



201 South Main, Suite 2300  
Salt Lake City, Utah 84111

June 1, 2007

Public Service Commission of Utah  
Heber M. Wells Building, 4<sup>th</sup> Floor  
160 East 300 South  
Salt Lake City, UT 84114

Attention: Julie P. Orchard  
Commission Secretary

RE: Docket No. 07-035-13                      Progress Report on Change in Depreciation Rates

On March 13, 2007, Rocky Mountain Power, a division of PacifiCorp (“Rocky Mountain Power” or “Company”), filed an application with the Public Service Commission of Utah for an order authorizing the Company to change depreciation rates. In its scheduling order the Commission directed Rocky Mountain Power to file a progress report on the status of its discussions with its other state regulatory commissions, and interested parties, no later than June 1, 2007.

In compliance with a prior Wyoming Commission order, on September 27, 2007, Rocky Mountain Power submitted a preliminary depreciation study to solicit comments and input from parties in Wyoming. Copies of the preliminary depreciation study have been provided to interested parties in Utah, Idaho, Oregon, and Washington. The Company and the Wyoming interested parties have reached an agreement in principle on new depreciation rates, which are different from both current rates and the depreciation rates proposed in the preliminary study.

On May 31, 2007, the Company hosted a multi-state conference call with regulators and other interested parties from the Company’s six state service territory to review the progress of the work-to-date with the Wyoming interested parties. Representatives from the Utah Division of Public Utilities and the Utah Committee of Consumer Services participated in this call. Table A, which is attached to this progress report, summarizes and compares the Company’s current depreciation rates, the proposed rates in the preliminary 2006 study, and the proposed depreciation rates from the tentative agreement between the Company and the Wyoming interested parties.

If you have additional question, please contact Dave Taylor, Utah Regulatory Affairs Manager, at 801-220-2923.

Sincerely,

Jeffrey K. Larsen  
Vice President, Regulation

cc: DPU  
CCS