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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Pending Application of Rocky Mountain Power for a Certificate of Public Convenience and Necessity Authorizing Construction of the Sigurd – Red Butte No. 2 345 kV Transmission Line	Docket No. ~~12-035-97~~ 12-035-97 **ROCKY MOUNTAIN POWER'S ERRATA APPLICATION FOR CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**

Rocky Mountain Power, a division of PacifiCorp ("Rocky Mountain Power" or the "Company"), pursuant to Utah Code Ann. § 54-4-25, hereby applies to the Public Service Commission of Utah (the "Commission") for a certificate of public convenience and necessity ("CPCN") authorizing the construction of a 345 kV transmission line, known as the Sigurd – Red Butte No. 2 Transmission Line (the "Project"). In support of its application, the Company states as follows:

PROJECT DESCRIPTION

1. The Company is an electrical corporation and public utility subject to the jurisdiction of the Commission. In addition to providing retail electric service in the state of Utah, the Company provides retail electric service in Idaho and Wyoming, as well as Oregon, Washington and California as Pacific Power.

2. The Company is responsible to provide its customers with safe, reliable, and adequate transmission capacity to meet the short-term and long-term load growth through connections to generation resources, as well as through access to energy markets. As an essential service provider, the Company is required to develop and maintain a forward-looking and long-range transmission plan to reliably meet customer electric requirements.

3. The Project consists of a new single circuit 345 kV transmission line that will be built between the existing Sigurd substation located in Sevier County approximately 6 miles northeast of the town of Richfield, Utah, to the existing Red Butte substation west of State Route 18 and the town of Central in Washington County, Utah. The precise alignment for the Project has not yet been determined. The total length of the Project will be approximately 160 miles, depending on the alternative alignment selected.

4. A significant portion of the Project will be located on federal land administered by the U.S. Bureau of Land Management ("BLM"), as well as the U.S. Forest Service ("USFS"). Therefore, the final transmission line route will be dictated, in large part, by the BLM, which has been designated as the lead agency in the federal environmental review process. The alignment decision will be based on an environmental impact statement ("EIS") that was prepared and is currently under consideration in accordance with the National Environmental Policy Act ("NEPA"). The EIS process requires, among other things, input by the public, resource agencies, the affected counties and other local jurisdictions. A map showing the EIS study area for the Project and the location of the existing substations is attached hereto as Exhibit A.

5. Construction of the Project will commence upon approval of the CPCN by the Commission, and issuance of Records of Decision from the BLM and the USFS. The duration of construction activities will depend, in part, on the timing of Project authorizations. In general, the entire Project is expected to require approximately 26 months to complete, with a minimum of 16 months required for heavy construction activities. The Project is designed to meet a critical in-service date of June 30, 2015.

REQUIRED CONSENT, FRANCHISE AND PERMITS

6. In past orders, the Commission has determined that the location and routing of a transmission line is beyond the scope of the CPCN process. However, as a condition of approval, the Company must "file in the office of the commission evidence as required by the commission to show that the applicant has received or is in the process of obtaining the required consent, franchise, or permit of the proper county, city, municipal, or other public authority." (Utah Code Ann. § 54-4-25(4)(a)(i)).

7. The Company has received or will obtain the required consents, franchises, and permits from all of the local governmental entities having jurisdiction over the proposed alignments for the Project. The Company has obtained conditional use permits ("CUPs") from the following local governmental entities: Beaver County, Iron County, Millard County, Sevier County, Washington County, and Richfield.

8. In addition to the CUPs, the Company is in the process of obtaining the required consents and permits from the state of Utah which will be obtained once the final transmission line alignment has been identified. Any permits and approvals required from State agencies for actual construction and operation of the Project will also

be obtained in the ordinary course of development. These required consents and permits may include, but may not be limited to, stream alteration permits from the Utah Department of Natural Resources, highway encroachment permits from the Utah Department of Transportation, storm water permits from the Utah Department of Environmental Quality, right-of-way grants from the Utah School and Institutional Trust Lands Administration, and approvals from the State Historic Preservation Office of Utah.

9. The Company has filed a right-of-way permit application with the BLM and U.S. Forest Service. As noted, these filings triggered the need to conduct the EIS and will be issued as part of the federal process. The draft EIS was published for public review and comment in May, 2011, with the issuance of a final EIS scheduled in October 2012, and ultimately the issuance of Records of Decision for the Project issued by both the BLM and U.S. Forest Service, which are expected to be issued in late December 2012. The Company believes the BLM's decision (as the lead agency in the EIS process) will result in the issuance of rights-of-way and authorizations necessary for the Company to begin construction on federally-administered lands located along the transmission route.

10. Consistent with other certificates that have been issued by the Commission and consistent with Utah Code Ann. § 54-4-25(4)(e), the Company urges the Commission to grant the CPCN that will allow the Company, at its discretion, the right to begin construction on those parts of the route for which it has received approval from the respective governmental permitting authorities.

