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Attorneys for Rocky Mountain Power

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

<p>In the Matter of:</p> <p>THE VOLUNTARY REQUEST OF ROCKY MOUNTAIN POWER FOR APPROVAL OF RESOURCE DECISION TO CONSTRUCT SELECTIVE CATALYTIC REDUCTION SYSTEMS ON JIM BRIDGER UNITS 3 AND 4</p>	<p>Docket No. 12-035-92</p> <p>ROCKY MOUNTAIN POWER'S PETITION FOR CLARIFICATION</p> <p>REDACTED VERSION</p>
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ROCKY MOUNTAIN POWER'S MOTION FOR CLARIFICATION

Rocky Mountain Power hereby submits its motion for clarification to the Public Service Commission of Utah ("Commission") requesting the Commission issue an order clarifying two portions of its Report and Order, issued May 10, 2013, approving Rocky

Mountain Power's voluntary request for approval of a resource decision to construct selective catalytic reduction systems ("SCR") on Jim Bridger Units 3 and 4 (the "Order"). In support of its motion, Rocky Mountain Power states as follows:

1. On May 10, 2013, the Commission issued the Order, in which it approved the Company's voluntary request for approval of a resource decision to construct SCR on Jim Bridger Units 3 and 4. On page 33 of the Order, the Commission stated:

We approve [REDACTED] as the reasonable projected cost of the resource decision to implement SCR systems designed to meet the proposed NOx limit of 0.07 lbs/MMBtu. We base this finding on the Company's testimony that achieving 0.05 lbs/MMBtu is expected to cost between [REDACTED] and that this amount is contained within the estimated Project cost of [REDACTED] for the SCR systems. Accordingly, we have removed [REDACTED] of the Project cost required to meet the 0.07 lbs/MMBtu NOx emission limit from the requested [REDACTED] to reflect the Company's testimony.

2. Rocky Mountain Power seeks to clarify this portion of the Commission's Order regarding the removal of the [REDACTED] of the Project cost. As stated in Mr. Teply's direct testimony,¹ the Bridger generating facility is two-thirds owned by Rocky Mountain Power and one-third owned by Idaho Power. The [REDACTED] difference referenced in Rocky Mountain Power's testimony when achieving an emission limit of 0.07 lbs/MMBtu versus 0.05 lbs/MMBtu represents the increased costs for the entire project, not just the ownership share of the SCR installation costs that Rocky Mountain Power is requesting preapproval for in this proceeding.

3. Accordingly, Rocky Mountain Power requests that the Commission clarify that the [REDACTED] reduction was intended to apply to the entire project, and that the Company's ownership share would reduce the [REDACTED] reduction amount by one-third to [REDACTED]

¹Teply Direct Testimony page 10, lines 227-228.

for Rocky Mountain Power's share, allocating ██████████ to Idaho Power, resulting in approval of ██████████ as Rocky Mountain Power's share of the reasonable projected cost to implement the SCR systems.

4. Additionally, Rocky Mountain Power requests that the Commission clarify that the Commission's order grants the Company recovery on the *total* project cost incurred to implement the project, not just the engineering, procurement, and construction ("EPC") contract cost, as the EPC contract represents only a portion of the included work and actual costs required to fully execute the project. On page 33 of its Order, the Commission stated:

Approval of the ██████████ projected cost is conditioned upon our future review of the final EPC contract(s) for the SCR systems. If the EPC contract(s) to achieve 0.07 lbs/MMBtuNO_x emission limits total less than this amount, the EPC amount shall replace the ██████████ as the approved projected costs of the resource decision required pursuant to UCA § 54-17-402(7)(a). Pursuant to UCA § 54-17-403, any increase from this projected cost is subject to Commission review as part of a rate hearing under UCA § 54-7-12, except to the extent the Commission issues an order under UCA § 54-17-404.

... If the EPC contract(s) to achieve 0.05 lbs/MMBtu emission limits total less than this amount, the EPC contract(s) amount shall replace the ██████████ as the approved projected cost of the resource decision required pursuant to UCA § 54-17-402(7)(a).

As reported in Confidential Exhibit RMP__(CAT-1)(d), on pages 6 through 8, the *total* estimated direct project cost includes the EPC contract cost plus additional non-EPC contract direct cost line items. Confidential Exhibit RMP__(CAT-1.2) "Initial Capital Cost Estimates" provides a line item summary of the application's estimated EPC contract cost plus additional non-EPC contract direct costs on page 2 for Unit 3 and on page 4 for Unit 4. On page 1 of Confidential Exhibit RMP__(CAT-1.2), a Unit 3 summary of direct cost plus capital surcharge plus escalation plus allowance for funds used during construction ("AFUDC") is presented at

both the 100 percent and the Company's two-thirds share levels. On page 3 of Confidential Exhibit RMP__(CAT-1.2), a Unit 4 summary of direct plus capital surcharge plus escalation plus AFUDC is presented at both the 100 percent and the Company's two-thirds share level.

WHEREFORE, Rocky Mountain Power respectfully requests the following:

1. That the Commission grant Rocky Mountain Power's request for clarification.
2. That the Commission clarify the [REDACTED] reduction was intended to apply to the entire project and will be adjusted to reflect Rocky Mountain Power's ownership share; and that the Commission grants the Company recovery on the total project cost, not just the EPC contract cost.

DATED this 17th day of May 2013.

Respectfully submitted,
ROCKY MOUNTAIN POWER

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