



201 South Main, Suite 2300  
Salt Lake City, Utah 84111

May 27, 2011

***VIA OVERNIGHT DELIVERY***

Jean D. Jewell  
Commission Secretary  
Idaho Public Utilities Commission  
472 W. Washington  
Boise, ID 83702

Re: Case No. PAC-E-11-12  
In the Matter of the Application of Rocky Mountain Power for Approval of Changes  
to its Electric Service Schedules and a Price Increase of \$32.7 Million, or  
Approximately 15.0 Percent

Dear Ms. Jewell:

Please find enclosed for filing an original and nine copies of Rocky Mountain Power's Application in the above-referenced matter, along with nine copies of PacifiCorp's direct testimony and exhibits. Also enclosed is a CD containing the Application, summary of testimony, testimony and exhibits, customer notice and press release; and a confidential CD containing confidential testimony and exhibits. To the attention of the Court Reporter is a paper copy of all documents along with a CD containing all testimony and exhibits in their original formats.

All formal correspondence and regarding this Application should be addressed to:

Ted Weston  
Rocky Mountain Power  
201 South Main, Suite 2300  
Salt Lake City, Utah 84111  
Telephone: (801) 220-2963  
Fax: (801) 220-2798  
Email: [ted.weston@pacificorp.com](mailto:ted.weston@pacificorp.com)

Daniel E. Solander  
Rocky Mountain Power  
201 South Main Street, Suite 2300  
Salt Lake City, Utah 84111  
Telephone: (801) 220-4014  
Fax: (801) 220-3299  
Email: [daniel.solander@pacificorp.com](mailto:daniel.solander@pacificorp.com)

Communications regarding discovery matters, including data requests issued to Rocky Mountain Power, should be addressed to the following:

By E-mail (preferred): [datarequest@pacificorp.com](mailto:datarequest@pacificorp.com)

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

Idaho Public Utilities Commission

May 27, 2010

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Informal inquiries may be directed to Ted Weston, Idaho Regulatory Manager at (801) 220-2963.

Very truly yours,

Handwritten signature of Jeffrey K. Larsen with initials TW.

Jeffrey K. Larsen  
Vice President, Regulation

cc: Service List

Enclosures

Mark C. Moench, *Pro Hac Vice*  
Daniel E. Solander, *Pro Hac Vice*  
Rocky Mountain Power  
201 South Main Street, Suite 2300  
Salt Lake City, Utah 84111  
Telephone: (801) 220-4014  
Email: [mark.moench@pacificorp.com](mailto:mark.moench@pacificorp.com)  
[daniel.solander@pacificorp.com](mailto:daniel.solander@pacificorp.com)

Paul J. Hickey, *Pro Hac Vice*  
Hickey & Evans, LLP  
1800 Carey Avenue, Suite 700  
P.O. Box 467  
Cheyenne, WY 82003-0467  
Telephone No. 307-634-1525  
Facsimile No. 307-638-7335  
Email: [phickey@hickeyevans.com](mailto:phickey@hickeyevans.com)

*Attorneys for Rocky Mountain Power*

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<b>IN THE MATTER OF THE</b>	)	
<b>APPLICATION OF ROCKY</b>	)	<b>CASE NO. PAC-E-11-12</b>
<b>MOUNTAIN POWER FOR</b>	)	
<b>APPROVAL OF CHANGES TO ITS</b>	)	<b>APPLICATION OF</b>
<b>ELECTRIC SERVICE SCHEDULES</b>	)	<b>ROCKY MOUNTAIN POWER</b>
<b>AND A PRICE INCREASE OF \$32.7</b>	)	
<b>MILLION, OR APPROXIMATELY</b>	)	
<b>15.0 PERCENT</b>	)	

Rocky Mountain Power, a division of PacifiCorp (“Rocky Mountain Power” or the “Company”) hereby applies to the Idaho Public Utilities Commission (“Commission”) for approval of proposed changes to the Company’s electric service schedules submitted herewith. In support of this Application, Rocky Mountain Power states as follows:

1. Rocky Mountain Power is authorized to do and is doing business in the state of Idaho. The Company provides retail electric service to approximately 72,400 customers in

the state of Idaho and is subject to the jurisdiction of the Commission. Rocky Mountain Power is a public utility in the state of Idaho pursuant to Idaho Code § 61-129.

