



State of Utah
Department of Commerce
Division of Public Utilities

FRANCINE GIANI
Executive Director

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Deputy Director

CHRIS PARKER
Director, Division of Public Utilities

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Governor
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Lieutenant Governor

MEMORANDUM

To: Public Service Commission

From: Chris Parker, Director
Artie Powell, Energy Section Manager
Brenda Salter, Utility Analyst
Joni Zenger, Technical Consultant

Date: January 17, 2012

Re: Docket No. 11-035-200, In the Matter of Rocky Mountain Power's Intent to File a General Rate Case/Notice of Proposed Forecast Test Period.

RECOMMENDATION

The Division of Public Utilities ("Division") does not oppose and unless contested by another party, recommends no further action at this time regarding Rocky Mountain Power's proposed forecast test period of the twelve months ending May 2013 to be used in preparing its general rate case filing expected on or about February 15, 2012.

ISSUE

On December 15, 2011, Rocky Mountain Power ("Company") notified the Utah Public Service Commission ("Commission") of its intent to file a general rate case on or about February 15, 2012. In its notice, the Company requests that the Commission approve its proposed forecast test period for the twelve months ending May 2013 (June 1, 2012 through May 30, 2013), which is approximately 15 months after the Company's anticipated filing. The Commission issued its

Notice of Proposed Forecast Test Period on December 30, 2011, providing parties an opportunity to respond. This memorandum is the Division's response to the Commission's Notice.

DISCUSSION

Utah Admin. Code R746-700-10(B)(1) provides that an applicant planning to file a general rate case may first request Commission approval of a test period to be used in preparing its application. The rule states that testimony and accompanying supporting documentation should be filed with the request. Contrary to the rule, the Company did not include testimony or exhibits in its request. However, in this instance, nine parties have previously signed a stipulation regarding the test period to be used in this case. The Stipulation was approved by the Commission on July 28, 2011 in Docket Nos. 10-035-124, 09-035-15, 10-035-14, 11-035-46, and 11-035-47. The parties agreed, that in the Company's next general rate case in Utah, they would not oppose the Company's forecast test period ending no later than fifteen months beyond the end of the month in which the rate case is filed. The May 2013 test period is consistent with the nine parties' agreement not to oppose the test period in this case. Therefore, the Division is not opposed to the Company's use of a test period ending May 2013 in the anticipated upcoming rate case.

However, given that the Company filed no evidence to support its test period, the Division is not in a position to recommend approval of the Company's test period. Before recommending final approval, the Division will need to evaluate whether the Company's filed test period complies with all aspects of the Stipulation. For example, the Stipulation also specified that the Company must use a thirteen-month average rate base for the test period (Settlement Stipulation, p. 21, ¶ 69). The Division recognizes that there may be other entities

that wish to comment on the proposed future test period. Unless a party opposes the use of the proposed test period, the Division recommends that no further action need be taken at this time. In the event that a party opposes the proposed test period, the Division will participate according to Commission's scheduling conference contemplated in its December 30, 2011 Notice.

CONCLUSION

The Division has no objections to the Company's May 2013 test period and believes that it is consistent with the Settlement Stipulation approved by the Commission and noted above. The Division recommends that unless a party opposes the Company's proposed test period ending May 2013, no further action is required at this time.

CC Dave Taylor, Rocky Mountain Power
Michele Beck, Office of Consumer Services