



State of Utah

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Governor

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Public Service Commission

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Commissioner

July 7, 2010

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

Data Request Response Center
PacifiCorp
825 NE Multnomah St., Suite 2000
Portland, OR 97232

RE: Rocky Mountain Power Advice Letter 10-06, Schedule 37 - Avoided Cost Purchases from Qualifying Facilities (QF)

Docket No. 10-035-T07, This filing is in compliance with the direction in the February 12, 2009 order in Docket 08-035-78 on Net Metering Service, the Utah Commission directed the Company to “update the avoided cost pricing in Schedule No. 37 annually, concurrent with the approval and establishment of rates for larger commercial and industrial customers based on the FERC form No. 1 method.”

Dear Mr. Taylor:

Regarding Rocky Mountain Power’s (“Company”) June 7, 2010, Advice Letter 10-06, in Docket No. 10-035-T07, the Division of Public Utilities, in its Memorandum dated June 29, 2010, recommended the Commission direct the Company to either redo the avoided cost calculations or verify that the discount rate and the payment factors used in the filing are correct. On July 6, 2010, the Company filed a Supplemental Filing which revised the payment factor for the simple cycle combustion turbine from 8.26 percent to 8.31 percent and verified both the discount rate, and the payment factors used in the Supplemental Filing are consistent with those used in the 2008 IRP Update filed on March 31, 2010.

The Commission has reviewed the Company’s proposed tariff revisions, the Division’s Memorandum, and the Company’s Supplemental Filing. Now therefore, the revisions, with an effective date of July 6, 2010, with the corrections and clarifications indicated above in the Company’s Supplemental Filing, are approved by the Commission.

Sincerely,

/s/ Julie Orchard
Commission Secretary