2. Communications regarding this Application should be addressed to:

Ted Weston  
Daniel E. Solander  
201 South Main, Suite 2300  
Salt Lake City, Utah 84111  
Telephone: (801) 220-2963  
Fax: (801) 220-2798  
Email: [ted.weston@pacificorp.com](mailto:ted.weston@pacificorp.com)  
[daniel.solander@pacificorp.com](mailto:daniel.solander@pacificorp.com)

and to:

Paul J. Hickey, *Pro Hac Vice*  
Hickey & Evans, LLP  
1800 Carey Avenue, Suite 700  
P.O. Box 467  
Cheyenne, WY 82003-0467  
Telephone No. 307-634-1525  
Facsimile No. 307-638-7335  
Email: [phickey@hickeyevans.com](mailto:phickey@hickeyevans.com)

and to:

D. Matthew Moscon  
Stoel Rives LLP  
201 South Main Street, Suite 1100  
Salt Lake City, UT 84111  
Phone: (801) 328-3131  
Fax: (801) 578-6999  
Email: [mmoscon@stoel.com](mailto:mmoscon@stoel.com)

In addition, the Company respectfully requests that all data requests regarding this matter be addressed to one or more of the following:

By e-mail (preferred)	datarequest@pacificorp.com
By regular mail	Data Request Response Center PacifiCorp 825 NE Multnomah, Suite 2000 Portland, OR 97232

3. Rocky Mountain Power's proposed revised tariff schedules, which are filed with this Application, would result in a net increase of \$32.7 million, or 15.0 percent on average, in prices for the Company's Idaho retail customers. The revised tariff schedules reflect a proposed effective date of June 27, 2011.

4. The Company's requested rate increase is based on a test year that covers the period of January 1, 2010, through December 31, 2010, with known and measurable adjustments through calendar year 2011. The Company expects to earn a return on equity ("ROE") of 5.3 percent during the test period, which is significantly below the Company's currently authorized return, the returns authorized for other Idaho investor-owned utilities, and the 10.5 percent ROE supported by the Company's testimony filed with this Application. Without the requested increase in revenues, it will be increasingly difficult for the Company to maintain its utility infrastructure and continue to provide adequate and efficient service to its Idaho customers.

5. The major factor for the requested revenue increase is an increase in net power costs, which represents approximately 51 percent of the requested additional revenue. Total Company net power costs have increased \$287 million above the costs currently included in customers' rates. The increase is driven by a range of factors, including increased

load, changes in the Company's portfolio of wholesale purchase and sales contracts, and increases in coal costs.

6. Capital additions are also a significant factor in the need for an increase in revenues, representing approximately 31 percent of the increase.

7. Incremental operating costs associated with added generation and environmental facilities require an increase in operation and maintenance expense to ensure proper plant operations, and represent approximately 17 percent of the increase. This Application includes the investments, costs, and benefits of the Company's activities during the test period, and reflects other changes in costs during that period.

8. Rocky Mountain Power's direct case consists of the testimony and exhibits of fourteen witnesses. Below is a brief summary of their testimony.

- (a) A. Richard Walje, President, Rocky Mountain Power, will present an overview of the Company's justification for its case, identify the major capital investment the Company is making to serve its customers, the cost control efforts the Company is undertaking to minimize rate impact on customers, and introduce other witnesses.
- (b) Steven R. McDougal, Director, Revenue Requirement, will present the Company's overall revenue requirement based on the forecasted results of operations for the test year. In addition, Mr. McDougal will explain why the test year that begins on January 1, 2010, and ends on December 31, 2010, with known and measurable adjustments through calendar year 2011 best reflects the conditions that the Company expects to experience in the rate effective period.

- (c) Bruce N. Williams, Vice President and Treasurer, will testify in support of the Company's cost of debt, preferred stock and capital structure.
- (d) Samuel C. Hadaway, FINANCO, Inc., will testify in support of the Company's requested rate of return on equity. He will also describe the significant changes in the capital markets that affect Rocky Mountain Power. Dr. Hadaway's analysis suggests a rate of return on equity for the Company of 10.5 percent.
- (e) Cathy S. Woollums, Senior Vice President of Environmental Services and chief environmental counsel for MidAmerican Energy Holdings Company, will testify to the prudence of the Company's pollution control expenditures for coal-fired power generation plants.
- (f) Chad A. Teply, Vice President of Resource Development and Construction for PacifiCorp Energy, will testify regarding the prudence of generation plant capital investments being placed in service and associated incremental operation and maintenance costs during the test period.
- (g) Darrell T. Gerrard, Vice President of Transmission Planning, will explain and support the major capital investments in the Company's transmission system. He explains the primary drivers creating the need for these projects, and describes the benefits to customers and the electrical system overall. Mr. Gerrard will also provide additional information supporting rate recovery of the entire investment in the Populus to Terminal line.
- (h) Gregory N. Duvall, Director of Net Power Costs, will testify regarding the Company's net power costs, describe the key changes that occur in the test

period, and sponsor the GRID model that supports the net power costs in this application. In addition, Mr. Duvall will address the specific issues related to the GRID model described in the Commission's Order No. 32196 in the Company's 2010 general rate case.

