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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of Rocky Mountain Power for Approval of Significant Energy Resource Decision Resulting from 2012 Request for Proposals	Docket No. 08-035-95 RESPONSE OF ROCKY MOUNTAIN POWER TO MAY 7, 2009 ORDER
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Rocky Mountain Power, a division of PacifiCorp (“Rocky Mountain Power” or “Company”), respectfully submits this response to the Order issued by the Commission in this docket and Docket No. 05-035-47 on May 7, 2009. The Order provided that “[t]he Company shall file, within 30 days from the date of this order, all data, information, analyses, and all supporting documentation used in its decision to terminate the Agreement in Docket No. 08-035-95, as discussed herein.” Order at 12.

The Order referenced statements of the Company regarding factors it considered in arriving at its decision to terminate the Master Development, Engineering, Procurement and
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Construction Agreement (“Agreement”) for the proposed Lake Side 2 generating plant and noted that “the public interest would be served if the record provided detailed information regarding the information the Company relied upon to make its decision regarding the Lake Side 2 Agreement.” *Id.* at 10. The Commission stated that this requirement was imposed “in the interest of ensuring that a complete record in this case is available for future reference.” *Id.* Accordingly, the Order directed “the Company to file empirical support for the factors it described in hearing and in writing as having contributed to its decision to terminate the Lake Side 2 Agreement and all data, information, analyses and supporting documentation used in its decision.” The Order then discussed factors described by the Company in reaching its decision to terminate the Agreement and concluded: “We direct the Company to file all supporting documentation used in reaching its decision and all documents created and used in its decision-making process to terminate the Agreement. These documents are to be filed in Docket No. 08-035-95 within 30 days from the date of this order. We do not anticipate this is burdensome to the Company. Such data, information, analyses and documents already exist and were used by the Company to decide to terminate the Agreement.” *Id.* at 11.

The Division of Public Utilities (“Division”) and Committee of Consumer Services (now Office of Consumer Services) (“OCS”) served joint data requests on Rocky Mountain Power in this docket on February 19, 2009. The Company believes that the information sought in those data requests is largely the same as the information that the Commission wishes the Company to file. Accordingly, Rocky Mountain Power includes as Attachment 1 to this Response its responses, including supplemental responses, to the joint data requests. The responses to the joint data requests provide information on all documents and studies created by the Company and considered in its decision to terminate Lake Side 2. Several of the responses are confidential

and were provided pursuant to the Protective Order issued by the Commission in this docket. The same documents are provided as confidential documents in this response pursuant to the Protective Order.

In addition to the responses to the joint data requests, the Company provides the following explanation and clarification in light of the additional wording in the Order regarding “all data, information, analyses and supporting documentation used in its decision.” Order at 10. The decision to terminate Lake Side 2 was made by officers and employees of the Company based on the information being provided in response to the data requests and based on their professional judgment and experience. Those individuals constantly monitor markets and information relevant to their job functions. For example, they monitor electric prices and availability, transmission availability and prices, natural gas prices, steel prices, labor costs and other component prices and information essentially on a constant basis. Accordingly, they are aware of trends with regard to those prices and information over time. This information is incorporated within their professional judgment. It would be more than a substantial burden, and perhaps impossible, to attempt to document all of this myriad information for inclusion in this Response. Nonetheless, this information provided background and support for the professional judgment and expertise of the persons involved in the decision to terminate Lake Side 2.

The individuals’ professional judgment is also informed by other types of information. For example, some of the individuals involved in the decision to terminate Lake Side 2 were aware of and studied and participated in discussions on a variety of analyses and studies prepared by third parties such as the presentation attached hereto as Attachment 2 by Jeff King of the Northwest Power and Conservation Council titled “Proposed Combined-cycle Power Plant Planning Assumptions.” Because this document was not prepared by the Company, it was not

included in the response to the joint data requests. However, it is an example of information that informed the professional judgment of the Company officers and employees involved in the decision to terminate Lake Side 2. Again, it would be more than a substantial burden to attempt to locate and provide copies of all third-party studies or presentations that contributed to the professional judgment involved in making the decision to terminate Lake Side 2.

Rocky Mountain Power is willing to discuss this Response with the Commission and the parties to assist them in understanding the Company's decision-making process if that would be deemed helpful by the Commission or the parties.

DATED: June 8, 2009

Respectfully submitted,

ROCKY MOUNTAIN POWER

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