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MEMORANDUM

To: Utah Public Service Commission

From: Division of Public Utilities
Philip Powlick, Director
Artie Powell, Manager, Energy Section
David Thomson, Technical Consultant
Brenda Salter, Utility Analyst

Subject: Rocky Mountain Power's Deferred Tax Normalization Method, Docket No. 09-035-03 (Also known as 08-999-02 Deferred Tax Normalization).

Date: April 14, 2009

Rocky Mountain Power (Company) has recommended in Docket No. 08-035-38 moving from 40 percent normalization to full normalization over the period of three subsequent rate cases. The Parties to the Stipulation Regarding Revenue Requirement agreed to address the issue of deferred tax normalization in Docket No.09-035-03.

The Division has retained the services of The Garrett Group to review, analyze, and provide written comments on the current and future effect of a change in tax normalization methodology by Rocky Mountain Power. The Garrett Group will have a white paper available for review by the Parties by the end of April.

The Division requests that the Commission set a Technical Conference at its earliest opportunity. In order to give the Parties ample time to review the white paper the Division suggests the following possible dates; the week of May 18 or the first week of June.

cc: Michele Beck, Committee of Consumer Services
Dave Taylor, PacifiCorp