

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of)
PACIFICORP for a Certificate of)
Convenience and Necessity Authorizing) Docket No. 04-035-30
Construction of the Lake Side)
Power Project)

COMMENTS OF WESTERN RESOURCE ADVOCATES

Western Resource Advocates (WRA) requests that the Utah Public Service Commission consider the following comments on the Application of PacifiCorp for a Certificate of Convenience and Necessity Authorizing Construction of the Lake Side Power Project (Lake Side CCN).

1. WRA has been granted intervenor status by the Commission in this docket. WRA has also been an active participant in the Company’s integrated resource planning (IRP) process and in the stakeholder discussions on competitive bidding rules.

2. WRA has not taken a position on the overall merits of PacifiCorp’s bid evaluation and selection in this docket. However, WRA would like to state its general support for PacifiCorp’s explicit treatment of future environmental regulatory risks in the IRP and bid evaluation process. WRA believes that PacifiCorp has developed a reasonable framework overall for evaluating environmental regulatory risks in the IRP process and in its RFP bid evaluations and looks forward to working with the Company to make further improvements.

3. WRA would like to note that, while an explicit discussion of the allocation of future environmental regulatory risk in the RPF and contract negotiations is an important element to a sound carbon management strategy, this case illustrates that the contractual allocation of that risk it is not, in itself, a complete remedy. Rather, it is important for the

Company to make resource decisions that actively manage and reduce carbon regulatory risk by investing in less carbon-intensive resource alternatives.

WHEREFORE, WRA thanks the Commission for its time and consideration of these comments.

Respectfully submitted,

Eric C. Guidry
Western Resource Advocates
2260 Baseline Road, Suite 200
Boulder, CO 80302-7740
Tel: 303-444-1188 x226
Fax: 303-786-8054
eguidry@westernresources.org

Date: October 26, 2004