.

RMP continues to monitor, remediate and report on its worst performing circuits with a 20% improvement goal.

RMP consistently has met or exceeded its goals related to restoration and telephone response:

UTAH RESTORATIONS WITHIN 3 HOURS					
Cumulative 3-Year Program-to-date					86%
Cumulative January 1 – June 30, 2007					89%
January	February	March	April	May	June
83%	90%	91%	84%	92%	88%

COMMITMENT	GOAL	PERFORMANCE
PS5-Answer calls within 30 seconds	80%	82%
PS6a) Respond to commission complaints within 3 days	95%	100%
PS6b) Respond to commission complaints regarding service disconnects within 4 hours	95%	100%
PS6c) Resolve commission complaints within 30 days	100%	100%

3. Customer Guarantees

The following table illustrates that RMP's customer guarantee performance for 2005 and 2006 remains above 99%:

		2006				2005			
	Description	Events	Failures	% Success	Paid	Events	Failures	% Success	Paid
CG1	Restoring Supply	1,655,787	3	99.9%	$425	1,664,184	8	99.9%	$700
CG2	Appointments	8,628	22	99.7%	$1,100	8,100	25	99.7%	$1,250
CG3	Switching on Power	15,403	30	99.8%	$1,500	22,507	41	99.8%	$2,600
CG4	Estimates	2,392	40	98.3%	$2,000	3,147	55	98.3%	$2,750
CG5	Respond to Billing Inquiries	7,348	21	99.7%	$1,050	8,759	17	99.8%	$850
CG6	Respond to Meter Problems	1,046	7	99.3%	$350	985	9	99.1%	$450
CG7	Notification of Planned Interruptions	58,862	20	99.9%	$1,000	45,667	15	99.9%	$750
		1,749,466	**143**	**99.9%**	**$7,425**	**1,753,349**	**170**	**99.9%**	**$9,350**

4. Maintenance Compliance to Plan

RMP has enhanced its preventative and corrective maintenance programs to increase the inspection frequency and to resolve abnormal conditions. The inspection program for transmission and distribution lines is comprised of:

- Safety inspections conducted on a 2 year cycle for distribution and subtransmission and a 1 year cycle for the main grid.
- Detailed are performed as needed[7]
- Pole test and treat is done on a 20 year cycle.

Substations are inspected monthly and RMP also performs minor maintenance or overhauls based on elapsed time and/or number of operations for certain major substation equipment.

RMP has developed a maintenance spending plan and a scorecard target for maintenance and actual spending and maintenance completions track well against plan for the six month period.

RMP reports its compliance with correcting Priority "A" conditions and has performed well under the target of 120 days, averaging around 33 days.

5. Capital Investment

RMP has established a capital spending plan for both transmission and distribution and actual performance tracks closely with planned expenditures overall.

6. Vegetation Management

RMP had embraced achieving a 3 year tree trim cycle and has met that goal at the end of 2006. RMP continues to monitor its trim program to assure that it remains on a 3 year cycle.

[7] Effective 1/1/2007 Rocky Mountain Power modified its reliability & preventative planning methods to utilize repeated reliability events to prioritize localized preventative maintenance activities, using its Customers Experiencing Multiple Interruptions (CEMI) planning methodology. Repeated outage events experienced by customers will result in localized inspection and correction activities, rather than all programmatic inspections and corrections being performed at either the entire circuit or map section level.

4.2. Status on WCI's Prior Recommendations

In our report, we stated:

"Based on our review of the report, our independent analysis of the findings and conclusions contained in the report, our industry comparisons with Company performance data, and our professional judgment, we offer the following recommendations in addition to those contained in the PacifiCorp report."

In the following sections, we have re-stated the recommendation(s) that we made and analyzed the progress that RMP has made in satisfying the recommendation(s).

4.2.1 The Storm

"No additional recommendations"

4.2.2 Utah Power's Response

a. Conduct periodic "table-top" exercises for emergency response evaluation and include City and State emergency organizations in the simulation.
b. Consider participating in EEI's "Restore Power" service, which provides real-time ability to request assistance. This service includes both utilities and contractors."

a. The company has developed, conducted or participated the following exercises:

Date(s)	Exercise	Summary
December 17, 2004	Operation Polar Bear	Multi-departmental simulated Incident Coordination exercise to evaluate the outage management processes and coordination among involved groups. All objectives were met and areas identified for further strengthening.
May 31, 2006	Summer loading preparation	A tabletop exercise to prepare for potential summer loading issues. Attended by Field Operations, Engineering, Customer Service, Community, External Communications, Logistics, transport and Information Technology.
October 3, 2006	Circuit Captain training	A tabletop training exercise intended to advance the capabilities, assignments and communications for circuit captains during emergency events. Participants included Field Operations and Region Dispatch.

Date(s)	Exercise	Summary
October 11, 2006	Operations Dark Night	Functional exercise conducted with Salt Lake County as part of a larger exercise developed by the County. RMP was the only utility that participated among 11 jurisdictions, 16 agencies, 3 local hospitals and 2 volunteer organizations.
June 21, 2007	Functional Exercise with the State of Utah	This exercise was intended to evaluate and strengthen the Utah Energy Shortage Contingency Plan.
June 22, 2007	Utah Energy Shortage Contingency Plan	Tabletop exercises with the Utah Governor and his cabinet. Other participants included RMP and Questar.

We believe that the company has undertaken appropriate tabletop exercises, both internally and in conjunction with public agencies to assure that emergency response will be properly designed and coordinated in the event of future events. As an example, the company activated its Salt Lake Regional Emergency Action Center (REAC) on June 5, 2007 at 12:48PM in response to a high wind advisory from the National Weather Service. Each operation center took steps to remain in a high state of readiness and to remain in contact with Salt Lake County. The REAC was deactivated at 9:07PM.

b. The company is not a signatory with the Edison Electric Institute's (EEI), but is a signatory with the Western Region Mutual Assistance Agreement. This agreement is designed as a tool for all gas and electric utilities throughout the western US and Canada. Members include:

Arizona Public Service	Avista Corporation
Cascade Natural Gas	Chelan Public Utility District No. 1
City of Mesa Utilities	Clark Public Utility District
Coos-Curry Electric Cooperative, Inc.	El Paso Electric Company
ENSTAR Natural Gas	Eugene Water & Electric Board
Hawaiian Electric Company	Intermountain Gas Company
Nevada Power	NorthWestern Energy
NW Natural	Pacific Gas & Electric Company
PacifiCorp	Portland General Electric
Public Service Co. of New Mexico	Puget Sound Energy
Questar Gas	Sacramento Municipal Utility District
Seattle City Light	Salt River Project
Sierra Pacific Power Co.	Southern California Edison Company
Southwest Gas Corp.	Terasen Gas, Inc.
The Gas Company LLC	Tucson Electric Power Company
Tuscarora Gas Transmission Company	

We believe that this level of mutual assistance agreement, spread over a reachable geographic area should provide RMP with adequate resources to meet its emergency needs even when events cover geographic areas that impacts most local utilities.

4.2.3 Technology Issues

"While the following items are discussed in PacifiCorp's report, they were not identified as specific recommendations and therefore have been included here.
a. Review telephone system bottlenecks that may exist in either outgoing or incoming trunk capacity.
b. Consider enhancing the IVR system to better facilitate the ability to modify messaging on the fly in order to provide current outage and restoration status information to the callers."

a. At the time of our prior report, Utah Power & Light call centers had a total of 320 inbound call trunks, which included 90 potential trunks for outage calls handled by the Interactive Voice Response (IVR) system. RMP continues to contract with Twenty First Century Communications (TFCC) for outsourced outage call handling. AT&T recognizes a spike in incoming calls and will automatically shift to TFCC. In order to overcome incoming trunk capacity limitations during heavy outage call volume, RMP implemented an additional 94 dedicated trunks to handle TFCC redirected calls to service agents. Further, RMP limited the TFCC capacity to 500 trunks to protect the OMS from data overload. Any calls requiring more then 500 TFCC trunks, RMP has the capability to provide recorded messaged, rather than direct OMS data.

It is our opinion that the current configuration should permit RMP to adequately respond to outage calls during emergencies and maintain the integrity of the OMS provided outage information to both customer representatives and through the IVR.

b. RMP has taken steps to assure that its outage call handling IVRs (internal and TFCC) function in the same manner to provide a seamless system from the customer's perspective. They have significantly improved the IVR call handling menus and processes. RMP employed customer testing programs to fine tune their IVR messaging. In addition to new outage reporting and two levels of messages for known outages, RMP has added:
   - Reduced attempts to verify telephone number from 3 to 2, then caller is passed to a customer service agent
   - Reduced attempts to verify address from 3 to 1, then caller is passed to a customer service agent
   - Removed verbiage that stated "We are unaware of an outage at this location" and replaced it with the new outage reporting message.
   - Improved crew status information to carry one of three messages: notified, assigned, or arrived.
   - Expanded cause codes from 9 to 20
   - Estimated time of restoration (ETR) improved to include three messages.
   - Improved "predictive" ETS within the OMS based on historical restoration information that generally covers about 80% of all outages.
   - Suspend automated ETR estimation during storms or large scale events. In this case, troubleshooters and crews update dispatchers who manually update the OMS.

- Implemented the first phase of a new program to call customers back to verify outage restoration.
- Planning to implement the second phase of this program to expand customer call backs to include updated ETR information.

PacifiCorp participated in an IVR/ASR benchmarking study in 2007 conducted by Market Strategies, Inc. While the results are reported for Pacific Power, RMP's results are the same since a common IVR is used by Pacific Power and RMP. Pacific Power/RMP consistently ranked near the top of the 1st quartile in all three evaluation areas: Functionality, Usability and Aesthetics. Further Pacific Power/RMP was among only 3 utilities that achieved top quartile in all three categories.

Based on the improvements to the IVR system and processes described above and in view of RMP's high benchmark ratings, we are satisfied that RMP has significantly improved their systems to provide customers with better and more accurate outage information.

