



State of Utah
Department of Commerce
Division of Public Utilities

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TO: Public Service Commission

FROM: Division of Public Utilities
Chris Parker, Director
Artie Powell, Energy Manager
Charles Peterson, Technical Consultant

DATE: January 13, 2011

RE: PacifiCorp Annual Acquisition Compliance Report, Docket No. 10-999-01/05-035-54.

I. ISSUE

In a letter dated June 1, 2010, PacifiCorp dba Rocky Mountain Power (Company) filed its annual status report (Report) of the status of the Acquisition commitments made pursuant to Commitment 49 of the Stipulation in Docket No. 05-035-54. The Report covers the status of the commitments as of March 31, 2010, roughly the fourth anniversary of the Acquisition. This Memorandum provides comments by the Division of Public Utilities (Division) on the status of PacifiCorp's Acquisition Commitments.

II. RECOMMENDATION (No Action)

Based upon the following review, the Division believes that PacifiCorp is generally in compliance with its Acquisition commitments. In past years the Division has recommended that the Company make improvements to future Reports by including any studies or documents that have been created during the preceding year that are the basis of compliance with the Acquisition commitments, or alternatively, make sure the Division had been previously provided with such studies or other documents. The Company has improved its reporting this year.

III. COMMITMENTS REVIEW

Since the close of the Acquisition in March 2006, the Company has complied with the various general and Utah-specific commitments. A number of the commitments cannot be documented

since they would only apply if some event occurs;¹ others have little meaning within the context of the Acquisition;² and many commitments were essentially one-time events that occurred in the first two years following the Acquisition.³ The remaining commitments are on-going, for which the Division is unaware of any material non-compliance. Furthermore, with one exception, over the past four years no other interested party has raised a compliance issue.⁴

In 2009 the Division had to make data requests to receive further information on Commitments 25, 27, 35, 42, 43, 44, 46, U33 and U44. With the current filing the Company automatically provided the supporting documentation of any on-going or current activities for these Commitments. The Division appreciates this increased responsiveness by the Company.

Based upon the review of the June 1, 2010 report and supporting documents along with the Division's on-going monitoring of the Acquisition commitments since the Acquisition closed, the Division believes that PacifiCorp is substantially in compliance with its Acquisition commitments through March 31, 2010 and has generally made a good faith effort to keep the Division apprised of the Company's activities related to these commitments.

cc Dave Taylor, PacifiCorp
Michele Beck, Office of Consumer Services

¹ For example, see commitments 11, 12, U2, U11, U32, and U42.

² For example, commitments 2, 7, 28, 30, 31 indicate that PacifiCorp will continue to obey the law and honor its contracts. PacifiCorp cites evidence for commitment 19, but it likely would be difficult, in principle, to demonstrate that the Company wasn't in compliance.

³ For example, see commitments 16, 29, 50, 52, 53, U6, U12, U26, U29, U38, and U40.

⁴ The exception was for Commitment U26. The issue was resolved in 2008; see Docket No. 07-02035-02.