PROJECT COST AND FUNDING SOURCE AND ADEQUACY

11. As supported by the direct testimony of Bruce N. Williams and Darrell T. Gerrard, the total cost of the Project is expected to be approximately $38097 million. This estimate includes the interconnections with, and upgrades to, the Sigurd and Red Butte substations, as well as near-term and future Project elements and costs. The Company will use a mix of capital to fund the Project, which will provide a competitive cost of capital and predictable capital market access, while allowing the Company to remain financially stable. The sources of Project funds will include operating cash flows, issuance of long- and short-term debt, and, if necessary, new equity.

PUBLIC CONVENIENCE AND NECESSITY

12. The Project is one component of the Company's larger "Energy Gateway Transmission Expansion Project," along with the now-completed Populus to Terminal transmission project (CPCN approved in Report and Order, Docket No. 08-035-42, September 4, 2008), and the Mona to Oquirrh transmission project (CPCN approved in Report and Order, Docket No. 09-035-54, July 16, 2010) which is now under construction. The Company's success in providing low-cost energy depends on its ability to acquire and reliably transfer power to its customers from numerous sources. These coordinated transmission projects are part of the Company's modeled topology for the purpose of selecting its preferred resource portfolio, and represents a crucial component of the Company's comprehensive, long-term plan (and effort) to deliver network resources to loads, support renewable generation development and retail load growth, and improve reliability of the regional power grid, all of which greatly benefit the Company's customers, and the region as a whole.

13. The Project directly addresses the Company's need to meet its electric service obligations to its customers by adding additional transmission facilities to its system, thereby improving reliability of the interconnected transmission system and increasing transmission capacity required to serve the growing electric demand in Utah. The Project provides access to renewables and other generation sources (both new and existing), and provides increased capacity to import/export energy to/from the State. In this regard, this Project is required to support the Company's current and future Integrated Resource Plans ("IRP").

14. During the Company's 2007 IRP, the Project was incorporated as part of a transmission expansion option included in the IRP capacity expansion optimization model. Subsequently, the Project was again included in the 2008 IRP as part of the Energy Gateway Transmission Expansion Project. The transmission expansion option was selected by the IRP model under various input scenarios, and was subsequently included as part of the 2008 IRP preferred portfolio of resources, and ~~the revised 2008 IRP dated March 31, 2010~~in 2011 the Project was included in the Company's 2011 IRP and most current revisions thereof.

15. In addition to serving as a component of the Company's Energy Gateway Transmission Expansion Project and being included in the 2008 IRP preferred portfolio, the Project is also included as part of the regional Western Electricity Coordinating Council ("WECC") Transmission Expansion Plan. The Project has undergone WECC's Three Phase Ratings Process, and has been approved for Phase 3-"Construction Phase" status as part of the overall Energy Gateway Transmission Expansion Project.

16. As described in the direct testimony of Darrell T. Gerrard filed on behalf of the Company, the Project will:

a. Improve Transmission System Capacity. The full-rated capacity of the southwest Utah transmission system, including the existing Sigurd to Three Peaks to Red Butte No. 1 – 345 kV transmission line~~, is fully utilized and~~ cannot currently provide adequate service under all expected operating conditions and customer demands. The existing Sigurd to Red Butte line represents the sole connection to a major southwest Utah load area, with customer designated generation sources to this critical load isolated during line outage events. Load growth in southwestern Utah continues, and is forecasted to continue beyond the current recession period, surpassing the capability of the existing transmission system. New facilities must be constructed to provide reliable capacity for load service. Without the Project, peak load in southwestern Utah cannot be reliably served during transmission line outages or major equipment contingencies. The Project also supports future electrical load growth in southwestern Utah and improves the ability of the Company's transmission system to transport energy into southwest and central Utah and to high growth areas along the Wasatch Front of Salt Lake City. In addition, and as explained in further detail in the testimony of Darrell T. Gerrard, due to the interconnected nature of its transmission system, this Project will also benefit PacifiCorp's system in a regional context.

b. Improve Required Transmission System Reliability. In addition to increasing system capacity, the Project will provide needed redundancy to the existing infrastructure and substantially improve the Company's ability to provide reliable electrical service to its customers. The Federal Energy Regulatory Commission

("FERC"), in conjunction with the WECC and the North American Electric Reliability Corporation ("NERC"), has established Bulk Electric System reliability standards and criteria. These mandatory standards and criteria establish the minimum system planning, operation, and maintenance requirements with which all transmission providers in the United States must comply. These standards and criteria require that transmission providers evaluate all expected customer demand levels and operating conditions, and plan for adequate redundancy in their systems in order to maintain required system reliability and performance levels. It is the responsibility of the Company as the transmission provider to utilize operational history and experience to plan, design, site and construct transmission projects as required to meet system performance requirements and manage reliability, risks, and costs. Without the Project, peak loads in southwestern Utah could not be reliably served and transmission service contract obligations could not be met. As~~If~~ designed in a manner that meets the Company's system planning criteria (developed in response to NERC and WECC standards and criteria, and based on the Company's operational history and experience), the proposed Project ~~would~~ will enhance the reliability and capacity of the Company's existing transmission system (including the portion of the system between the Sigurd and Red Butte substations), and substantially improve the Company's ability to provide reliable electrical service to its customers long-term.

