12-035-67/Rocky Mountain Power
September 13, 2012
UIEC Data Request 7.2

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Referring to the revenue requirement rebuttal testimony of Stefan A. Bird at lines 69-74 in Docket No. 11-035-200:

(a) State PacifiCorp's policy regarding "dollar cost averaging;"
(b) Describe PacifiCorp's "dollar cost averaging" method;
(c) Explain the process of applying "dollar cost averaging," and give an example of it as applied to PacifiCorp's natural gas swaps purchased during 2007 through 2011 that were settled in the fourth quarter of 2011:
(d) Produce all documents relating to PacifiCorp's policy regarding "dollar cost averaging;" and
(e) Provide all formulas and calculations related to the method of "dollar cost averaging" used by PacifiCorp during 2007 through 2011 to purchase natural gas swaps that were settled in the fourth quarter of 2011.

Response to UIEC Data Request 7.2

(a) The Company does not have a written policy regarding dollar cost averaging.

(b) When the Company has a view of forward prices that is neutral to anticipated future spot prices (i.e., neither bullish nor bearish), then the Company may hedge its open positions with a series of a small amounts per week or month over a longer period of time, within the Company's risk policy.

(c) Please refer to the Company's response to subpart (b) above. The Company does not track dollar cost averaging to specific transactions.

(d) Please refer to the Company's response to subpart (a) above.

(e) The Company does not have formulas or calculations related to dollar cost averaging.