4.2.4 Vegetation Management

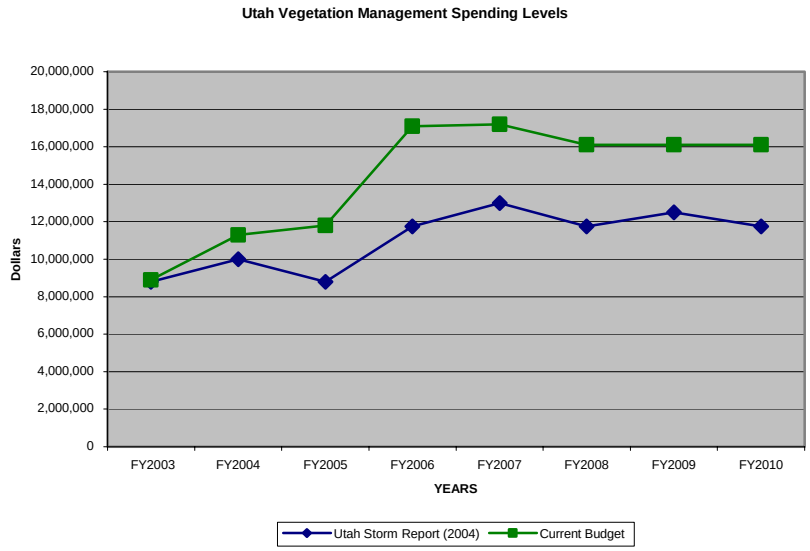
"a. Accelerate the vegetation management program to reach compliance with a 3-year tree trimming cycle as soon as possible.
b. As an initial step, PacifiCorp should be required to provide periodic status reports to the DPU as to its progress in meeting the 3-year tree trimming cycle goal. If the regulatory agency is not satisfied with the progress or results, mandated vegetation management standards should be imposed by the regulator. "

During our 2004 review we noted that RMP was on a 6.4-year tree trimming cycle based on the then current and budgeted vegetation management expenditures. We recommended that this be accelerated to a 3-year cycle and that quarterly reports be filed with DPU. RMP has increased its spending an average of 30% per year on vegetation management and this has resulted in reaching 3-year cycle by the end of 2006. RMP currently uses 97 outsourced crews to conduct the vegetation management trim program. RMP has incorporated reporting of the status on vegetation management in their semi annual Service Quality Review.

The enhanced vegetation management program was initiated in April, 2005 and crew counts were doubled over about a one year period. All trimming is outsourced to two companies (75% to Trees, Inc, and 25% to Wright Tree). The contractor crews each have a member who is licensed for herbicides. RMP's two foresters develop the overall plans with the contractors' supervisors, and factor in the results of discussions with RMP's engineers on reliability issues, customer surveys and customer complaints. RMP audits a 5% sample of the tree trim completions. As of our interviews on 6/11/07, the audit results have been in the 97% compliant range, well above the target of 95%. During the tree trim process, if the trim crews identify a possible electrical problem, their supervisors contact RMP Dispatch directly. RMP noted that their biggest challenge is customer resistance, but RMP has been successful in getting the trim completed.

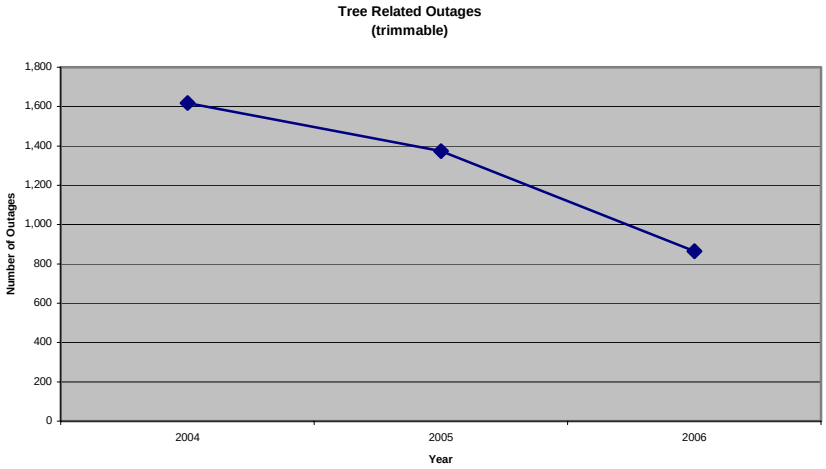
The following chart illustrates the significant increase in vegetation management expenditures following 2004[8].

[8] Service Quality Review Jan 1-June 30, 2007 and WCI Storm Report, page 21



As a result of achieving a 3-year cycle RMP has:

- Reduced the preventable tree related outages 47% from 2004 to 2006[9].
- Reduced tree related outages as a percentage of overall outages from 7% to 3%.



In our opinion, RMP has satisfied these recommendations, by having taken the appropriate steps to accelerate its tree trimming program to mitigate tree-related outages.

4.2.5 Investment Standards

"No additional recommendations"

[9] Data request DPU 1.17-1

4.2.6 Reliability and Maintenance

"a. Conduct a maintenance plan audit to determine whether the Company is performing all inspections, testing, preventive and corrective maintenance in conformance with its maintenance plan requirements.
b. Modify and expand the maintenance priority codes and schedules to specify the types of conditions requiring immediate corrective action, within one month, six months, and one year.
c. Institute a rigorous program to prioritize, schedule and track corrective maintenance for both "A" and "B" (and expanded codes as above) maintenance items.
d. Perform a physical inspection of a sample of the distribution system including conductors and ancillary equipment, poles and all attachments, cross-arms, protective devices, lightening protection, transformers, switches, regulators, substations, and right-of-way conditions.
e. Review and update the Distribution Business Resource Plan last prepared in 2002.
f. Provide suitable increases in baseline maintenance budgets and resources in order to keep up with corrective maintenance work orders such that system reliability improves. This item would involve two distinct and significant activities:

i. Evaluate baseline maintenance budgets to properly support corrective maintenance and system reliability targets
ii. Assess resource requirements based on the work plan to provide adequate resources (contracted and internal) to support the plan

g. Mount a "catch-up" maintenance program in order to substantially reduce the outstanding corrective maintenance items within a short time period and with a view to improving system reliability, particularly SAIFI. Further, the Company should jointly with the DPU, determine a reasonable and measurable target for SAIFI performance improvement and/or reduction of equipment failure outage frequency as an expected outcome of increased maintenance spending
h. Perform an annual review and comparison of PacifiCorp's Utah reliability metrics against itself, PacifiCorp other than Utah, and an industry benchmark panel."

Item a. - Maintenance Plan Audit
RMP has satisfied this recommendation through its enhanced inspection programs as described below in Item d.

Item b. - Condition Codes
In January 2006, RMP reactivated a 3-tier maintenance priority code system. The definitions as per DPU Data Request 1.7 are:

Priority A: Conditions found that pose an imminent hazard to the public or employees, or risk of loss of supply or damage to the electrical system.
Priority B: Conditions found that while meeting the condition requirements needs above, in the opinion of the inspector do not pose an imminent hazard.
Priority C: Conditions found that while meeting the condition requirements noted above, in the opinion of the inspector do not need to be corrected until the next time the facility point has additional work that needs to be completed.

The Three-Tier Prioritization Model, which contains 128 specific condition categories and their priority, provides a set of rules for classifying facility point conditions. Of these, 32 are classed as "Imminent Danger" (equivalent to an "A" condition), 73 are classed as "Before Next Detailed Inspection" (equivalent to a "B" condition, and 26 are classed as "Candidate for Deferral" (equivalent to a "C" condition). A total of six of the conditions are classed as either as "A" or "B," and are automatically classed as "A" unless the line worker believes they do not represent an imminent danger and then they are classed as a "B" condition. Similarly, there are four conditions that are classed either

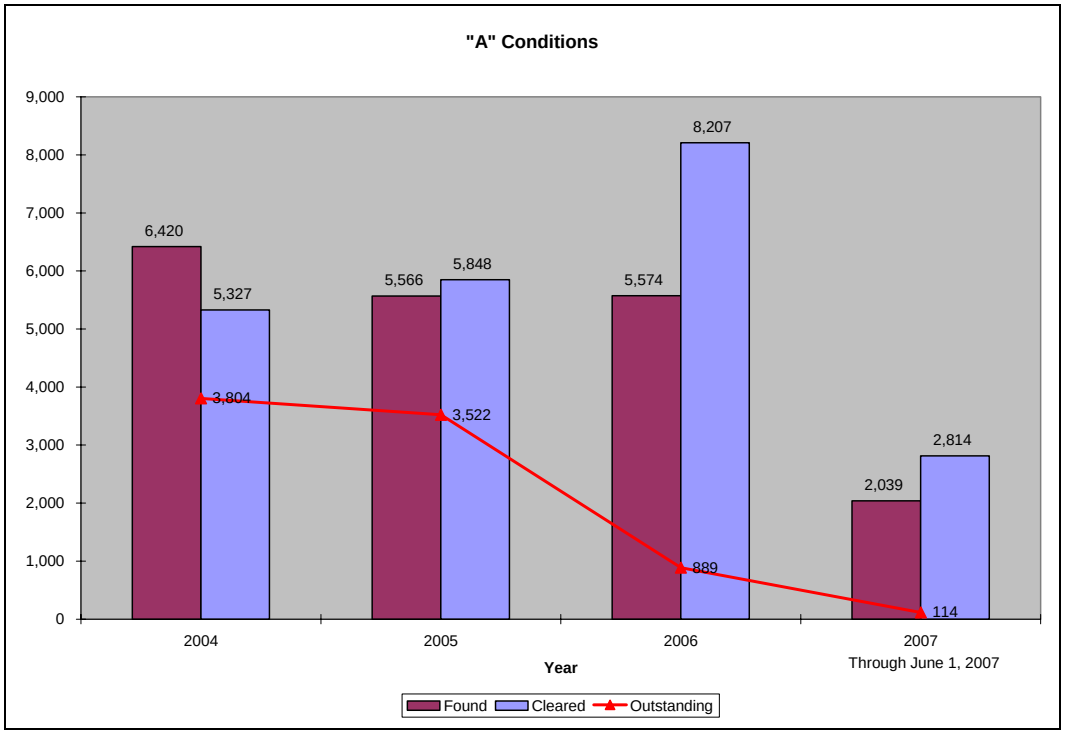
"B" or "C." The line workers have the ability to escalate any condition to a higher priority, based on their experience and knowledge of the system.

