



State of Utah

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## Public Service Commission

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### PRESS RELEASE

**FOR IMMEDIATE RELEASE**

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### **Public Service Commission Approves Certificate to Build Lake Side 2 Power Plant**

The Utah Public Service Commission today issued its order approving PacifiCorp's decision to build a new power plant and conditionally granting PacifiCorp the necessary certificate to move forward with construction and operation. PacifiCorp does business in Utah through its division, Rocky Mountain Power. The new power plant is known as "Lake Side 2" and will be located in Vineyard, Utah adjacent to the existing Lake Side 1 power plant. CH2M Hill E&C, Inc. will build the new plant. Lake Side 2 is planned to be in service by June 2014.

PacifiCorp, with input from regulators, consumer advocates, and other interested parties, regularly studies Utah customers' need for future electric generation and presents its findings in its Integrated Resource Plan. Utah continues to experience growth in demand for electricity driven both by increased population and higher usage per customer. PacifiCorp's most recent analysis demonstrates substantial need for additional electric generation capacity by the summer of 2014, and an even greater need thereafter.

To meet a portion of this future need for electricity, in December 2009 PacifiCorp issued a request for proposals and received a wide variety of bids. PacifiCorp solicited and evaluated these proposals using a competitive solicitation process approved by the Commission. In accordance with state law, the solicitation process was carefully monitored by an independent evaluator with vast experience in electric generation planning, Merrimack Energy Group, Inc.

The rigorous evaluation of the proposals revealed the Lake Side 2 plant to be the lowest reasonable cost, single plant option for customers, taking into account costs and risks. On March 29, 2011, the Commission held a hearing to consider PacifiCorp's request for approval of its decision to build Lake Side 2. The Utah Division of Public Utilities and the Utah Office of Consumer Services support both the need for the additional electricity resource and PacifiCorp's selection of Lake Side 2.

The Lake Side 2 Project will consist of a natural-gas-fired, combined cycle combustion turbine generating plant. It will generate 637 megawatts of electricity. PacifiCorp continues to seek and evaluate additional resources for 2014 and beyond.

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