



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

June 22, 2007

**VIA ELECTRONIC FILING
AND OVERNIGHT DELIVERY**

Utah Public Service Commission
Heber M. Wells Building, 4th Floor
160 East 300 South
Salt Lake City, UT 84111

Attention: Julie P. Orchard
Commission Secretary

RE: DO NOT REDOCKET
Advice No. 07-13, Docket 07-035-T13 Replacement Pages
Schedule 70 – Renewable Energy Rider – Optional
Schedule 72 – Renewable Energy Rider – Optional
Bulk Purchase Option
Response to Comments of the Committee of Consumer Services
and Utah Clean Energy

Enclosed for filing are an original and two copies of proposed tariff changes associated with Tariff P.S.C.U. No. 47 of Rocky Mountain Power applicable to electric service in the State of Utah. Pursuant to the requirements of Rule R746-405-2D, PacifiCorp (the Company) states that the proposed tariff sheets do not constitute a violation of state law or commission rule. The Company will also provide an electronic version of this filing to tbehr@utah.gov.

As a result of the June 7, 2007 comments received from the Committee of Consumer Services (“Committee”) and the May 24, 2007 comments received from Utah Clean Energy (“UCE”), Rocky Mountain Power resubmits replacement tariff sheets with additional modifications to Schedules 70 and 72. The Company is requesting an effective date of May 1, 2007 for the proposed changes.

Original Sheet No. 70.3	Schedule 70	Renewable Energy Rider – Optional
Original Sheet No. 70.4	Schedule 70	Renewable Energy Rider – Optional
Original Sheet No. 72.3	Schedule 72	Renewable Energy Rider – Optional
		Bulk Purchase Option
Original Sheet No. 72.4	Schedule 72	Renewable Energy Rider – Optional
		Bulk Purchase Option

Rocky Mountain Power appreciates the support of the Division of Public Utilities (“DPU”), the Committee, Utah Clean Energy (UCE) and in addition to the submittal of replacement tariff sheets, provides the following responses to the Committee and UCE. Responses to comments of the DPU were filed on June 1, 2007.

Committee of Consumer Services Recommendations

1. **The Committee agrees with DPU’s recommendation for an annual report filings and further requests “Notification that an annual status report has been submitted should be sent to Blue Sky parties.”**

The Company is willing to provide an annual report and will do so in accordance with the rules and regulations of the Commission.

2. **The selection criteria for Qualifying Initiatives must be clearly identified for those who submit an application for funding. Any weighting given to specific criteria should be explicitly identified.**

The process and selection criteria are published on the Company’s Web site.

3. **The Company should explore alternate methods of providing funds to selected applicants rather than a full upfront disbursement.**

Currently, monies are distributed to the recipients following the approval of their project and recipients are required to provide quarterly reports to the Company detailing the progress of their project. While the Company understands the concerns expressed by the Committee and UCE regarding ensuring the projects are completed as designed and operated according to the approved specifications, the Company believes the issues should be dealt with by the selection review process rather than in the tariff Schedules.

Changes to the timing of the release of funding may inhibit applicants from applying for funding and could create barriers for small projects. Consideration should also be given to the additional administrative burden and costs resulting from additional reporting, auditing, or processing. There have been no instances of default or project cancellations to date. In fact, two projects are already completed and producing renewable energy (Entheos Academy and Tracy Aviary – both solar projects.)

4. **Qualifying Initiative projects selected through the application process should require Commission approval prior to receiving funding.**

The Company agreed with the DPU recommendation to expand the selection review panel to include renewable energy grant experts and believes this review and approval

process should remain with the selection review panel. The Company does not agree that Commission approval prior to funding each project should be required.

5. **The Company should be required to clearly communicate to its customers the details of the types of purchases that will be made with Blue Sky funds. Program participants should be informed of grants to Qualifying Initiatives in the prior year and the status of the projects annually.**

Rocky Mountain Power will review and reevaluate the information currently presented on the Company's Web site.

6. **The Company should be required to maintain the current language that "customers may apply for or terminate from this schedule anytime during the year."**

Rocky Mountain Power is agreeable to this request and has reflected the change in the enclosed replacement pages to Schedules 70 and 72.

Utah Clean Energy Comments/Suggestions

1. **Definition of Renewable Energy. UCE offers support of the changes to the definition of renewable energy "on the condition that all renewable energy resources included as part of the Blue Sky mix do not have a carbon impact and are clearly shown to have minimal to no environmental impact."**

The Company believes that to have no carbon impact and minimal environmental impact is an ongoing fundamental principle of the Blue Sky Program.

2. **Qualifying Initiatives. UCE states it "does not support the use of funds for 'Research and Development projects encouraging renewable market transformation to accelerate marketability of renewable technologies' as we feel this is not the best use of limited program funds."**

The Company believes market transformation is an important aspect to renewable energy and all projects, including Research and Development projects, will be evaluated using the same evaluations/selection criteria.

UCE also recommends a control mechanism to help guarantee protection of the monies granted for projects are spent on the intended renewable project.

Please refer to the response Committee of Consumer Services Recommendation 3 above.

3. **Special Conditions.** UCE has stated it is supportive of the provision “The Company will not accept enrollments for accounts that have time-payment agreement in effect, or have received two or more disconnection notices, or have been disconnected within the last 12 months.” for residential customer but stated they did not feel it is necessary for business customers.

The Company believes that although this circumstance rarely presents itself, it should retain the right to deny enrollment in this program due to credit risk.

4. **Additional Suggestions:**

Third Party Certification – UCE recommends that the program adopt some form of third party certification.

The Company intends to participate in the Western Renewable Energy Generation Information System (WREGIS) when it is operational and has added the following paragraph to the “Special Conditions” sections of the enclosed replacement pages for Schedules 70 and 72:

5. Beginning January 1, 2008, all RECs purchased under this program must be registered with the Western Renewable Energy Generation Information System (WREGIS), if WREGIS is operational.

Charge Per Block – UCE suggests that the Company consider a \$0.20 decrease in the price per block for both Schedule 70 and 72.

The Company believes the pricing level is appropriate based on the fluctuations in the market. Pricing, market trends, expenditures are continually monitored to be sure the pricing level is not out of line. In addition, the funding level for the qualifying initiatives is at a reasonable level.

The Blue Sky Program is offered in all six states services by PacifiCorp. Consistency in pricing and program requirements is critical to the efficiencies and costs of administration of the program across all states. Pricing at the levels reflected in Schedules 70 and 72 was recently approved in PacifiCorp’s five other states.

It is respectfully requested that all formal correspondence and Staff requests regarding this filing be addressed to:

By e-mail (preferred): datarequest@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, Oregon 97232

By fax: (503)813-6060

Informal inquires may be directed to Dave Taylor at (801) 220-2923.

Sincerely,

Jeffrey K. Larsen
Vice President, Regulation
Enclosures