We would like to point out that there are several inconsistencies in the listings in the Model. For example, item 65, BOXARM – "Arm is split/cracked/rotten" is classed as "Imminent Danger" ("A"), while items 72 and 73, BOXARM – "SPLIT/CRACKED, CAN BAND" and "SPLIT/CRACKED, REPLACE" are both classed "Before Next Detail Inspect" ("B"). We do not believe that this would cause a line inspector or troubleshooter to misclassify a condition, but point out that RMP should carefully review the list of conditions to improve consistency.

In the agreed settlement stipulation for the Drake Complaint, RMP agreed to conduct a formal review of its facilities condition categories (A and B conditions) to assure that they comply with accepted utility practices.

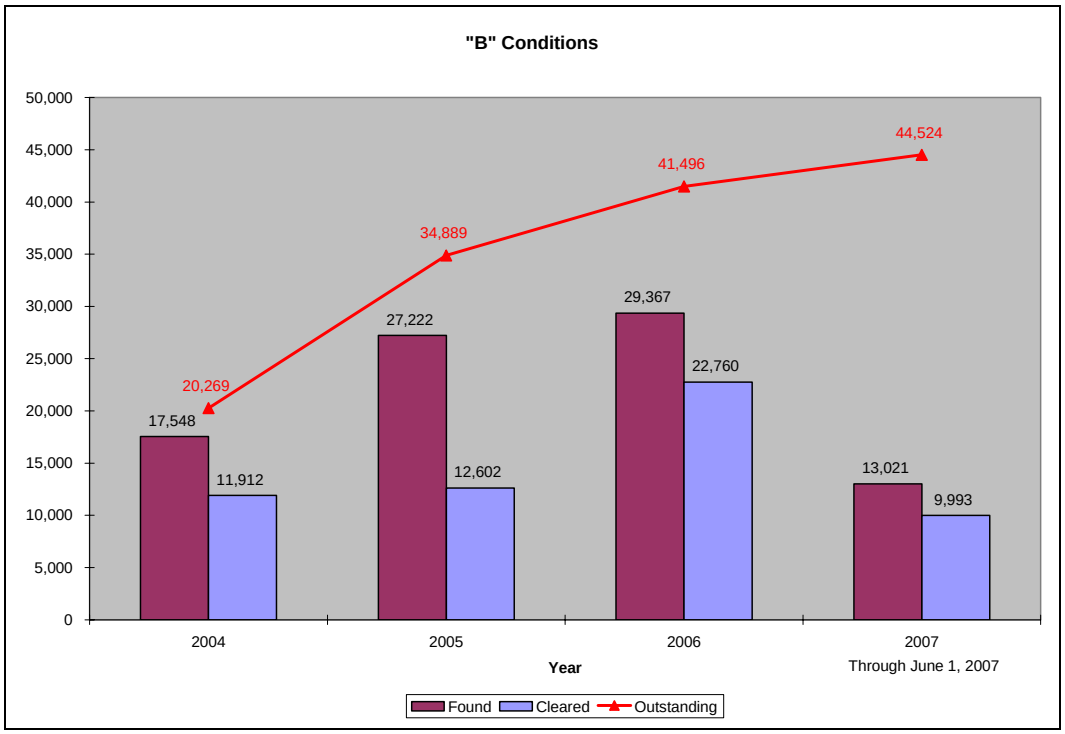
Item c. - Corrective Maintenance

RMP has put substantial effort into correcting "A" conditions found as a result of its inspections, outage responses and other reporting means. "A" conditions have been reduced from 3,804 in 2004 to less than 114 through 6/11/2007 in 2007, as depicted in the following chart.



RMP has agreed to complete corrective maintenance on "A" items within an average of 120 days from the time the condition was reported. RMP's average repair time is under currently about 30 days.

The following table summarizes RMP's progress in correcting "B" condition issues on the system.



"B" condition items have been steadily increasing and outstanding items number in excess of 44,000. RMP explains that part of this is due to the substantial increase in conditions found as part of its enhanced inspection program and the use of outsourced inspectors, who tend to be conservative in identifying and including conditions as "B" category conditions. RMP indicated that there are several reasons the "B" condition balance has been growing:

1. Once RMP implemented its enhanced inspection program the volume of conditions found has increased. RMP annually found, on average, over 27,000 "B" conditions during 2005-2007 (prorated for a full year for 2007), as compared to just under 10,000 "B" conditions annually during the 2002-2004 period.
2. RMP has pushed to clear "A" conditions during 2006 and 2007 (through 6/11/2007). Therefore, if work effort was diverted to focus on "A" conditions, the level of outstanding "B" conditions would have increased. It should be noted, however, that RMP has focused on "B" conditions in areas of poorer reliability while working to clear the "A" conditions.
3. RMP reports that some "B" conditions were created when a re-inspection of "A" conditions found some of them to be less severe than recorded.
4. Some "B" conditions are left in the database as "place holders" to help build a record of specific equipment issues for later analysis.
5. Some "B" conditions remain in the database until a "clean-up" is done to clear out, for example, a set of conditions on a pole that was replaced. In this instance, RMP is establishing cross-checking procedures to assure that all of the related conditions are cleared when a work order is completed.
6. RMP regularly monitors the impact of its targeted efforts and estimates that the resources necessary for these efforts will decrease over time as reliability continues to improve and a complete detailed inspection cycle is completed.

They believe that this will free up additional maintenance funds to repair the remaining "B" and "C" conditions

Nonetheless, while we understand what RMP is attempting to accomplish, we are concerned that this "growing" number of "B" conditions could be interpreted to indicate a growing backlog of work that is not being accomplished.

Subsequent to our analysis, and to be effective in early 2008, RMP has further modified their tiered maintenance priority code system. There are now five tiers as follows:

Priority A: Conditions that pose an immediate hazard to the public or employees, or that risk immediate loss of supply or damage to the electrical system. These conditions remain subject to the agreed mitigation goal of 120 days (actual performance is about 33 days).

Priority B: Conditions that are nonconforming, but that in the opinion of the inspector do not pose an immediate hazard. The conditions are subject to a mitigation goal of one year or less, depending on maintenance plan scheduling.

Priority C: Conditions that are nonconforming, but that in the opinion of the inspector do not need to be corrected until the next scheduled work is performed on that facility point. These conditions are planed to be mitigated by the next facility point inspection cycle.

Priority D: Conditions that conform to the NESC and are not reportable to the associated State Commission. These conditions do not have a regulatory timeline for correction. These conditions are primarily intended to be "place holders" for maintenance trend analysis or reflect 3rd party actions that are outstanding.

Priority G: Conditions that conform to the NESC, GO95, or GO128 requirement that was in place when construction took place but do not conform to more recent code adoptions. These conditions are "grandfathered" and are considered conforming. However, this priority classification will permit these conditions to be identified and targeted for upgrading to current requirements when the facility point is scheduled for replacement, relocation or upgrade work.

Finally, we understand that any priority B condition that is on the same facility point as an A condition will be mitigated at the time the A condition is mitigated.

We encourage RMP to continue refining the condition priority classifications and to continue its annual review of the descriptions and condition code assignments. .

Item d. - Physical inspection of the system

In our Storm Report[10], we found that RMP's preventative maintenance plan conformed to industry practices. At that time RMP's pole inspection program consisted of a 2 year safety inspection, an 8 year detailed inspection and a 16 year test and treat program. At the time of our report, RMP was at or above targets.

[10] Williams Consulting, Inc.'s report entitled: "Review of PacifiCorp's Storm Response Report, Utah Holiday Storm - December 2003", dated May 13, 2004, page 40.

RMP has implemented a slightly different inspection program with some enhancements as described below:

1. A 2-year cycle visual inspection of all distribution facilities
2. A 20-year test/treat program that includes both pole strength and below ground condition as well as a complete visual inspection of the pole from the ground up to and including pole top equipment such as cross arms, insulators, conductor and other attachments.
3. A "Reliability Work Plan" (RWP) program (initiated in October 2006) in which RMP identifies pockets of poor performance by mapping outages at the feeder and sub-feeder level, using a computer mapping tool known as the Geographic Reliability and Analysis Tool (GREAT). The resulting poor-performing pockets are subjected to a detailed inspection by RMP line inspectors and remediation programs are planned for the area(s). This program was initiated in late 2006. RMP currently has 272 RWP2 in its 3-state area, of which 175 are in Utah. Of these, 125 are in central Utah.
4. A worst performing feeder program that identifies the 5 worst performing distribution feeders annually, based on the feeder's contribution to system reliability. Remediation plans are developed based on inspections and historical performance records.

RMP utilizes outsourced inspection teams for the 2-year and 20-year inspection cycles. RMP conducts quality audits (known as "Field Inspection Support") of 5% of the contractors work and monitors their work carefully. If the audit results are unsatisfactory, RMP requires a re-inspection at the contractor's expense. Audit results for CY 2006 are shown in the table below:

CY 2006 Line Inspection Audit Results

District	% Compliance
Layton	96.66
Ogden	96.63
Tremonton	100
Evanston	100
Shelly	93.1
Rexburg	98.43
American Fork	80.3
Vernal	76.39
Metro	90.27
Jordan Valley	92.68
Casper	90
Cody	100
Douglas	100
Lovell	96.55
Worland	91.67
Average	**93.51**

As shown above, the audit results for nine areas of RMP's service territory over calendar year 2006 shows a 93.5% compliance rate, which we view as satisfactory.

Item e. – Review and update the Distribution Business Resource Plan
RMP has not developed a formal update to the Distribution Business Resource Plan. However, RMP has engaged in developing an enhanced inspection program, abnormal condition prioritization process and tracking and an enhanced vegetation management plan. RMP continues to seek new line workers into their apprentice program. Further, RMP has implemented computerized graphical analysis tools, such as the GREAT tool described previously, to support more efficient methods of focusing on problem areas on the distribution system to improve performance and reliability. Finally, RMP has addressed crew coverage during daily periods of higher outage activity by negotiating with organized labor union(s) to permit a change in crew shifts in order to have fast response crews available during the 4PM to 6PM period. Given the proactive steps that RMP has undertaken, we consider this recommendation to be satisfied.

Items f and g. – Provide increases in baseline maintenance budgets and resources
As discussed in Section 5.1, RMP has increased its baseline maintenance budgets, particularly in vegetation management. We believe this recommendation has been met.

