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State of Utah
Department of Commerce
Division of Public Utilities

FRANCINE GIANI
Executive Director

THAD LEVAR
Deputy Director

PHILIP J. POWLICK
Director, Division of Public Utilities

ACTION REQUEST RESPONSE

To: Public Service Commission of Utah
Ted Boyer, Chair
Ric Campbell, Commissioner
Ron Allen, Commissioner

From: Utah Division of Public Utilities
Phil Powlick, Director
Artie Powell, Energy Section manager

Date: November 13, 2008

Subject: Docket No. 08-035-93, In the Matter of the Application of Rocky Mountain Power for an Accounting Order Regarding Pension Curtailment and Pension Measurement Date Change

RECOMMENDATION

The Division recommends that the Commission schedule the docket as described herein.

ISSUE

On or about November 4, 2008, Rocky Mountain Power (RMP or Company) filed an application with the Public Service Commission (Commission) seeking an accounting order authorizing the Company to reduce its regulatory asset associated with “existing pension and other postretirement

welfare assets.” The Company’s application claims a \$27 million system wide pre-tax reduction in this asset and seeks to amortize these costs over ten years. In the application, the Company asks for a Commission order by December 31, 2008.

On November 5, 2008, the Commission sent an Action Request to the Division seeking an explanation of the issues to be addressed. While this memo is not intended to respond fully to the Commission’s request, the Division has reviewed the Company’s application and believes that the issues will be limited to only a few. In particular, the length of period over which to amortize the reduction may be contested. Therefore, the Division recommends that the Commission schedule the docket as follows:

Technical Conference	November 25, 2008 Company to explain accounting rule changes and basis for reduction in ongoing pension obligations as described in the application, and respond to questions.
Intervention Deadline	December 1, 2008
Intervener Testimony	December 16, 2008
Settlement Conference	December 18, 2008
Hearing	January 6, 2009

The Division’s staff has spoken with the Company representatives and does not believe they will object to a hearing in early January.

CC Dave Taylor, Rocky Mountain Power
Michelle Beck, Committee of Consumer Services

