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Salt Lake City, Utah 84111

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

December 17, 2008

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

Attn: Julie P. Orchard
Commission Secretary

Re: **Case No. 03-035-14 – Quarterly Compliance Filing – Avoided Cost Input Changes
Utah Public Service Commission (the Commission)**

Commission Orders dated October 31, 2005 and February 2, 2006 in Case No. 03-035-14 state that the Company is required to keep a record of any changes, including data inputs, made to the Proxy and GRID models used in calculating avoided costs. The Orders further require the Company to notify the Commission and Division of Public Utilities of updates made to the models used in the approved Proxy and Partial Displacement Differential Revenue Requirement (PDDRR) avoided cost methodologies.

This filing reports changes since the Company's last compliance filing dated August 12, 2008, Case No. 03-035-14.

PacifiCorp (dba Rocky Mountain Power) hereby respectfully submits an original of this compliance filing to address this requirement. An electronic copy of this filing will be provided to mlivingston@utah.gov. Additional detail is provided below:

1. GRID Model Data Updated

Avoided cost modeling and assumptions are unchanged from the August 2008 filing. The GRID modeling assumptions listed in the August 2008 compliance filing were used in the preparation of the Kennecott and Tesoro avoided cost prices. No other QFs have requested avoided costs prices since August 2008.

2. Proxy Wind Resource

The company's most recently RFP wind resource is Three Buttes Wind; a 99 MW 36% capacity factor wind resource located in Converse County, Wyoming, which will be paid a levelized price of \$63.80/MWH and which is scheduled to be on-

line before June 2010. The company proposes to update the avoided cost “proxy” wind resource from Marengo Wind to Three Buttes Wind. **Appendix A** provides updated wind resource pricing based on Three Buttes Wind.

The Company intends to update the GRID Model assumptions early in 2009. These updates include:

1. Moving from the 2007 IRP to the 2007 IRP Update resource expansion plant
2. Include the Chehalis plant
3. Include the GRID model updates ordered by the Commission in Docket No. 07-035-93 (the 2007 general rate case)

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

By E-Mail (preferred) : datarequest@pacificorp.com

By Fax : (503) 813-6060

By Regular Mail : Data Request Response Center
PacifiCorp
825 NE Multnomah Street, Suite 2000
Portland, OR 97232

Informal inquiries may be made to Laren Hale at (503) 813-6054 or Hui Shu at (503) 813-5540.

Very truly yours,

Jeffrey K. Larsen
Vice President, Regulation

cc: Service List (Case No. 03-035-14)