- (i) Cindy A. Crane, Vice President, Interwest Mining Company and Fuel Resources for PacifiCorp Energy, will explain the Company's overall approach to providing the coal supply for the Company's coal plants.
- (j) Erich D. Wilson, Director, Human Resources, will provide an overview of the compensation and benefit plans provided to employees at the Company and support the costs related to these areas included in the test period.
- (k) Paul H. Clements, Originator/Power Marketer for PacifiCorp Energy, will summarize the status of the Company's efforts to enter into a long-term contract with Monsanto for curtailment products and offer an update to the curtailment valuation based on current conditions.
- (l) Barbara A. Coughlin, Director of Customer and Regulatory Liaison, will summarize the progress the Company has made working with Commission staff on the miscellaneous consumer and customer service issues and present the Company's position on low income weatherization assistance as directed by the Commission in Case No. PAC-E-10-07.
- (m) C. Craig Paice, regulatory consultant in the pricing and cost of service department will present the Company's class cost of service study.

(n) William R. Griffith, director of pricing, cost of service, and regulatory operations, will present the Company's rate spread and rate design proposals that determine the prices customers will see.

6. Rocky Mountain Power is notifying its customers of this Application by means of a press release sent to local media organizations, bill inserts included in customer bills over the course of a billing cycle, and, in some cases, personal contact with customers or their representatives. In addition, copies of this Application will be made available for review at the Company's local offices in its Idaho service territory.

7. In accordance with Commission Rule 121(e), (f), and (g) Rocky Mountain Power represents that the Application provides testimony with supporting exhibits, along with any associated workpapers or documentation showing how test year data was adjusted. In addition, cost of capital, revenue requirement, net power costs, cost of service and rate design studies and associated models are included with this Application. The Company respectfully requests that the Commission require intervening parties to provide any models and workpapers used to prepare their positions concurrently with the filing of testimony in this Case. In addition, the Company requests that intervening parties be required to comply with identical discovery timelines imposed by the Commission in any scheduling or procedural orders in this Case. Unless otherwise ordered by the Commission, in accordance with Commission Rule 63, the Company will serve discovery responses on any intervening parties only by electronic mail.

8. The Company respectfully submits that Commission approval of Rocky Mountain Power's Application, including the approval and implementation of the proposed electric service schedules as filed, is in the public interest. In accordance with Commission

Rule 121(d), Rocky Mountain Power represents that it stands ready for immediate consideration of this Application.

WHEREFORE, Rocky Mountain Power respectfully requests that the Commission issue a final order approving the Company's proposed electric service schedules effective June 27, 2011.

DATED this 27<sup>th</sup> day of May, 2011.

Respectfully submitted,

By  \_\_\_\_\_

Mark C. Moench  
Paul J. Hickey  
Daniel E. Solander

Attorneys for Rocky Mountain Power

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION


IN THE MATTER OF THE )  
APPLICATION OF ROCKY ) CASE NO. PAC-E-11-12  
MOUNTAIN POWER FOR )  
APPROVAL OF CHANGES TO ITS ) APPLICATION OF  
ELECTRIC SERVICE SCHEDULES ) ROCKY MOUNTAIN POWER  
AND A PRICE INCREASE OF \$32.7 )  
MILLION, OR APPROXIMATELY )  
15.0 PERCENT )

AFFIDAVIT OF DANIEL E. SOLANDER

I, Daniel E. Solander, being duly sworn on oath, depose and say:

- 1. I am an attorney representing Rocky Mountain Power in the above-captioned proceeding.
- 2. The testimony of Gregory N. Duvall, Cindy A. Crane and Paul H. Clements, and Exhibits: 3, 22, 23, 24, 25, 26, 27, 32, and 37 filed with the Application, contain confidential information and trade secrets as defined in Idaho Code § 9-340 *et seq.* and § 48-801 *et seq.* that may jeopardize the interests of Rocky Mountain Power and its customers and could cause economic or other harm if it were disclosed.
- 3. On information and belief, the Company understands that certain data related to Monsanto's rate as referenced in the testimony of Paul Clements may have entered the public domain by virtue of Monsanto's own disclosure of such information. Notwithstanding this understanding, Rocky Mountain Power is treating this information as Confidential until Monsanto and the Company discuss this issue further.
- 4. Rocky Mountain Power requests that the Commission consider these documents Confidential and protect them from public disclosure.