c. Enhance Transfer Capacity. The current system supports up to 4~~3~~00 MW of transfers ~~to support customer loads in southwestern Utah and to provide~~of firm energy transfers to Nevada. The Company has contractual commitments and future load service requirements that cannot reliably be delivered via the transmission system

existing in the area today. To meet these transfer obligations, the Company must increase the total capacity of the existing transmission path between the existing Sigurd and Red Butte substations. This will be accomplished by construction of the Company's proposed Project.

d. Improve Access to Renewables and Other Generation Sources. The Project provides improved access to existing and new generation sources, and provides options to access other energy resources, including renewable generation. While the proposed Project is needed independent of, and would be built for load service regardless of any new generation project or other proposed transmission lines known in the area, the resulting increase in capacity to the existing transmission system allows flexibility to use future generation and interconnected transmission facilities.

e. Promote Energy Sales, Transfers, and Purchases. The Company proposes to increase the capacity of the existing transmission system to meet the projected load demand of southwest Utah. In addition, under its Open Access Transmission Tariff ("OATT"), the Company has transmission service contract obligations for firm transmission service into and out of southwestern Utah. Indeed, the OATT obligates the Company to provide adequate and non-discriminatory network transmission service for delivery of network generation to loads. The current system supports ~~up to 300 megawatts (MW) of~~firm energy transfers (bi-directional) between southwestern Utah and Nevada. As a result of this Project and other Company projects ~~underway~~ completed in the area, the transfer capacity of the existing system between Utah and Nevada will increase by ~~300 MW for a total system planned capacity of 600 MW (bi-directional)~~an additional 200 MW. This additional transmission capacity can be

used by the Company to make off-system sales during periods when~~re~~ surplus energy exists. And under its OATT, the Company can provide firm transmission services to third parties in the region, both of which provide benefits to the Company's customers by reducing their overall energy costs. The Energy Gateway Transmission Expansion Project, which includes this Project, is the Company's plan to enable it to continue to meet its OATT obligations, as well as its contractual service obligations to Utah Associated Municipal Power Systems, Utah Municipal Power Association, and Deseret Generation & Transmission Co-operative, Inc. The Project's added transfer capacity is vital to the Company's continued ability to provide reliable service to these entities in the future.

17. The Company examined various alternatives to the Project during the IRP process, including (1) electric load and demand-side management and energy conservation, (2) the construction of new generation facilities in southern Utah, and (3) increasing supply by obtaining additional capacity from the existing transmission lines and implementing alternative transmission technologies. After careful evaluation the Company determined that none of these options addressed the Company's energy resource needs as effectively and efficiently as the Project.

APPROVAL CRITERIA

The following information is provided pursuant to Utah Code Ann. § 54-4-25, which sets forth the criteria for approval by the Commission of an application for a CPCN.

18. The Company has received or is in the process of obtaining all required consents, permits and other authorization(s) for the Project as required by Utah Code

Ann. § 54-4-25(4)(a). All required CUPs for the Project have been obtained from each local governmental entity within the Project boundary. To the extent that any further permits may be required during Project construction. Rocky Mountain Power will provide notice of receipt of the consent or permit as may be directed by the Commission.

19. As required by Utah Code Ann. 54-4-25(4)(b), the Company submits that the Project will not conflict with or adversely affect the operations of any existing certificated fixed public utility which supplies electric power or service to the public, and the Project will not constitute an impermissible extension into the certificated service territory of any existing public electric utilities.

20. As supported by the testimony of Bruce Williams and as required by Utah Code Ann. § 54-4-25(5)(d), the Company has demonstrated that it has sufficient access to capital to finance the Project and a capital structure that renders the Company financially stable.

21. All factual statements made in this Application are verified and supported by the direct testimonies of Bruce Williams and Darrell T. Gerrard.

22. Communications, including all pleadings or other filings, regarding this Application should be addressed to:

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The Company also respectfully requests that all formal correspondence and data requests regarding this filing be sent to:

By e-mail **(preferred)** to:	datarequest@pacificorp.com
By regular mail to:	Data Request Response Center PacifiCorp 825 NE Multnomah, Suite 2000 Portland, OR 97232

WHEREFORE, the Company respectfully requests:

a. The Commission enter an order as expeditiously as possible granting the Company a certificate of public convenience and necessity to construct the Sigurd – Red Butte No. 2 345 kV Transmission Line; and

b. The Commission grant such other authority and authorizations as may be necessary to facilitate the construction of the Project.

RESPECTFULLY SUBMITTED: ~~September 17~~October 22, 2012.

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