Item h. – Perform annual review and comparison of reliability metrics
RMP participates in the Institute of Electrical and Electronic Engineers (I.E.E.E) annual reliability survey and participated in PA Consulting Group's 2005 T&D Benchmarking. RMP also provides annual reliability reports to the Department of Public Utilities containing their performance metrics. We consider this recommendation to be satisfied. We have analyzed RMP's reliability performance in Section 5.2 of this report.

4.2.7 Organization and Resourcing

"a. Perform an activity analysis of the Company's comprehensive maintenance plan to determine the number of annual man-hours by job classification required to execute all plan requirements. Convert man-hour requirements to full-time employee equivalents considering factors such as vacations and holidays, sick time, and labor productivity rates. This analysis will suggest a minimum staffing level (including an appropriate level of contract resources) required to fully implement annual inspection, testing, preventive and corrective maintenance activities included in the maintenance plan.
b. Consider engaging an outside company to perform an independent assessment of staffing needs in Utah in order to assure objectivity and minimize the potential impact of PacifiCorp budgetary constraints."

RMP employs a software system known as Resource Utilization Tracking (RUT). It is a tool designed to facilitate planning and executing the components of the work plan. It allows balancing available resource against work and provides an "early warning system" for issues that affect meeting the plan goals. This system is an alternate (graphical) view of data already available from other sources (SAP). This tool and others have helped RMP to determine the number of internal resources that will be needed as well as to identify outside resources that will be required to adequately execute their workplans.

In terms of providing for replacements and for increases in the field work force, RMP is actively pursuing new apprentices through their "skilled groundsman" program that targets 2 year trade colleges and other trade schools. After intensive training, these recruits are ready to move directly into apprentice positions. From 2003 to 2006, RMP has added 58 journeyman line workers, or about 12%, and continues to aggressively add

to this resource. Many of these are assigned to the Wasatch Resource Center, which responds to outages and performs maintenance in the central Utah area.

4.2.8 Comparative Performance and Benchmarking

"a. Given the physical, geographical, staffing, budgeting and performance differences among the Company's various state operations, PacifiCorp should expand its recently initiated participation in the PA utility T&D benchmarking least for Utah.
b. Participate in both I.E.E.E. and EEI reliability surveys to provide additional insight as to relative performance."

RMP does not subscribe to the Edison Electric Institute, but RMP participates in the Institute of Electrical and Electronic Engineers (I.E.E.E) annual reliability survey and participated in PA Consulting Group's 2005 T&D Benchmarking. PacifiCorp also participates in ePerformance and FPL benchmarks as well as performing benchmark comparisons within PacifiCorp. RMP provides annual reliability reports to the Department of Public Utilities containing their performance metrics. We consider this recommendation to be satisfied. We have analyzed RMP's reliability performance in Section 5.2 of this report.

4.2.9 Major Event Definition and Compensation

"No additional recommendations"

5. Additional Areas of Investigation

5.1. Maintenance Expenditures

In WCI's May 13, 2004 report on PacifiCorp's storm response report, we made a comparison of Utah distribution maintenance spending per customer of $27.78. These figures placed Utah in the lowest quartile of spending, compared to a panel of 21 utilities.

RMP's distribution maintenance expenditures[11] for Utah have increased from 2004 as shown in the following table. Utah's share averages 59% of the combined Utah and Oregon budget.

Total Distribution Maintenance			
State	**CY 2004**	**CY 2005**	**CY 2006**
Utah	$ 51,831,025	$ 57,327,640	$ 58,758,210
Oregon	$ 42,470,053	$ 34,557,224	$ 41,735,098
Total	**$ 94,301,078**	**$ 91,884,863**	**$ 100,493,308**

Percent of Total			
State	**CY 2004**	**CY 2005**	**CY 2006**
Utah	55%	62%	58%
Oregon	45%	38%	42%

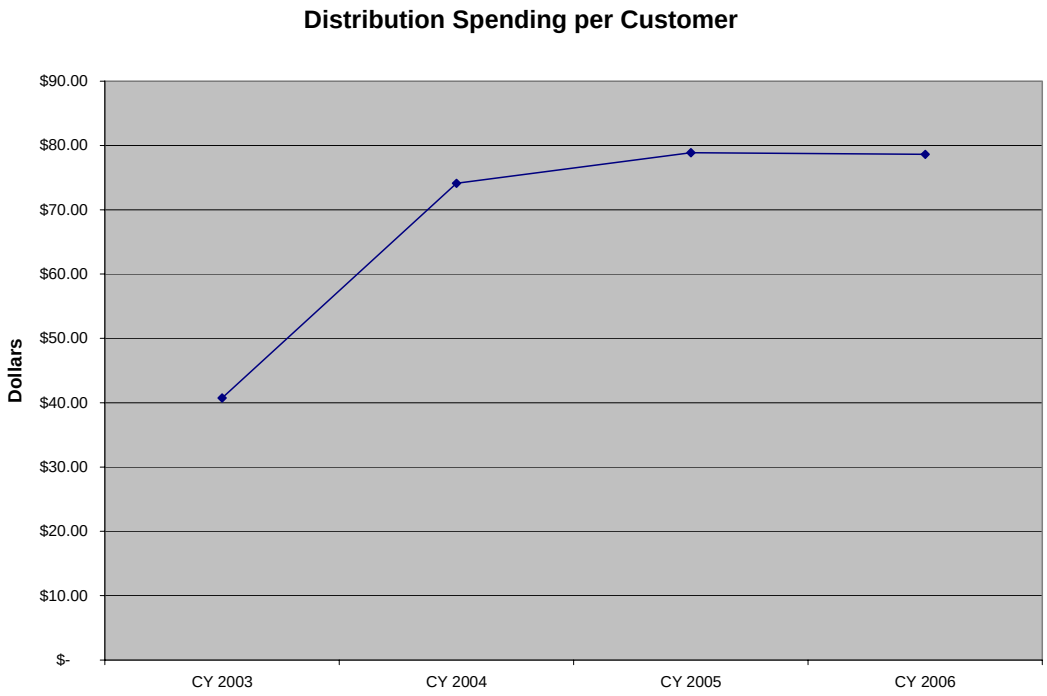
[11] DPU Data Request 1.25

RMP Distribution Maintenance Expenditures				
Category	**2003**	**2004**	**2005**	**2006**
Maintenance	$ 16,852,545	$ 39,562,361	$ 46,891,416	$ 46,788,615
Outage Restoration	$ 11,169,506	$ 12,268,664	$ 10,436,224	$ 11,969,596
Total	**$ 28,022,051**	**$ 51,831,025**	**$ 57,327,640**	**$ 58,758,211**

Notes:

1. Does not include capital expenditures
2. Includes vegetation management and other distribution maintenance activities

In our prior report, we indicated that maintenance spending per distribution customer was in the lowest quartile, indicating that RMP was spending substantially less per distribution customer than most utilities. Since that time, RMP has increased it's spend as shown in the chart below.



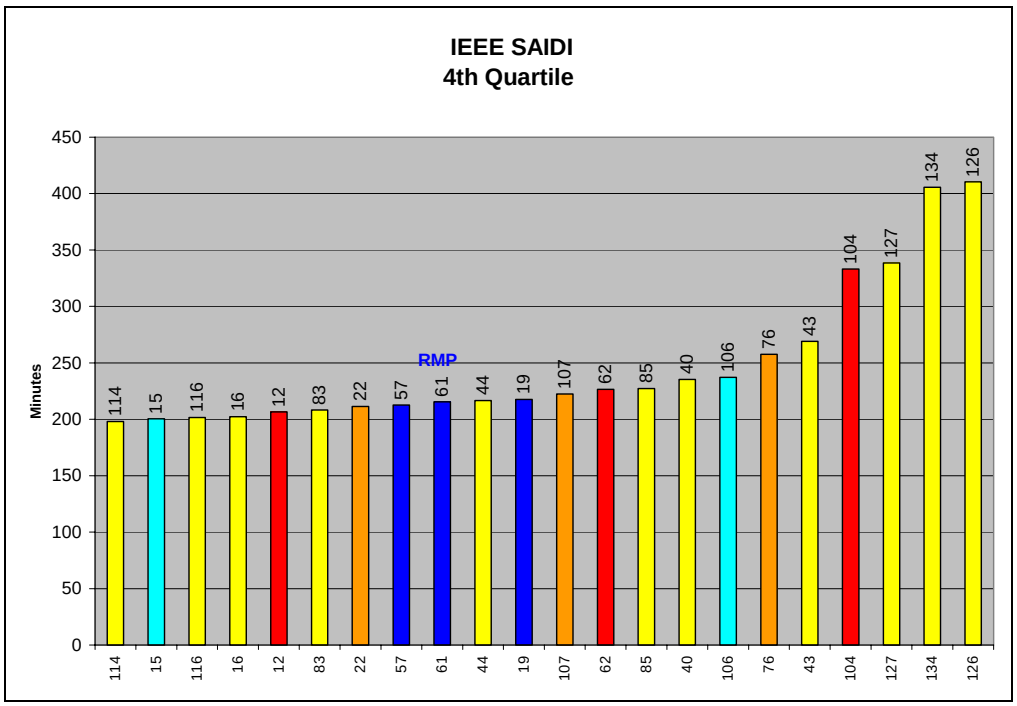
In the PA Consulting, Inc. 2004 Benchmark study, PacifiCorp placed in the highest quartile (of a panel of 24 utilities) of distribution maintenance spend per customer at $55.43. (PA's survey does not disaggregate PacifiCorp's component entities). RMP and Pacific Power are nearly equal in spend levels per customer at about $71.00 for 2006 data. Based on these facts, it is our opinion that RMP has improved its maintenance spending level per customer since the 2001 period.