Further affiant sayeth not.

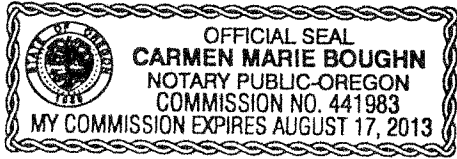
  
\_\_\_\_\_  
Daniel E. Solander

State of Oregon )  
County of Multnomah ) ss

On the 26<sup>th</sup> Day of May, 2011, the above appeared before me and signed this affidavit.

*Carmen Marie Boughn*

Notary Public



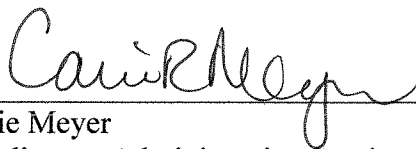
## CERTIFICATE OF SERVICE

I hereby certify that on this 27<sup>th</sup> day of May, 2011, I caused to be served, via overnight delivery, a true and correct copy of Rocky Mountain Power's Application for Approval of changes to its electric service schedules and a price increase of \$32.7 million, or approximately 15.0 percent in PAC-E-11-12 to the following:

Eric L. Olsen  
Racine, Olson, Nye, Budge & Bailey,  
Chartered  
201 E. Center  
P.O. Box 1391  
Pocatello, ID 83204-1391  
E-Mail: [elo@racinelaw.net](mailto:elo@racinelaw.net)

Randall C. Budge  
Racine, Olson, Nye, Budge & Bailey,  
Chartered  
201 E. Center  
P.O. Box 1391  
Pocatello, ID 83204-1391  
E-Mail: [rcb@racinelaw.net](mailto:rcb@racinelaw.net)

Tim Buller  
Agrium, Inc.  
3010 Conda Road  
Soda Springs, ID 83276  
E-Mail: [tbuller@agrium.com](mailto:tbuller@agrium.com)

  
\_\_\_\_\_  
Carrie Meyer  
Coordinator, Administrative Services

For information, contact:  
David Eskelsen 801-220-2447  
Media Hotline 800-775-7950

## **Increased costs to serve customers drive request for price increase**

BOISE, May 27, 2011—Rocky Mountain Power continues to expand and improve electric systems and environmental control equipment needed to serve customers. As the company has previously stated, annual requests for price increases are likely in the next decade, while customer needs for electricity continue to grow and environmental policies become more rigorous. A new price increase request was submitted May 27 to the Idaho Public Utilities Commission.

As with all requests for price changes, the Idaho Public Utilities Commission will conduct a detailed review of the company's request and may approve it or determine a different adjustment to electric prices.

"We understand how difficult price increases are for customers," said Karen Gilmore, vice president. "Rocky Mountain Power works hard to control its own operating costs, while also making sure customers in Idaho have the electric service they expect and deserve.

"The requested price increase is needed to continue safe, reliable electric service to customers in Idaho as the state's electricity needs grow," Gilmore said. "To minimize the impact of this price increase, we have tips and products to help customers use electricity wisely, as well as programs to help equalize or extend bill paying. Call us toll free, any time, at 1-888-221-7070 or visit us on our web site, [rockymountainpower.net](http://rockymountainpower.net), to learn more."

Even with this proposed increase, Rocky Mountain Power's customers on average will enjoy some of the lowest prices in the nation, and we're working hard to control costs in the future. The proposed increases to various types of customers are:

Standard Residential Service:	7.2 percent
Time of Use Residential:	15.9 percent
Small General Service:	11.8 percent
Medium and Large General Service:	11.2 percent
Irrigation:	19.9 percent
Large Industrial:	18.7 percent to 19.9 percent

The proposed increase is needed because the costs of providing electric service to customers are increasing. The \$32.7 million request represents an overall 15 percent average increase for Idaho customers of Rocky Mountain Power. This equates to 19.5 cents per day for a typical residential household in Idaho, or about 8 cents per-day per-person .

