

1 **Q. Please state your name, business address and present position with Rocky**  
2 **Mountain Power (the Company), a division of PacifiCorp.**

3 A. My name is A. Robert Lasich. My business address is 1407 West North Temple,  
4 Suite 320, Salt Lake City, Utah. My position is President of PacifiCorp Energy.

5 **Q. Are you the same Robert Lasich that submitted rebuttal testimony on behalf**  
6 **of the Company in this docket?**

7 A. Yes.

8 **Q. What is the purpose of your surrebuttal testimony?**

9 A. The purpose of my surrebuttal testimony is to respond the testimony of US  
10 Magnesium LLC (“US Mag”) witness Mr. Roger J. Swenson regarding off-  
11 system wind resource sales.

12 **Reply to US Mag witness Mr. Swenson**

13 **Q. Please summarize the testimony of US Mag witness Mr. Swenson that your**  
14 **surrebuttal testimony addresses.**

15 A. Mr. Swenson states that US Mag will not benefit very much from wind resources  
16 in rate base. Additionally, Mr. Swenson states that future transmission paths will  
17 essentially be empty, unless the Company quickly develops additional wind  
18 resources. Finally, Mr. Swenson proposes that the Company should make off-  
19 system sales to the market from these newly developed wind resources for the  
20 benefit of Utah customers.

21 **Wind Resource Benefits**

22 **Q. Do wind resources benefit customers?**

23 A. Yes. The Company has undertaken a robust and public Integrated Resource Plan

24 (“IRP”) process for the express purpose of identifying a preferred portfolio of  
25 supply and demand side resources that benefit customers by balancing cost and  
26 risk. Wind resources have been an integral part of each IRP preferred portfolio  
27 since 2003, including the two most recent IRPs filed with this Commission (the  
28 2007 and 2008 IRPs). These IRPs demonstrate and support the continued  
29 development of wind resources for the benefit of serving customers.

30 **Q. Mr. Swenson proposes that power from specific wind resources be sold to**  
31 **markets for the benefit of Utah customers. Is Mr. Swenson’s proposal**  
32 **reasonable?**

33 A. No. Mr. Swenson’s proposal is not reasonable and is not in the economic interests  
34 of our customers. The Company made the decision to acquire each of its wind  
35 resources with the specific intent of meeting its customer load service obligation.  
36 The economic benefit of pursuing wind resources is that these resources provide  
37 energy to serve our customers’ electric service needs at a cost that is reasonable,  
38 prudent and results in reduced risk by lowering exposure to volatile electric and  
39 natural gas markets as well as mitigating potential future exposures associated  
40 with carbon dioxide emissions.

41 **Q. Did US Mag submit any comments to the Company or Commission as part of**  
42 **the 2008 IRP process regarding the acquisition of renewable resources for**  
43 **the sole purpose of making off-system sales?**

44 A. No.

45 **Q. Is Mr. Swenson’s off-system sale proposal needed?**

46 A. No. Mr. Swenson fails to recognize that the Company is already making off-

47 system renewable sales as part of its normal system balancing activities.  
48 Therefore, there is no need for the Commission to consider Mr. Swenson's  
49 contracting proposal as the Company is already undertaking such activities for the  
50 benefit of customers.

51 **Q. Is there a distinction between what Mr. Swenson is proposing and what the**  
52 **Company is already undertaking?**

53 A. Yes. Mr. Swenson is proposing that the Company enter into off-system sales from  
54 specific renewable resources. When the Company enters into off-system  
55 renewable sales as part of its normal balancing activities, the associated energy is  
56 not generated from any specific renewable resource.

57 **Q. Is Mr. Swenson challenging the prudence of any wind resource or any**  
58 **transmission upgrade in this case?**

59 A. No. Mr. Swenson does not provide any analysis, offer any adjustment or  
60 challenge the prudence of any wind resource or transmission upgrade in this case.

61 **Q. Does this conclude your surrebuttal testimony?**

62 A. Yes.