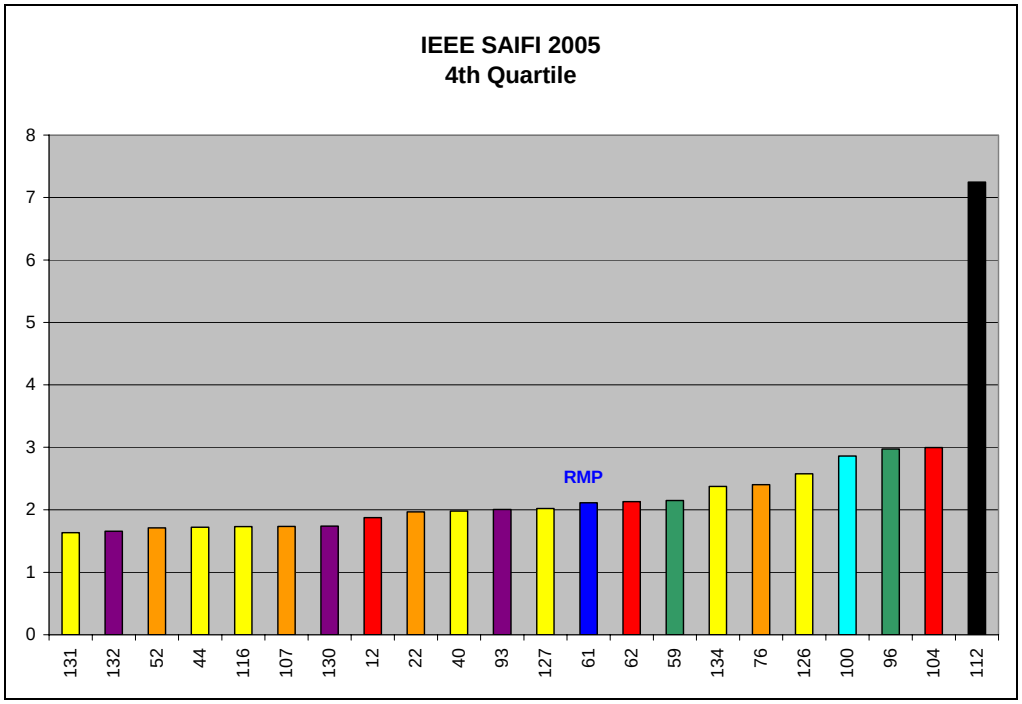
5.2. Reliability Performance

In our Storm Review Report, we reported that PacifiCorp (Utah only) ranked in the 4th quartile for both System Average Interruption Frequency Index (SAIFI) at 2.6 interruptions, and System Average Interruption Duration Index (SAIDI) at 260 minutes as compared to a national panel in the Edison Electric Institute (EEI) 2002 Reliability Survey. These results were near the high end of the 4th quartile (worst performers).

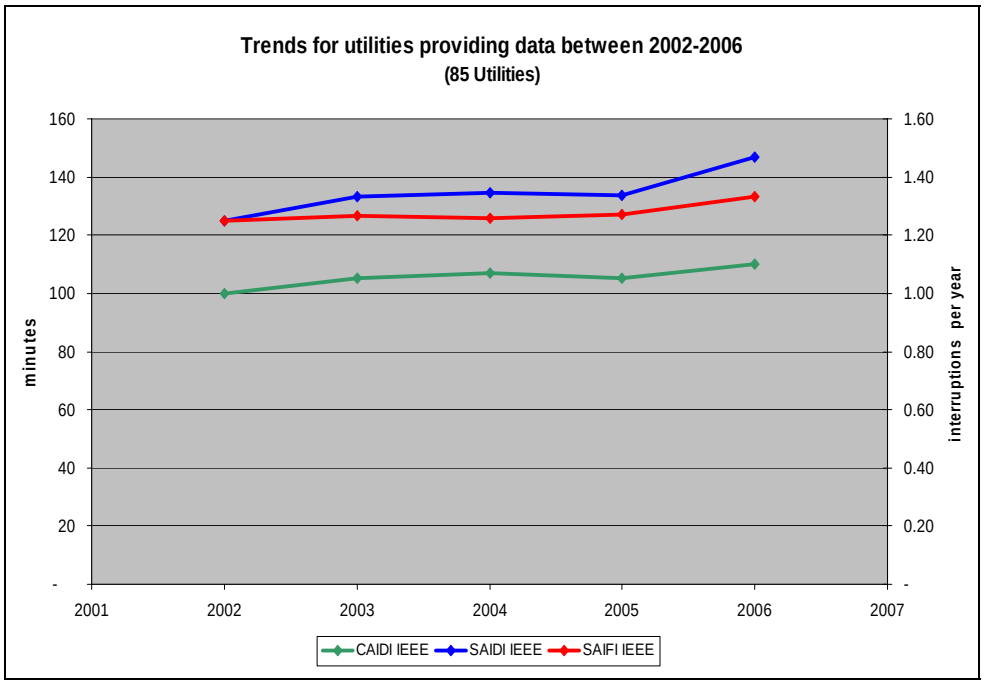
In the 2005 Institute of Electronic and Electrical Engineers (I.E.E.E.) Reliability Survey, PacifiCorp - Utah improved their performance to 2.021 interruptions for SAIFI (22% better) and 215.53 minutes for SAIDI (17% better). These results place Utah (Company ID 61) nearer the

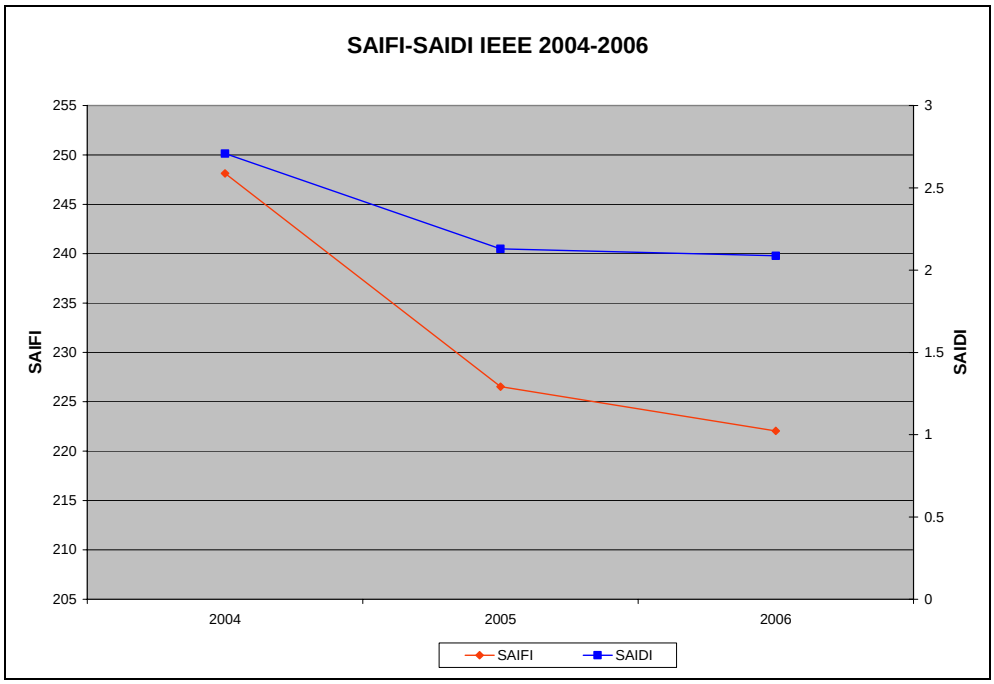
middle of the 4th quartile as shown below and this indicates significant improvement in a relatively short period of time:





It is interesting to note that overall, I.E.E.E reports a general trend of increasing SAIFI and SAIDI over the 2002 to 2006 period, as shown in the following chart[12], RMP's SAIDI and SAIFI are declining.





[12] I.E.E.E. Benchmarking 2006 Results

While RMP's base performance level is still in the higher (poorer performing) quartiles, they have made improvements that are in opposition to the national trend. Further, RMP has committed to a 2% annual improvement in these indices and so far has met that target.

Comparisons made against a national panel of utilities can be very misleading with respect to a utility's specific performance. There are many factors that affect quartile placement, including the level of urban service territory and underground network system, the level of forestation, ability of gain access to off-road facilities (both rear yard and in forested areas), the pollution levels, reporting criteria, etc. Therefore these statistics should only be used to indicate areas of further review and should not be used as absolute measures of a utility's customer-facing performance.

5.3. MEHC Merger - Service Quality Commitments

The Commission approved the acquisition of PacifiCorp by MidAmerican Energy Holdings Corporation (MEHC), subject to a Consolidated List of Commitments specified in a settlement agreement supported by all parties to the proceeding. PacifiCorp agreed to file a report with the Commission regarding the implementation of the Commitments by June 1, 2007 and each June 1 thereafter through June I, 2011. The report will, at a minimum, provide a description of the performance of each of the commitments that have quantifiable results. If any of the commitments is not being met, relative to the specific terms of the commitment, the report shall provide proposed corrective measures and target dates for completion of such measures.

In their report dated June 1, 2007 submitted by MEHC and PacifiCorp there are 11 commitments relative to service quality. PacifiCorp has met or is in the process of proactively meeting these requirements. A list of the relevant commitments, their status and descriptions of PacifiCorp actions are included in Appendix 7.3.

5.4. Prior Rate Case Stipulation on Maintenance Spending

In the rate case covered under Docket No. 06-035-21, the stipulation on revenue requirement and rate spread required the Company to agree to certain expenditures for the October, 2006 to September, 2007 period. In particular the Company agreed that its expenditures for distribution maintenance will not be less than 93% of the Company's projected amount of $67.5 million and capital costs for distribution pole replacements will not be less than $5.1 million. The company will provide a report of the status of its compliance with this commitment to the Division and Committee on November 15, 2007. Through 7 months (October 2006 to April 2007), PacifiCorp has consistently spent in excess on their commitment as of April 2007 were 8% above the commitment as depicted in the table below.

	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07
Commitment	$5.2	$10.5	$15.7	$20.9	$26.2	$31.4	$36.6
Spending YTD	$5.4	$10.8	$16.5	$22.3	$28.2	$34.2	$39.7
Spend/Commitment	104%	103%	105%	107%	108%	109%	108%

5.5. Handling of Safety-Related Calls

RMP has enabled improved call handling for safety-related calls and other emergency calls. For example, 911 calls can be routed directly to Dispatch. Callers who opt for selection 2 in the IVR for emergency calls (life-threatening emergencies) are immediately routed to a Customer Service

Agent, who is able to conference Dispatch in as needed. Emergency calls are coded "red" in Dispatch.

Non-emergency government or small to midsized business calls are routed to the Business and Government Team. Large Customer calls are handled directly by the assigned Account Executive for these managed accounts.

6. Recommendations

1. We encourage RMP to continue refining the condition priority classifications and to continue its annual review of the descriptions and condition code assignments.