-more-

*Increased costs to serve customers drive request for price increase 2-2-2*

The public is invited to submit written comments on the request during the commission's review process, either by mail or via the website, [www.puc.idaho.gov](http://www.puc.idaho.gov). Details of the request are available to the public via the internet at the commission's website and at Rocky Mountain Power's website, [www.rockymountainpower.net/res/rr.html](http://www.rockymountainpower.net/res/rr.html).

A physical copy of the company's request is available for public review at the commission offices in Boise and at the company's offices in Rexburg, Preston, Shelley and Montpelier:

**Idaho Public Utilities Commission offices:**

472 W Washington  
Boise, ID 83702

**Rocky Mountain Power offices**

- Rexburg – 25 East Main
- Preston – 509 S. 2nd E
- Shelley – 852 E 1400 N
- Montpelier – 24852 U.S. Highway 89

**About Rocky Mountain Power**

Rocky Mountain Power serves nearly 71,000 customers in southeastern Idaho. It is one of the lowest-cost electric utilities in the United States, providing safe and reliable service to more than one million customers in Utah, Wyoming and Idaho. The company works to meet growing energy demand while protecting and enhancing the environment, and owns more than 10,000 megawatts of generation from coal, hydro, natural gas-fueled combustion turbines and renewable wind and geothermal power.

###

## Keeping you informed

### **Increased costs to serve customers drive request for price increase**

Rocky Mountain Power continues to build electrical facilities and install environmental control equipment needed to serve customers. As the company has previously stated, annual price increases are likely in the next decade, while customer needs for electricity continue to grow and environmental policies become more rigorous. As with all requests for price changes, the Idaho Public Utilities Commission will make a detailed review and may approve it, or determine a different adjustment to electric prices.

Even with this proposed increase, Rocky Mountain Power's customers benefit from some of the lowest prices in the nation, and we're working hard to control costs in the future.

<b>Customer type</b>	<b>Proposed increase</b>
Standard Residential Service	7.2 percent
Time of Use Residential	15.9 percent
Small General Service	11.8 percent
Medium and Large General Service	11.2 percent
Irrigation	19.9 percent
Large Industrial	18.7 percent to 19.9 percent

*continued*

These proposed changes are intended to bring all customer prices more closely to the actual costs to serve them, which is a basic objective of utility regulation. The \$32.7 million request represents an overall 15 percent average increase for Idaho customers of Rocky Mountain Power. **This equates to about 19.5 cents per day for a typical residential household in Idaho, or 8 cents per person per day.**

The public may comment on the request during the commission's review process. A copy of the company's request is available for public review at the commission offices in Boise and at the company's offices in Rexburg, Preston, Shelley and Montpelier.

**Idaho Public Utilities Commission**

**[www.puc.idaho.gov](http://www.puc.idaho.gov)**

**472 W Washington**

**Boise, ID 83702**

**Rocky Mountain Power offices**

- Rexburg – 25 East Main
- Preston – 509 S 2nd E
- Shelley – 852 E 1400 N
- Montpelier – 24852 US Hwy 89

**ROCKY MOUNTAIN POWER  
SUMMARY OF TESTIMONY  
PAC-E-11-12**

Rocky Mountain Power, a division of PacifiCorp, provides this summary of its testimony filed in support of its general rate case application. Copies of the Company's filing are available online at <http://www.rockymountainpower.net/about/rar/iri.html#>; click on "News and Info" and then select "Regulatory Information" and "Idaho." Copies of the filing may also be reviewed during regular business hours at the offices of the Idaho Public Utilities Commission in Boise and in these Rocky Mountain Power offices:

- 25 East Main, Rexburg
- 509 South 200 East, Preston
- 852 East 1400 North, Shelley
- 24852 U.S. Highway 89, Montpelier

**A. RICHARD WALJE**

***President, Rocky Mountain Power***

Company President Walje provides an overview of the Company's justification for its case, identifies the major capital investment the Company is making to serve its customers, as well as the cost control efforts the Company is undertaking to minimize rate impact on customers. Mr. Walje testifies that the Company requires an increase to revenues of \$32.7 million or a 15.0 percent average increase over Rocky Mountain Power's current rates to enable the Company to continue to provide safe, reliable, and low-priced electric service to over 72,400 customers in Idaho.

