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**Memorandum**

**To:** Utah Public Service Commission

**From:** Division of Public Utilities  
Constance B. White, Director  
Artie Powell, Manager, Energy Section  
David T. Thomson, Technical Consultant

**Date:** February 2, 2007

**Subject:** Docket No. 07-035-04 Rocky Mountain Power – Application for Deferred Accounting Order

**Issue**

Application of Rocky Mountain Power (RMP), for an Accounting Order to Defer the Costs Related to the MidAmerican Energy Holding Company Transaction.

**Recommendation**

At this time, the Division is of the opinion that the costs under the filing may not meet the Division's criteria for deferred accounting. Also, the costs appear to have been included in the last RMP general rate case, Docket No. 06-035-21, as a normalization adjustment since it seems that no deferred treatment was sought in the rate case. Even if these costs were not specifically included in the stipulation, deferral of these types of costs may violate the spirit of the RMP last general rate case stipulation, especially the stay out provision.

Thus, presently, the Division may oppose the treatment of the costs under the filing and at this time, rather than provide a detailed explanation and statement of issues to be addressed, the Division requests that the Commission set up a scheduling conference to adjudicate the issue. The Division also recommends that all intervenors to the last RMP rate case be notified.

Also, the Division asks the Commission to consider that the scheduling for this Docket be done in conjunction with Docket No. 06-035-163 (Grid West deferred accounting request) because the Division believes the issues are similar under both dockets.

cc: Rate Case Service List