



## State of Utah

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Lieutenant Governor

## Public Service Commission

RON ALLEN  
*Chairman*

DAVID R. CLARK  
*Commissioner*

THAD LeVAR  
*Commissioner*

May 17, 2013

Dave Taylor  
Rocky Mountain Power  
201 South Main Street, Suite 2300  
Salt Lake City, UT 84111

RE: Docket Nos. 09-035-23 and 13-035-84  
Division's Audit of PacifiCorp's 2012 Fuel Inventory Policies and Practices

Dear Mr. Taylor:

In response to the Utah Public Service Commission's ("Commission") Report and Order issued February 18, 2010, in Docket No. 09-035-23 ("February Order"), the Division of Public Utilities ("Division") filed a report with the Commission on March 28, 2013, regarding the Division's audit of PacifiCorp's ("Company") 2012 Fuel Inventory Policies and Practices.

In its report, the Division indicates it has reviewed the Company's 2012 fuel management policies and procedures, including updates to its policies. In conducting its audit, the Division met with the Company's Fuel Resources Department and discussed the assumptions and inventories at each of the Company's owned and affiliate plants. The Division also reviewed confidential documents containing fuel inventory policies and 2012 inventory levels for each plant.

The Division concludes that (1) the Company has formal policies and procedures in place for its fuel procurement and coal inventory levels; (2) the Company has adhered to its policies and procedures in 2012, and as amended on January 1, 2013; and (3) the Company's policies provide some flexibility to react to favorable market conditions. The Division also concludes the Company is in compliance with the Commission's directive in its February Order with respect to its fuel inventory policies and no further action is required of the Commission.

Based on the foregoing, the Commission concludes the Division and the Company are in compliance with the Commission's February Order.

Sincerely,

/s/ Gary L. Widerburg  
Commission Secretary  
D#244160