
BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of PacifiCorp,
by and through its Rocky Mountain Power
Division for Approval of a Solicitation Process
for a Flexible Resource for the 2012-2017
Time Period, and for Approval of a Significant
Energy Resource Decision

DOCKET NO. 07-035-94

PacifiCorp 2008 RFP Comments of the Independent Evaluator On Modeling Issues

The Public Service Commission of Utah's Order Approving Rocky Mountain Power's Request to Resume the All Source Request for Proposals issued on October 26, 2009 required that PacifiCorp convene a technical conference to address the Commission's Order for the Company to meet with the IE, Division, and other interested parties to report its conclusions to the Commission on two issues:

1. A method for comparison of alternative portfolios; and
2. The criteria for selection of resources in the top performing portfolios for inclusion in the final short list.

A technical conference was convened on November 2, 2009. At the technical conference PacifiCorp indicated it would prepare a report on the proposed modeling approach and decision process used to develop the final conditional short list for the All Source Request for Proposals. PacifiCorp provided its report on November 16, 2009. PacifiCorp has indicated that the modeling approach has been modified and updated from that proposed in a paper submitted on January 5, 2009, based upon input received during the technical conference held on November 2, 2009 in this Docket.

Merrimack Energy, as the Utah Independent Evaluator (IE) for Rocky Mountain Power's (a division of PacifiCorp) 2008 All Source RFP has reviewed the report and is submitting the following comments in response.

Based on review of the report, the approach proposed by PacifiCorp for selecting portfolios and resources appears reasonable and consistent. The report describes the methodology but does not provide an example how the methodology will be applied in the RFP process. The IE therefore suggests that PacifiCorp prepare an example of the proposed process using hypothetical bids and hypothetical results to demonstrate how the final short listed resources will be selected. The IE believes this will serve to eliminate any confusion or uncertainty associated with the actual Step 2 and Step 3 evaluation processes for the 2008 All Source RFP.