7. Appendices

Appendix	Subject
1	Technical Summary – Drake Complaint
2	Data Requests
3	MEHC Merger Commitments – Service Quality

7.1. Technical Summary – Drake Complaint

During the early part of 2007, one of Rocky Mountain Power's (RMP) customers (Complainant) filed a series of complaints with the State of Utah, Division of Public Utilities (DPU) and the Public Service Commission that enumerate a number of concerns relative to that customer and a group of petitioners that he states to represent.

The Division of Utilities requested that Williams Consulting, Inc. (WCI) assist in reviewing these complaints and RMP's responses and to undertake additional analysis and review of the issues.

WCI conducted an independent review and analysis of the issues that were raised in the complaints, and filed a separate report[13]. We have excerpted some of the issues that are relevant to this effort.

7.1.1 NESC Clearances

RMP, in its March 20 response, presented its interpretation of the clearance tables in the NESC to demonstrate that it is not in violation of NESC clearances with respect to insulators.

RMP's response indicates that it is within NESC compliance, especially with regard to pin type insulator clearances. NESC requires a crossarm to conductor clearance of 3" (please refer to material provided by RMP). For PPC or Lapp type insulators, used by RMP, the actual clearance is 3 7/8". For brown glass insulators (with wood pins) used by RMP, the actual clearance is 3 9/16". In both these examples, the measurement was made between the crossarm and the bottom ob the conductor channel in the insulator. NESC requirements are measured from the surface of the crossarm to the nearest point of the conductor.

7.1.2 Outage Statistics – Millcreek Area

The complainant asserted that Millcreek has experienced numerous outages, downed wires, flash over problems and pole fires.

Based on a detailed analysis of outage records (provided by RMP in DPU Data Request 2.5) on the East Millcreek outlets (#11, #12, #13, and #14) covering a one year period (7/11/2006 through 7/4/2007), we conclude that the number and type of outages experienced on the East Millcreek outlets are consistent with overall system outages. Aside from the 46kV dropping on the 12 kV on 2/11/2007, caused by a vehicular accident, there were no flashovers, 1 downed wire and 3 pole fires, all of which are within overall system averages.

7.1.3 Irvine (Kempner Avenue) Complaint

The complainant claimed that RMP failed to meet settlement conditions that docket. RMP provided the following specific answer to the Kempner Rd. complaint (DPU Data Request 1.19):

[13] Review of Dr. Drake's Complaint and RMP's Responses

07-035-08 04-035-01/Rocky Mountain Power
June 12, 2007
DPU 1st Set Data Request 1.19

DPU Data Request 1.19

(Ref ID: New 5) Kempner Avenue Complaint

Please provide follow-up on resolution of this complaint, including all actions taken.

Response to DPU Data Request 1.19

Rocky Mountain Power (formerly Utah Power) was contacted by Gordon Knight on behalf of concerned residents of Kempner Road, Brookburn Road, Millcreek Canyon Road, Craig Drive, Flynn Circle and Drage Circle in January 2004. After multiple meetings and correspondence between the Company and concerned residents the following actions were taken:

1. A detailed inspection of the East Millcreek #12 distribution feeder was completed in early June 2004. Conditions identified during this detailed inspection were prioritized for correction.
2. The Company identified approximately 50 locations where tree pruning could be beneficial. The majority of tree pruning was completed by July 2004. At the request of a landowner the remaining tree pruning was completed in October 2004.
3. A complete over-current protection study of the distribution feeder was completed and implemented. A combination of installing electronic sectionalizers and additional fuses on pre-determined tap lines was completed as of June 7, 2004.
4. Corrective maintenance was completed on over 150 facility points that included replacing, repairing, or correcting poles, cross-arms, pins, and insulators. All corrective work was completed by December 4, 2004.
5. At the request of David Ward, technical advisor to Gordon Knight, a steel stub on a pole located at 2991 Kempner Road was modified.
6. Technical advisor David Ward was concerned that sagging overhead wires had lost critical strength. Samples of these conductors were sent to an independent lab and analyzed. Sample 1, 2 and 3 elongation results ranged from 2% to 4%, well within the manufacturer specifications.

Based on the summary items stated in its filed "Response to Letters of Richard E. Drake", dated June 4, 2007, we have provided the following table that lists the relevant agreement elements and what has been done or is in progress by RMP:

Paragraph	Agreement	Status
37	…the parties agree that for the future it will be desirable for Utah Power to spend incrementally more on its system and maintenance…	From 2003 to 2006 the Company has increased its maintenance spending by 13%.
38	The parties agree that Utah Power has appropriately implemented the	WCI is engaged to review the progress RMP has and is making on implementing the recommendations

Paragraph	Agreement	Status
	recommendations in the Reports and Response as resolved by the Company, the Division and WCI…	emanating from the Storm Report. This review will be part of our Storm Report Follow-Up Study report
39.a	From an after January 1, 2007, Utah Power agrees that it will be current on its three-year vegetation management cycle…	As of June 12, 2007, for the perios FY2006 through Q2, the Company has reached 97.2% of its target of a 3 year trim cycle. It has achieved 100% in Cedar City, Jordan Valley, Metro, Layton, Ogden and Tremonton (99.99%).
39.b	From and after July 1, 2007, Utah Power agrees that it will repair or correct all priority "A" conditions identified on its Utah distribution system that it is responsible to repair or correct within 120 days on average of the date the condition was identified.	Rocky Mountain Power began repairing and correcting all priority "A" conditions beginning August 1, 2006, nearly one year in advance of the distribution system maintenance commitments. As of June, 2007, RMP averages under 30 days to repair or correct priority "A" conditions.
40	The parties agree that Utah Power's compliance with paragraph 39 should be monitored by the Service Quality Task Force.	The Company has participated in the Service Quality Task Force and has submitted reports.

7.1.4 Pole Fires

Complainant claimed that insulators resting on crossarm caused pole fires due to leakage, and further claimed that inspecting RMP's records will show the number of cross arm fires is increasing.

RMP's Motion to Dismiss (DR8) states that pole fire outages are not isolated to squatting insulators. RMP said in that document "The cause of the outages were not isolated to squatting insulators and occurred on other types of equipment as well, including non-squatting insulators, cutouts, dead-ends, new insulators, and other types of insulating hardware". RMP further stated that, during the period (February 2007) of the pole fire outages, record-breaking pollution during a dry weather period, followed by a weather pattern of fine misting rain.

WCI agrees that not all pole fires are caused by squatting insulators; other causes include lightning, vandalism, otherwise failed insulators, etc. Further, RMP indicated during our interviews that other equipment, as noted above, were identified as possible causes on some of the pole fires, and this included even new insulators. WCI believes that it is not reasonable to attribute all pole fires to squatting insulators.

RMP's data indicates that pole fire outages as a percent of total outages averages about 1.5%. RMP classifies pole fire outages as Equipment Failures, with a sub class of pole fire as the direct cause. Outage statistics reported by other utilities do not disaggregate

causes below the general category of Equipment Failures, so it is not possible to perform a direct comparison.

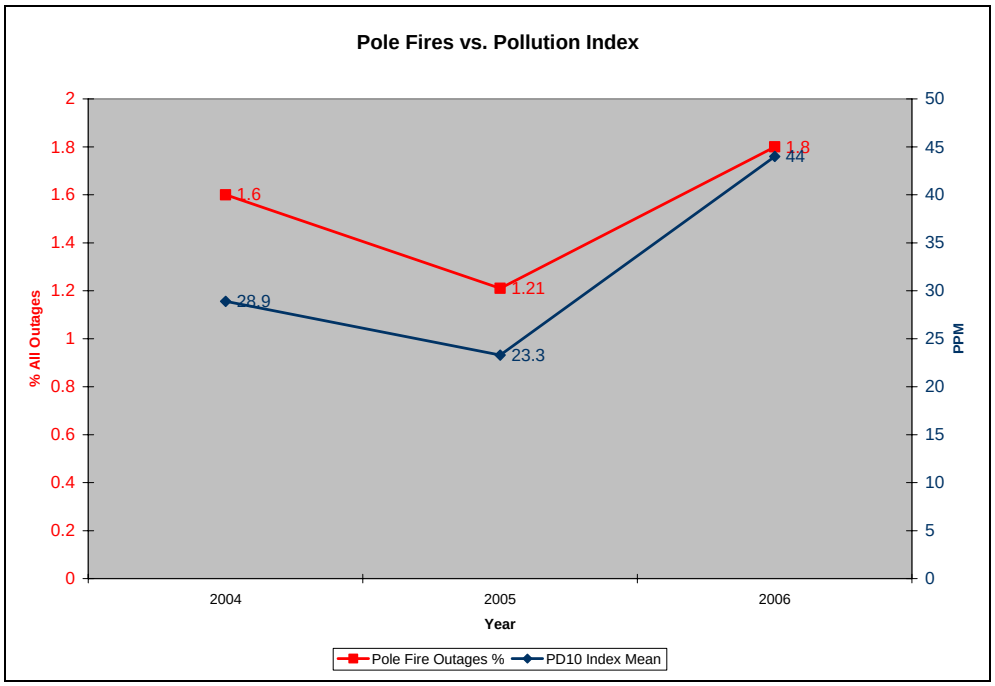
It should be noted that RMP's pole fire outages have slightly increased as a percent of all outages, rising to 1.8% in 2006. Percentages can sometimes be misleading. The following table illustrates the number of pole fires by year for both SLC metro and all of Utah:

Area	**2004**	**2005**	**2006**
SLC Metro	108	58	115
Utah	379	257	422

While the number of pole fires has indeed increased from 2004 to 2006, it should be noted that pole fires decreased significantly in 2005. This is consistent with RMP's statement that many of the recent pole fires are the result of high pollution levels coupled with light misting rain, which can produce a condition on the insulators that promotes tracking[14]. It is interesting also to note that the percentage of pole fire outages in SLC metro (at about 27%) is consistent with its share of customers (at also about 27%).

Utah EPA statistics clearly show a similar trend in particulates below 10 micrometers (PD10) in size (combustion - motor vehicles, power plants, wood burning, etc., some industrial processes, crushing or grinding operations, and dust from paved or unpaved roads). As shown in the chart below, there appears to be a strong correlation between the pollution index and pole fire incidence. However, without a specific analysis that tracks each pole fire incident with atmospheric pollution and precipitation surrounding the date and time of the outage, it is not possible to draw conclusive findings. Nonetheless, the pattern of pollution and pole fires is consistent and supports RMP's conclusion as to the cause of some pole fires.

