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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Complaint of Rocky Mountain Power, a Division of PacificCorp, Against Heber Light & Power Regarding Unauthorized Service by Heber Light & Power in Areas Certificated to Rocky Mountain Power.	Docket No. 07-035-22 Heber Light & Power's Answer to Rocky Mountain Power's Amended Complaint and Request for Expedited Treatment
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Heber Light & Power Company ("HLP") for its answer to Rocky Mountain Power's Amended Complaint and Request for Expedited Treatment alleges as follows:

FIRST DEFENSE

HLP responds to the individually numbered paragraphs of the Amended Complaint as follows:

1. HLP is without sufficient information to form a belief as to the truth of the allegations of this paragraph of the Amended Complaint and therefore denies those allegations.
2. HLP admits that it is an energy services interlocal entity formed under the Interlocal Cooperation Act by Heber City, Midway and the Town of Charleston. HLP denies the

remaining allegations of this paragraph of the Amended Complaint.

3. With respect to Paragraph 3 of the Amended Complaint, HLP admits that it does not provide temporary wholesale service to the unincorporated areas of Wasatch County and that as part of its normal course of business it provides service to customers in the unincorporated areas of Wasatch County. HLP denies the remaining allegations of this paragraph of the Amended Complaint.

4. With respect to the allegations of Paragraph 4 of the Amended Complaint, HLP admits that the Commission does not have jurisdiction over municipalities and denies the remaining allegations of this paragraph of the Amended Complaint.

5. HLP denies the allegations of this paragraph of the Amended Complaint.

6. HLP admits that Rocky Mountain Power also provides electric service to customers in the unincorporated areas of Wasatch County. HLP denies the remaining allegations of this paragraph of the Amended Complaint.

7. With respect to Paragraph 7 of the Amended Complaint, HLP admits that Rocky Mountain Power has a franchise from Wasatch County expiring in 2010. HLP however affirmatively alleges that Rocky Mountain Power has forfeited that franchise by non-use for the areas historically serviced by HLP.

8. HLP is without sufficient information to form a belief as to the truth of the allegations of this paragraph of the Amended Complaint and therefore denies those allegations.

9. HLP admits that, in 2005, Rocky Mountain Power has constructed a substation at the base of the Jordanelle dam. HLP denies that the substation was constructed to provide service to the Heber Valley. HLP is without sufficient information to form a belief as to the truth of the remaining allegations of Paragraph 9 of the Amended Complaint and therefore denies those allegations.

10. With respect to Paragraph 10 of the Amended Complaint, HLP admits that it has approximately 8,600 customers and that approximately 1,700 of those customers are located in the unincorporated areas of Wasatch County. HLP denies the remaining allegations of this paragraph of the Complaint.

11. HLP admits that it intends to continue to serve customers within its historic service territory. HLP denies the remaining allegations of this paragraph of the Amended Complaint.

12. HLP denies the allegations of this paragraph of the Amended Complaint.

13. HLP denies the allegations of this paragraph of the Amended Complaint.

14. HLP denies the allegations of Paragraph 14 of the Amended Complaint.

15. HLP denies the allegations of Paragraph 15 of the Amended Complaint.

16. HLP admits the allegations of Paragraph 16 of the Amended Complaint, but affirmatively alleges that the Commission has no jurisdiction over HLP's authority to serve or the extent of its service territory.

17. HLP admits the allegations of this paragraph of the Amended Complaint to the extent that they are consistent with Utah Code § 10-8-14 and denies the remaining allegations.

18. HLP denies the allegations of this paragraph of the Amended Complaint.

19. HLP admits that it provides retail service to customers located in the unincorporated areas of Wasatch County, but denies the remaining allegations of this paragraph of the Amended Complaint.

20. HLP admits the allegations of this paragraph of the Amended Complaint to the extent that they are consistent with Section 11-13-101 of the Interlocal Cooperation Act and denies the remaining allegations.

21. HLP admits that it has not obtained Certificate of Public Convenience and Necessity from the Commission and affirmatively alleges that it is not required to by the Interlocal Cooperation Act. HLP denies the remaining allegations of this paragraph of the Complaint.

22. HLP denies that RMP's Certificate gives it right to serve within HLP's historic service territory to the exclusion of HLP. HLP is without sufficient information to form a belief as to the truth of the remaining allegations of this paragraph of the Amended Complaint and therefore denies those allegations.

23. HLP admits the allegations of Paragraph 23 of the Amended Complaint.

24. HLP denies the allegations of Paragraph 24 of the Amended Complaint.

25. HLP is without sufficient information to form a belief as to the truth of the allegations of this paragraph of the Amended Complaint and therefore denies those allegations.

26. HLP is without sufficient information to form a belief as to the truth of the allegations of this paragraph of the Amended Complaint and therefore denies those allegations.

27. HLP admits the allegations of Paragraph 27 of the Amended Complaint.

28. HLP admits the allegations of Paragraph 28 of the Amended Complaint.

29. HLP admits the allegations of Paragraph 29 of the Amended Complaint.

30. HLP is without sufficient information to form a belief as to the truth of the allegations of Paragraph 30 of the Amended Complaint and therefore denies those allegations.

31. HLP denies the allegations of Paragraph 31 of the Amended Complaint.

32. With respect to Paragraph 32 of the Amended Complaint, HLP admits that Rocky Mountain Power disputes whether HLP has a legal right and authority to customers in the unincorporated areas of Wasatch County. HLP is without sufficient information to form a belief as to the truth of the remaining allegations of this paragraph of the Amended Complaint and

therefore denies those allegations.

33. HLP is without sufficient information to form a belief as to the truth of the allegations of Paragraph 33 of the Amended Complaint and therefore denies those allegations.

SECOND DEFENSE

The Commission lacks subject matter jurisdiction to adjudicate the issues or grant the relief requested in the Amended Complaint as to HLP. HLP is concurrently filing a motion to dismiss the Amended Complaint for lack of subject matter jurisdiction. Notwithstanding and without waiving said motion to dismiss, HLP is concurrently filing this Answer at the request and direction of the Commission and the other parties.

THIRD DEFENSE

RMP has for many decades known of and encouraged HLP to provide electric service in the Heber Valley, including unincorporated areas of Wasatch County, and to make substantial expenditures for resources and facilities to provide this service. RMP is barred by abandonment, forfeiture, waiver, estoppel and laches from challenging HLP's authority to serve the Heber Valley, including unincorporated areas.

FOURTH DEFENSE

RMP has abandoned or forfeited its certificate of convenience and necessity and its franchise rights to provide service to the Heber Valley, including unincorporated areas of Wasatch County, by non-use.

FIFTH DEFENSE

RMP has failed to state a claim upon which relief may be granted.

SIXTH DEFENSE

HLP has for decades offered and continues to offer electrical services to customers located within its historical service areas who request such service, in full conformity with the Utah Municipal Code and all other applicable laws and principles of law and equity.

Dated this 4th day of April, 2008.

/s/

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Joseph A. Skinner,

Attorneys for Heber Light & Power

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by email this 4th day of April, 2008, on the following

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