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March 15, 2018

Ms. Jana Saba Rocky Mountain Power 1407 West North Temple, Suite 330 Salt Lake City, UT 84116 Data Request Response Center PacifiCorp 825 NE Multnomah St., Suite 2000 Portland, OR 97232

Re: Rocky Mountain Power's 2017 Avoided Cost Input Changes Quarterly Compliance Filing; Docket No. 17-035-37

Dear Ms. Saba:

The Public Service Commission of Utah (PSC) reviewed PacifiCorp's, doing business as Rocky Mountain Power (PacifiCorp), February 22, 2018 quarterly Electric Service Schedule No. 38 (Schedule 38) compliance filing (Filing) for the fourth quarter of 2017. The Filing identifies routine and non-routine updates to Schedule 38's avoided cost calculation inputs and assumptions. Additionally, as ordered by the PSC in Docket No. 17-035-37, PacifiCorp proposes to update Schedule 38, Sheet No. 38.9 to add a new provision to Section 11, Standard PPA Terms. The new provision states, "[PacifiCorp] will retain the Renewable Energy Credits (RECs) associated with QF's output during the portion of the contract term that the avoided cost price is based on the costs of a renewable resource." PacifiCorp requests the PSC approve the proposed Schedule 38 revision effective March 1, 2018.

The PSC also reviewed the Division of Public Utilities' (DPU) March 14, 2018 comments. The DPU concludes as follows: 1) the updates to avoided cost modelling inputs and assumptions are reasonable and are correctly incorporated into the avoided cost calculations; 2) the avoided cost prices are calculated according to PSC-approved methods; and 3) the revisions to Tariff Sheet No. 38.9 are consistent with PSC orders. Accordingly, the DPU recommends the PSC take no further action other than to approve the proposed tariff sheets.

<sup>&</sup>lt;sup>1</sup> See Order at 33-34 (Docket Nos. 17-035-T07 and 17-035-37), available at: https://pscdocs.utah.gov/electric/17docs/17035T07/29931117035T07and170353701-23-2018.pdf.

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Based on the PSC's review of PacifiCorp's filing, the DPU's comments and recommendations, and there being no objection to the filing, the PSC approves the proposed revisions to Schedule 38, Sheet No. 38.9 of PacifiCorp's P.S.C.U. No. 50 Tariff effective the date of this letter. The PSC directs PacifiCorp to file with the PSC revised Schedule 38, Sheet No. 38.9 with an effective date consistent with the date of this letter.

Sincerely,

/s/ Gary L. Widerburg PSC Secretary