[14] "Tracking" refers to a conductive path created across insulating devices, for example pin and post type insulators, lightning arrestor insulators, cut-outs transformer bushings, etc., by contamination such that current can flow across the insulating device to ground or to other devices.



Source: Outage data: RMP, Pollution data: Utah EPA

7.1.5 Maintenance Programs

In our Storm Report[15], we found that RMP's preventative maintenance plan conformed to industry practices. At that time RMP's pole inspection program consisted of a 2 year safety inspection, an 8 year detailed inspection and a 16 year test and treat program. At the time of our report, RMP was at or above targets.

RMP has implemented a slightly different inspection program with some enhancements as described below:

5. A 2-year cycle visual inspection of all distribution facilities
6. A 10-year test/treat program that includes both pole strength and below ground condition as well as a complete visual inspection of the pole from the ground up to and including pole top equipment such as cross arms, insulators, conductor and other attachments.
7. A "Reliability Work Plan" (RWP) program (initiated in October 2006) in which RMP identifies pockets of poor performance by mapping outages at the feeder and sub-feeder level, using a computer mapping tool known as the Geographic Reliability and Analysis Tool (GREAT). The resulting poor-performing pockets are subjected to a detailed inspection by RMP line inspectors and remediation programs are planned for the area(s). This program was initiated in late 2006. RMP currently has 272 RWP2 in its 3-state area, of which 175 are in Utah. Of these, 125 are in central Utah and 9% are in the East Millcreek area.
8. A worst performing feeder program that identifies the 5 worst performing distribution feeders annually, based on the feeder's contribution to system reliability. Remediation plans are developed based on inspections and historical performance records.

[15] Williams Consulting, Inc.'s report entitled: "Review of PacifiCorp's Storm Response Report, Utah Holiday Storm - December 2003", dated May 13, 2004, page 40.

RMP utilizes outsourced inspection teams for the 2-year and 10-year inspection cycles. RMP conducts quality audits (known as "Field Inspection Support") of 5% of the contractors work and monitors their work carefully. If the audit results are unsatisfactory, RMP requires a re-inspection at the contractor's expense. A sample of the audit results for nine areas of RMP's service territory over calendar year 2006 shows a 93.5% compliance rate, which we view as satisfactory.

7.1.6 Management and Line Workers

The complainant claimed that PacifiCorp has inadequate management and insufficient line workers.

PacifiCorp has ensured that management positions that directly impact the level of operations, service reliability and customer interaction are properly represented in Utah. During our investigation of the Complainant's statements and issues, we interviewed the following management positions, all of which are located in Utah:

- President
- Vice President, Customer Services
- Managing Director, Network Reliability & Investment
- Vice President, Operations
- Directors, Distribution (UT South, Central and North)
- Managing Director, Distribution Support
- Manager, Vegetation Management

Based on our interviews, we believe that RMP's management team is dedicated and knowledgeable. These are seasoned utility professionals who maintain contact with peers at other utilities to share best practices.

From 2003 to 2006, RMP has added 58 journeyman line workers, or about 12%, and continues to aggressively add to this resource. Many of these are assigned to the Wasatch Resource Center, which responds to outages and performs maintenance in the central Utah area. Further, RMP is actively pursuing new apprentices through their "skilled groundsman" program that targets 2 year trade colleges and other trade schools. After intensive training, these recruits are ready to move directly into apprentice positions.

In addition, RMP has outsourced the bulk of its distribution line inspection program, freeing up journeyman line workers to focus on corrective maintenance. RMP estimates that this outsourcing has freed up approximately 12 journeyman lineman FTEs, which are able to be used on corrective maintenance tasks.

7.2. Data Requests

Data Request ID	Contents
DPU Data Request 1.1	Storm Report Recommendation Tracking
DPU Data Request 1.2	Table Top Exercises
DPU Data Request 1.3	EEI Restore Power
DPU Data Request 1.4	Call Center, IVR
DPU Data Request 1.5	Vegetation Management
DPU Data Request 1.6	Maintenance Plan Audit
DPU Data Request 1.7	Maintenance Priority Codes
DPU Data Request 1.8	Corrective Maintenance
DPU Data Request 1.9	Physical Inspections
DPU Data Request 1.10	Dist Business Resource Plan Updates
DPU Data Request 1.11	Maintenance Plan Catch up
DPU Data Request 1.12	Maintenance Plan Activity Analysis - see DPU 1.12
DPU Data Request 1.13	Comparative Performance (PA) - See DPU 1.13
DPU Data Request 1.14	Other Benchmarking
DPU Data Request 1.15	NESC insulator clearances
DPU Data Request 1.16	Indus research Squatting Insulators
DPU Data Request 1.17	Outage Statistics - See DPU 1.17
DPU Data Request 1.18	Pole Fire Causes
DPU Data Request 1.19	Kempner Ave Complaint
DPU Data Request 1.20	Field Interviews - Org Chart - see DPU1.20
DPU Data Request 1.21	Weather Patterns - on hold by WCI
DPU Data Request 1.22	Cut Ground Wires - see DPU 1.22
DPU Data Request 1.23	Strength of wooden insulator pins
DPU Data Request 1.24	Maintenance Staffing – coming week of 6/18
DPU Data Request 1.25	Maintenance Expenses & Reliability - see DPU 1.25 and 1.17
DPU Data Request 1.26	Merger Service Quality Commit - see DPU 1.26
DPU Data Request 1.27	Last rate case stipulation
Attach DPU 1.2.doc	Incident Briefing Form
Attach DPU 1.6 -1.pdf	GISMO FPI Audit 1-24-07/1-24-07

Data Request ID	Contents
Attach DPU 1.6 -2.pdf	GISMO FPI Audit 1-24-07/4-13-07
Attach DPU 1.6 -3.pdf	GISMO FPI Audit 8-15-06/8-15-06
Attach DPU 1.6 -4.pdf	GISMO FPI Audit 2-1-07/2-1-07
Attach DPU 1.6 -5.pdf	GISMO FPI Audit 1-23-07/1-26-07
Attach DPU 1.6 -6.pdf	GISMO FPI Audit 5-3-07/5-6-07
Attach DPU 1.6 -7.pdf	GISMO FPI Audit 1-25-07/1-27-07
Attach DPU 1.9.xls	Condition Inspection Results 2003-6/07
Attach DPU 1.12.pdf	Maintenance Track Report
Attach DPU 1.13 -1.pdf	PA Cons T&D Final 2005 - Comb
Attach DPU 1.13 -2.pdf	PA Cons T&D Final 2005 - Dist
Attach DPU 1.13 -3.pdf	PA Cons T&D Final 2005 - Slim
Attach DPU 1.13 -4.pdf	PA Cons T&D Final 2005 - TSO
Attach DPU 1.14.xls	I.E.E.E. Reliability Data
Attach DPU 1.17 -1.xls	Outage Causes 2004-2006
Attach DPU 1.17 -2.xls	Incidents by areas 2004-2006
Attach DPU 1.17 -3.xls	SAIFI/CAIDI 98-current
Attach DPU 1.17 -4.pdf	Outage Causes charts 2004
Attach DPU 1.17 -5.pdf	Outage Causes charts 2005
Attach DPU 1.17 -6.pdf	Outage Causes charts 2006
Attach DPU 1.18 -1.pdf	Ross Paper on Leakage Burning
Attach DPU 1.18 -2.doc	Lynch Paper on preventing fires
Attach DPU 1.18 -3.pdf	WE Energies article pole fires
Attach DPU 1.18 -4.pdf	Alameda pole fire article
Attach DPU 1.18 -5.pdf	Xcel Energy pole fire article
Attach DPU 1.20.pdf	RMP Sr. Mgmt Org Chart
Attach DPU 1.22.xls	Bad Order Ground Condition 12/03-6/07
Attach DPU 1.25 -1.xls	Annual Maintenance Expense 95-2006
Attach DPU 1.26.xls	Customer Guarantees 05-06
Attach CCS Informal 1.1.pdf	1998 Tariff Order
Attach WCI 3 -3.doc	June Interview Schedule
Attach WCI 4 -1.ppt	RUT XP Training Manual

Data Request ID	Contents
Attach WCI 4 -3.pdf	RUT RAT Report Apr 07
Cover Letter WCI 1-4 06-13-07.doc	Cover letter
WCI Data Responses 1-4.pdf	see WCI DR 1 tab
Karen Gilmore (KG-1)	Call Center data 2/9 to 2/12/07
Karen Gilmore (KG-2)	JD Power results 1999-2006
Karen Gilmore (KG-3)	TQS Large account results
Karen Gilmore (KG-4)	Market Strategies IVE Benchmarking
WCI Data Request 1	Call Center
WCI Data Request 2	Maintenance Audit Program
WCI Data Request 3	Annual Business Plan
WCI Data Request 4	Review of RUT System
DPU Data Request 2.1	Interviews with journey line workers (already discussed)
DPU Data Request 2.2	Was the cross arm from 3003 E. Craig Dr. handed over to the DPU? Is this the one in Rhea's office?
DPU Data Request 2.3	Evergreen Park pole 343911 was claimed to have all insulator wood pins "failed", and claim 4 are "floaters". Need to get specifics from RMP on this – i.e., inspection records.
DPU Data Request 2.4	Was chain of evidence on 343911 kept – is this the cross arm in Rhea's office?
DPU Data Request 2.5	Would like to see outage records over past 1 year related to Millcreek feeders
DPU Data Request 2.6	What was outcome of meeting held in 2005 with Doug Bennion and Rhea Peterson (I assume with Drake and/or Ward).
DPU Data Request 2.7	Drake claimed 7.2 kV (auto accident) fell on service drops and (may have) caused damage to customer equipment. Does RMP have any record on such damage and/or complaints?
DPU Data Request 2.8	Please provide list of 150 conditions found on Millcreek #12 and their resolution
DPU Data Request 2.9	Please provide list of 50+ safety issues on Millcreek #13 and their resolution
DPU Data Request 2.10	How are maintenance and outage restoration funds segregated (if at all). Please provide last 5 years data on this split.
DPU Data Request 2.11	Would like to discuss RMP plans to mitigate growing quantity of "B" and "C" conditions – what plan is in place to clear these.
DPU Data Request 2.12	Please provide condition priority assignment sections from training manual.
DPU Data Request 2.13	If a conductor is pulled from a pole, like in the auto accident referred to, what is the procedure for inspecting adjacent poles for insulator/conductor/tie wire condition?
DPU Data Request 2.14	Is there a maintenance allocation within the rate structure, and if so what does it cover?

