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Division of Public Utilities

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Memorandum

To: Utah Public Service Commission

From: Division of Public Utilities
Constance B. White, Director
Artie Powell, Manager, Energy Section
David T. Thomson, Technical Consultant

Date: February 2, 2007

Subject: Docket No. 06-035-163 Rocky Mountain Power – Application for
Deferred Accounting Order

Issue

Application of Rocky Mountain Power (RMP), for an Accounting Order to Defer the
Costs of Loans Made to Grid West, the Regional Transmission Organization.

Recommendation

At this time, the Division is of the opinion that the costs under the filing may not meet the
Division's criteria for deferred accounting. In addition these costs may be covered by the
stipulation in the last RMP general rate case, Docket No. 06-035-21. Even if these costs
were not specifically included in the stipulation, deferral of these types of costs may
violate the spirit of the RMP last general rate case stipulation, especially the stay out
provision.

Thus, presently, the Division may oppose the treatment of the costs under the filing and
at this time, rather than provide a detailed explanation and statement of issues to be
addressed, the Division requests that the Commission set up a scheduling conference to
adjudicate the issue. The Division also recommends that all intervenors to the last RMP
rate case be notified.

Also, the Division asks the Commission to consider that the scheduling for this Docket be
done in conjunction with Docket No. 07-035-04 (request to defer costs in the Mid-
American transaction) because the Division believes the issues are similar under both
dockets.

cc: Rate Case Service List