



State of Utah

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January 25, 2010

Jeffrey K. Larsen, Vice President, Regulation
Rocky Mountain Power
201 South Main, Suite 2300
Salt Lake City, Utah 84111

Re: Docket No. 09-035-23 "In the Matter of the Application of Rocky Mountain Power for Authority to Increase its Retail Electric Utility Service Rates in Utah and for Approval of its Proposed Electric Service Schedules and Electric Service Regulations,"

Dear Mr. Larsen:

During its review of the evidence and testimony provided by Rocky Mountain Power ("RMP") in Docket No. 09-035-23, Commission staff has identified what may be an error in the labor adjustment in RMP's June 2009 application. This error, as explained below, appears to be carried throughout RMP's calculations up to and including its surrebuttal position.

In Exhibit SRM-2, Page 4.2.4, "June 2010 Proforma Labor" Table, it appears the amounts for Group Code 13, Labor Group "PCCC Non-Exempt" were incorrectly copied from the line for "IBEW 57" in the "December 2008 Annualized Labor Reordered into 12 Months Ending June 2008" Table. If this correction is made Commission staff calculates RMP's utility labor through surrebuttal is increased by \$1.370 million as shown on Attachment I – Labor Correction Calculation.

We are requesting that RMP confirm in writing whether this observation is correct and if so, whether Commission staff has appropriately calculated the Company's surrebuttal position if the correction is made.

Please feel free to contact Rebecca Wilson at 801-530-6770 if you have any questions or need additional information regarding this request.

Sincerely,

/s/ Julie Orchard
Commission Secretary

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Attachment I – Labor Correction Calculation

Uncorrected Exhibit SRM-2, Page 4.2.4, “June 2010 Proforma Labor” Table

Group Code	Labor Group	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-09	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Total
13	PCCC Non-Exempt	245	226	246	336	269	259	336	281	354	279	268	287	3384

Uncorrected Exhibit SRM-2, Page 4.2.12, “Wage and Employee Benefit Adjustment, Adjustment by FERC Account and Revised Protocol Factor” using above information

	Actuals 12 Months Ended December 2008	% of Total	12 Months Ending June 2010	Adjustment to June 2010	Utah's Share
Utility Labor	\$492,121,797	70.88%	\$515,965,330	\$23,843,533	\$9,736,305
Capital and Non-Utility	\$202,197,690	29.12%	\$211,994,263	\$9,796,573	
Total Labor	\$694,319,486	100.00%	\$727,959,592	\$33,640,106	

Uncorrected Company’s Position through Surrebuttal

	Actuals 12 Months Ended December 2008	% of Total	12 Months Ending June 2010	Adjustment to June 2010	Utah's Share
Utility Labor	\$492,121,797	70.88%	\$510,838,483	\$18,716,686	\$7,642,800
Capital and Non-Utility	\$202,197,690	29.12%	\$209,887,799	\$7,690,110	
Total Labor	\$694,319,486	100.00%	\$720,726,282	\$24,406,796	

Corrected Exhibit SRM-2, Page 4.2.4, “June 2010 Proforma Labor” Table

Group Code	Labor Group	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-09	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Total
13	PCCC Non-Exempt	664	622	652	718	622	710	665	663	599	634	598	639	7786

Corrected Exhibit SRM-2, Page 4.2.12, “Wage and Employee Benefit Adjustment, Adjustment by FERC Account and Revised Protocol Factor” using above information

	Actuals 12 Months Ended December 2008	% of Total	12 Months Ending June 2010	Adjustment to June 2010	Utah's Share	Difference from Uncorrected Value
Utility Labor	\$492,121,797	70.88%	\$519,319,722	\$27,197,925	\$11,106,042	\$1,369,738
Capital and Non-Utility	\$202,197,690	29.12%	\$213,372,479	\$11,174,790		
Total Labor	\$694,319,486	100.00%	\$732,692,201	\$38,372,714		

Corrected Company’s Position through Surrebuttal

	Actuals 12 Months Ended December 2008	% of Total	12 Months Ending June 2010	Adjustment to June 2010	Utah's Share	Difference from Uncorrected Value
Utility Labor	\$492,121,797	70.88%	\$514,192,875	\$22,071,078	\$9,012,538	\$1,369,738
Capital and Non-Utility	\$202,197,690	29.12%	\$211,266,016	\$9,068,326		
Total Labor	\$694,319,486	100.00%	\$725,458,890	\$31,139,404		