Data Request ID	Contents
DPU Data Request 2.15	Would like to discuss status of WCI recommendations (1-8) from Storm Report
Not numbered 01	Accident report
Not numbered 02	Drake Letter 8/10/07 to PSC agreeing to settlement
Not numbered 03	Docket 07-035-08 Hearing set for Aug 22, 2007
Not numbered 04	Email from Jeff Richards on clarification requests
Not numbered 05	Docket 07-035-08 Stipulation
Not numbered 06	Docket 07-035-08 Amended Stipulation
Not numbered 07	Email from Curtis Mansfield re follow up questions

7.3. MEHC Merger Commitments – Service Quality[16]

General Commitment Number	Commitment Description	Status	Status Description
1	MEHC and PacifiCorp affirm the continuation (through March 31, 2008) of the existing customer service guarantees and performance standards in each jurisdiction. MEHC and PacifiCorp will not propose modifications to the guarantees and standards prior to March 31, 2008. Refer to Commitment 45 for the extension of this commitment through 2011.	Ongoing compliance	No change will be made to the customer guarantees and performance standards prior to March 31, 2008.
2	Penalties for noncompliance with performance standards and customer guarantees shall be paid as designated by the Commission and shall be excluded from results of operations. PacifiCorp will abide by the Commission's decision regarding payments.	Ongoing compliance	Customer guarantee failure payments are made directly to customers as agreed by commissions and are excluded from results of operation.

[16] MidAmerican Energy Holdings Company and PacifiCorp Annual Report of Status of Commitments To the Utah Public Service Commission For the Period March 21, 2006 through March 31, 2007

General Commitment Number	Commitment Description	Status	Status Description
35	MEHC and PacifiCorp make the following commitments to improve system reliability: a) investment in the Asset Risk Program of $75 million over the three years, 2007-2009, b) investment in local transmission risk projects across all states of $69 million over eight years after the close of the transaction, c) 0 & M expense for the Accelerated Distribution Circuit Fusing Program across all states will be increased by $1.5 million per year for five years after the close of the transaction, and d) extension of the O&M investment across all states for the Saving SAIDI Initiative for three additional years at an estimated cost of $2 million per year. e) MEHC and PacifiCorp will support the Bonneville Power Administration in its development of short-term products such as conditional firm. No less than three months following the close of the transaction, PacifiCorp will initiate a process to collaboratively design similar short-term transmission products and will include stakeholders in this process. PacifiCorp will make every reasonable effort to complete a product by the end of 2008. f) PacifiCorp will continue to offer its Partial Interim Service product, and will make commercially reasonable efforts to offer transmission customers as much firm service as the Company's transmission studies show is available, including weeks within a month. PacifiCorp will also continue its OATT tariff provision that allows transmission customers to alter pre-scheduled transactions up to 20 minutes before the hour as long as such provision is consistent with established scheduling practices and does not jeopardize system reliability. PacifiCorp will notify parties to this proceeding if it proposes changes to these two elements of its OATT.	Ongoing compliance	a) High-priority replacement equipment has been identified and Incorporated in the Asset Risk Register and budget plans. For the period January through March 2007, $15,216,552 of the $75M commitment has been spent. b) Initial work on high priority N-1 projects has begun. For the period April 2006 through March 2007, $605,948 of the $69M commitment has been spent. c) For Fusing Improvement Projects for April through December 2006, actual funds spent were $1,826,336. For the period January through March 2007, $380,279 has been spent to date. d) For Saving SAIDI projects for April through December 2006, actual funds spent were $2,437,125. For the period January through March 2007, $2,083,357 has been spent to date. e) On June 16, 2006, PacifiCorp provided notice via email and posting on its OASIS describing the process that PacifiCorp intends to utilize to assess customer requirements and its ability to develop and offer a conditional firm product. Stakeholder meetings were subsequently held in Portland October 6, 2006, and In Salt Lake City October 23, 2006. State government representation as well as potential Interveners, major customers and transmission dependent utilities participated. In addition to discussing PacifiCorp's system and historical usage on several transmission paths, an overview of the differences between Bonneville Power Administration's system and PacifiCorp's system was discussed. On February 26, 2007, FERC issued Order 890 which requires PacifiCorp to study conditional firm options for customers who request transmission service. The product is mandated by the order. The Company is assessing the specifics around study requirements and operating requirements to insure that PacifiCorp has the processes and systems in place to study and manage the required product. f. PacifiCorp continues to offer its Partial Interim Service product.

General Commitment Number	Commitment Description	Status	Status Description
45	Customer Service Standards: MEHC and PacifiCorp commit to continue customer service guarantees and performance standards as established in each jurisdiction, provided that MEHC and PacifiCorp reserve the right to request modifications of the guarantees and standards after March 31, 2008, and the right to request termination (as well as modification) of one or more guarantees or standards after 2011. The guarantees and standards will not be eliminated or modified without Commission approval.	Ongoing compliance	No change will be made to the customer guarantees and performance standards prior to March 31, 2008. Changes may be made to the customer guarantees and performance standards during the period March 31, 2008 through 2011. Semi-annual reports to all commissions will be issued on July 27, 2007.
47	Corporate Presence (All States): MEHC understands that having adequate staffing and representation in each state is not optional. We understand its importance to customers, to regulators and to states. MEHC and PacifiCorp commit to maintaining adequate staffing and presence in each state, consistent with the provision of safe and reliable service and cost-effective operations.	Ongoing compliance	Appropriate staffing levels for PacifiCorp have been reviewed and are part of the business planning process.

State-Specific Commitment Number	Commitment Description	Status	Status Description
UI	PacifiCorp will report call-handling results during wide-scale outages against average answer speeds, hold times and busy indications.	Ongoing compliance	Call handling results report for the period July 1, 2006 through December 31, 2006 was submitted to the Commission on January 25, 2007.
U5	PacifiCorp and MEHC commit to maintaining sufficient operations and front line staffing to provide safe, adequate and reliable service in recognition of the level of load and customer growth in Utah.	Ongoing compliance	Rocky Mountain Power is continuing a number of initiatives ensure sufficient staffing to complete the required operations, maintenance, and construction work load: (1) increase the number of craft apprenticeships and trainee positions in preparation for the increase turn over expected to result from retirements and attrition; (2) actively recruit qualified external candidates from outside the Rocky Mountain Power service area for our technical craft position vacancies: journeyman lineman, estimator, substation, relay, electronic, meterman, and distribution dispatch; and (3) working with line service agreement contract vendors to plan and package work to allow additional labor resource to be recruited to the Rocky Mountain Power service territory; and (4) working with our line service agreement vendors to build a joint apprentice training center and to maximize the number of apprentices utilized on contract crews.

State-Specific Commitment Number	Commitment Description	Status	Status Description
U6	PacifiCorp and MEHC commit to increasing the number of corporate and senior management positions in Utah to better reflect the relative size of Utah's retail load compared to the retail loads of the other states. Positions to be examined will include, but not be limited to, engineering, purchasing, information technology, land rights, legal, commercial transactions and asset management. By September 1, 2007, MEHC and PacifiCorp will file a plan with the Commission that explicitly sets forth: (1) senior management positions (and associated corporate personnel positions identified by those senior managers) that have been identified for location in Utah; (2) the timeframe for implementing different stages of the plan; and (3) an economic analysis supporting the cost effectiveness of the plan. MEHC will promptly implement the plan pursuant to the timeframe.	Ongoing compliance	Assessment conducted using data as of 12/31/06 to determine employee placement since the sale close. Report will be re-run in June 2007 and a formal plan will be developed for submission in September 2007.
U7	PacifiCorp and MEHC will authorize senior management personnel located in Utah to make decisions on behalf of PacifiCorp pertaining to (1) local Utah retail customer service issues related to tariff Interpretation, line extensions, service additions, DSM program implementation and (2) customer service matters related to adequate investment In and maintenance of the Utah sub-transmission and distribution network and outage response. For resource transactions in Utah related to special retail contracts and QF contracts, PacifiCorp and MEHC will authorize Utah-based personnel to negotiate contract terms consistent with system-wide prudent practices. Such decisions will be subject to normal and prompt corporate approval procedures, senior executive approval and board approval, as appropriate. MEHC and PacifiCorp will include a description of the implementation of this commitment in the filing required in Commitment U 6.	Ongoing compliance	PacifiCorp split its power delivery business into two operating units, Rocky Mountain Power and Pacific Power. Rocky Mountain Power has responsibility for transmission and distribution operations and for all aspects of customer service in the states of Idaho, Utah and Wyoming. Senior management personnel for Rocky Mountain Power were named and are located in Salt Lake City, Utah. That management group includes a president, sr. vice president and general counsel, vice president of operations, vice president of customer service, vice president of division services, vice president of regulation, managing director of network reliability, managing director of finance, director of safety, and manager of government affairs. Governance and delegation of authority has been adopted for Rocky Mountain Power covers the areas of responsibility listed in the commitment. These delegations will be kept up-to-date with some minor adjustments expected.

Stipulation Paragraph Number	Commitment Description	Status	Status Description
15c	Within 90 days of the close of the Transaction, MEHC and PacifiCorp will begin working with the Division of Public Utilities and other interested parties, to evaluate and, if mutually agreed to be appropriate, file with the Commission service quality standards related to industrial customers, with a focus on high tech companies. MEHC, PacifiCorp, the Division of Public Utilities and any other interested party, will report back to the Commission this process and nothing in Commitments 1 or 45 will preclude these from being filed if mutually agreed-upon by the Parties.	COMPLETE	Report was filed with the Commission on February 1, 2007.
15d	Senior executives of MEHC and PacifiCorp will make themselves available upon request to the Signatories to discuss regulatory, customer service, and energy policy issues.	Ongoing compliance	Company executives continue to meet with all signatories as requested.