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February 23, 2007

***VIA ELECTRONIC FILING  
AND OVERNIGHT DELIVERY***

Utah Public Service Commission  
Heber M. Wells Building, 4<sup>th</sup> Floor  
160 East 300 South  
Salt Lake City UT 84111

Attention: Julie P. Orchard, Commission Secretary

Re: Docket 06-999-03  
Energy Policy Act 2005 Amendments to PURPA  
Rocky Mountain Power Comments on Division of Public Utilities'  
Recommendations concerning Fuel Sources Standard

On February 1, 2007, the Division of Public Utilities (Division) submitted a memo to the Public Service Commission of Utah outlining its recommendations regarding the Public Utilities Regulatory Policies Act (PURPA) Fuel Source Standard enacted by the Energy Policy Act of 2005. On February 5, 2007, the Commission issued an invitation to interested parties to submit written comments responding to the Division's recommendations. Rocky Mountain Power appreciates the opportunity to respond to the Division's memo and submits the following comments for consideration.

**Recommendation**

In its memo, the Division recommends

“... that the Commission find that the Integrated Resource Plan Standards and Guidelines, issued on June 18, 1992, as part of the order in Docket No. 90-2035-01, is equivalent to the proposed PURPA Fuel Sources Standard. ...

We also recommend that Rocky Mountain Power's integrated resource plan (IRP) contain a section that explicitly details the fuel sources plan. ...We recommend that the explicit plan include both fuels and technologies”

Rocky Mountain Power agrees with the Division's recommendation that the current Integrated Resource Plan Standards and Guidelines are equivalent to the proposed PURPA standard and therefore adoption of this standard is not necessary in Utah. In addition, Rocky Mountain Power

agrees to provide in the 2006 and future Integrated Resource Plans the recommended section that details the fuel source plan.

## **Background**

Rocky Mountain Power conducts a very robust Integrated Resource Planning process and believes it is meeting and in compliance with all of the elements of the fuel source standard. The Company's Integrated Resource Plan (IRP) is developed by evaluating a variety of supply and demand-side resources on a comparable basis. The IRP picks an optimal least cost, risk-informed portfolio which includes various technologies and fuel sources in the final resource mix.

At the October 17, 2006 Technical Conference, Rocky Mountain Power acknowledged that while the IRP contains significant amounts of information on fuel diversity, previous editions of the IRP may not have presented that information in a way that focused on this particular PURPA standard. In response to this concern, Rocky Mountain power agreed to add a section to the IRP addressing the PURPA fuel sources standard with a discussion of how fuel diversity is achieved.

## **Conclusion**

Rocky Mountain Power agrees with the Division's recommendation that the current Integrated Resource Plan Standards and Guidelines are equivalent to the proposed PURPA standard and therefore adoption of this standard is not necessary in Utah. In addition, Rocky Mountain Power has already agreed to provide in the 2006 and future Integrated Resource Plans a section that details the fuel source plan.

It is respectfully requested that all formal correspondence and Staff requests regarding this filing be addressed to:

By e-mail (preferred):            [datarequest@pacificorp.com](mailto:datarequest@pacificorp.com)

By regular mail:                    Data Request Response Center  
PacifiCorp  
825 NE Multnomah, Suite 2000  
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Informal questions should be directed to Dave Taylor at (801) 220-2923.

Sincerely,

Jeffrey K. Larsen  
Vice President, Regulation

cc:     Division of Public Utilities  
Committee of Consumer Services