BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of
Rocky Mountain Power for Approval
Of a Significant Energy Resource
Decision Resulting from the
All Source Request for Proposals

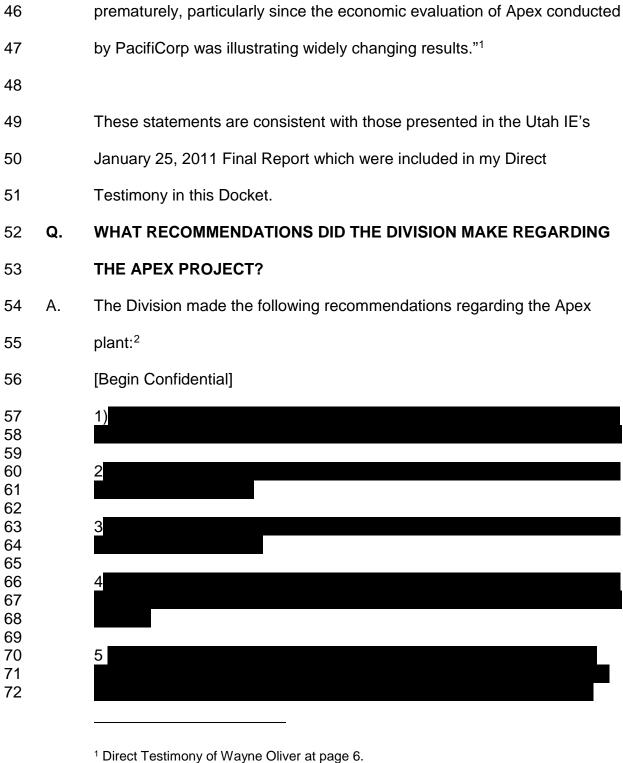
Ocket No. 10-035-126
Rebuttal Testimony
Of Cheryl Murray
For the Office of
Consumer Services

March 17, 2011

Redacted – Public Version

1	Q.	WHAT IS YOUR NAME, OCCUPATION AND BUSINESS ADDRESS?
2	A.	My name is Cheryl Murray. I am a utility analyst for the Office of
3		Consumer Services. My business address is 160 East 300 South Salt
4		Lake City, Utah 84111.
5	Q.	WHAT IS THE PURPOSE OF YOUR TESTIMONY?
6	A.	My rebuttal testimony is in response to the Direct Testimony of Charles
7		Peterson for the Division of Public Utilities (Division) as it relates to the
8		Apex plant.
9	Q.	IS THE DIVISION FAMILIAR WITH THE PROCESS THAT LED TO THE
10		COMPANY'S REQUEST FOR ACQUISITION?
11	A.	It is clear from Mr. Peterson's testimony that the Division has closely
12		followed the entire process related to this Docket, from PacifiCorp's
13		(Company) initial Request For Proposal (RFP) to the Company's request
14		for acquisition of a significant energy resource. The Division has detailed
15		its involvement in the process and I will not repeat that here.
16	Q.	HAS THE DIVISION EXPRESSED CONCERNS WITH THE COMPANY'S
17		ACQUISITION PROCESS?
18		In Direct Testimony the Division articulated its concerns with the portion of
19		the process related to the Company's dealings with the Apex plant.
20	Q.	WHAT CONCERNS HAS THE DIVISION EXPRESSED RELATED TO
21		THE APEX PLANT?

22	A.	At page 7 of his Direct Testimony Mr. Peterson lists a number of
23		conclusions reached by the Division regarding the overall process. Here I
24		incorporate only those dealing specifically with the Apex plant.
25		[Begin Confidential]
26 27 28 29 30 31 32 33		2
34		[End Confidential]
35 36	Q.	DID THE UTAH INDEPENDENT EVALUATOR EXPRESS SIMILAR
37		CONCERNS WITH THE COMPANY'S MANAGEMENT OF THE
38		PROCESS REGARDING THE APEX PLANT?
39	A.	Yes. In his Direct Testimony Wayne Oliver, the Utah Independent
40		Evaluator (Utah IE), stated:
41		"The IE had some concerns with the Company's evaluation of the Apex
42		combined cycle power plant, an existing facility located in Nevada,
43		particularly PacifiCorp's decision to terminate due diligence and contract
44		negotiations with the project sponsors in mid-December 2011 (sic). The
45		IE felt that contract negotiations and due diligence were terminated



Direct resultions of wayne Oliver at page o.

² Direct Testimony of Charles Peterson, page 32.

7374 [End Confidential]

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A.

Q. WHAT IS THE OFFICE'S REACTION TO THE DIVISION'S

RECOMMENDATIONS?

The Office assessed the Division's recommendations with great interest. As stated earlier, the Division has closely followed and participated in the process leading to the Company's request for acquisition. They have had more access to information and those most closely involved in the process (such as Company personnel managing the RFP and the IE) than the Office has had.³ Mr. Peterson states that the Division attended many conference calls between the Company and the Utah and Oregon IEs. Additionally the "Division was copied on e-mails and received copies of most documents provided to the IEs by the Company, or documents produced by the IEs".⁴ Also, it is the Office's understanding that the Division was involved in discussions with the IE and Company personnel during the days before the Company's filing when its position was abruptly changed. Therefore the Division has a much more comprehensive knowledge and understanding of the events leading up to the Company's

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⁴ Peterson direct testimony, page 3, lines 59 – 63.

⁵ It is the Office's understanding that the IE filed interim reports with the Commission to which the Division is the only party that has had access.

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