**Steven R. McDougal**

***Director, Revenue Requirement***

Company witness McDougal provides testimony explaining the calculation of the Company's Idaho revenue requirement and the rate relief requested by the Company based on its cost of service. Specifically, Mr. McDougal addresses: (1) calculation of the overall revenue increase requested by the Company to recover the costs incurred to serve Idaho customers; (2) the inter-jurisdictional allocation of costs, including utilization of 2010 Protocol and treatment of Idaho's Irrigation Load Control Program costs and other Class 1 demand side management costs; (3) the test period proposed in this case, including the treatment of rate base and jurisdictional loads; (4) the results of operation for the test period, demonstrating that under current rates the Company will earn an overall return on equity in Idaho of 5.3%, which is significantly below the return on equity requested in this case and the current authorized return; and (5) calculation of the Load Change Adjustment Rate ("LCAR") based on costs in this filing for use in the Energy Cost Adjustment Mechanism ("ECAM"). In addition, Mr. McDougal discusses a number of items that were addressed by the Commission in Case No. PAC-E-10-07 and explains their treatment in this case. Finally, Mr. McDougal explains two accounting changes included in the Company's filing related to the elimination of captive insurance coverage, and the accelerated depreciation of certain hydro generation facilities on the Klamath river.

**Bruce N. Williams**

***Vice President and Treasurer***

Company witness Williams provides testimony concerning the Company's cost of debt, preferred stock and capital structure. Mr. Williams testifies in support of an overall cost of capital of 8.25 percent, including a common equity level of 52.3 percent.

**Dr. Samuel C. Hadaway**

***Principal, FINANCO, Inc.***

Dr. Hadaway testifies on behalf of Rocky Mountain Power regarding the rate of return on equity. Dr. Hadaway's analysis and review of recent interest rate increases and projections for even higher interest rates during the coming year, indicates the appropriate return on equity for RMP is 10.5 percent.

**Cathy S. Woollums**

***Senior Vice President of Environmental Services and Chief Environmental Counsel, MidAmerican Energy Holdings Company***

Company witness Woollums testifies in support of the prudence of the Company's pollution control expenditures for coal-fired power generation plants and describes the Company's processes to identify environmental policy and compliance drivers that influenced the installation of the emissions controls that are subject to review in this case.

**Chad A. Teply**

***Vice President of Resource Development and Construction, PacifiCorp Energy***

Company witness Teply provides testimony supporting the prudence of capital investments in pollution control equipment, generation plant, and hydro projects being placed in service during the test period. In addition, Mr. Teply supports the prudence of incremental generation operations and maintenance costs associated with certain new resources, new pollution control equipment, and other generation fleet operational changes impacting this case.

**Darrell T. Gerrard**

***Vice President of Transmission System Planning***

Company witness Gerrard provides testimony explaining and supporting the major capital investments in the Company's transmission grid. He explains the primary drivers creating the need for these projects, and describes the benefits to customers and the electrical system overall. Mr. Gerrard also provides additional information supporting rate recovery of all of the Populus to Terminal transmission line.

**Gregory N. Duvall**

***Director, Long Range Planning and Net Power Costs,***

Company witness Duvall presents the Company's proposed net power costs ("NPC") for the test period. He describes the major cost drivers in the test period NPC and addresses the specific issues related to the GRID model described in the Commission order in the Company's 2010 general rate case.

**Cindy A. Crane,**

***Vice President, Interwest Mining Company and Fuel Resources, PacifiCorp Energy***

Company witness Crane provides testimony explaining the Company's overall approach to providing the coal supply for the Company's coal plants. Specifically, Ms. Crane will discuss the coal cost increases reflected in the test period and describes the primary reasons for the increases and provide information on the third-party coal contract revisions that are driving the majority of the increase in coal costs in this case. In addition, Ms. Crane reviews the Company's affiliate mine coal costs and compares them to other supply alternatives, and reviews the Company's fuel stock levels incorporated in this test period.

**Erich D. Wilson**

***Director, Human Resources,***

Company witness Wilson provides an overview of the compensation and benefit plans provided to Company employees and supports the costs related to these areas included in the test period. Mr. Wilson's testimony also provides an overview of the Company's base pay, annual incentive, pension and healthcare benefit plans, and explains how these plans are designed to allow the Company to attract and retain the employee talent necessary to deliver safe and reliable service at a reasonable cost. Mr. Wilson also describes the cost control efforts of the Company to control wage and benefit expenses which have produced a seven percent reduction in total compensation expense since 2006.

**Paul H. Clements**

***Originator/Power Marketer, PacifiCorp Energy,***

Company witness Clements provides testimony summarizing the status of the Company's efforts to enter into a long-term contract with Monsanto for curtailment products and offers an update to the curtailment valuation based on current conditions utilizing the Commission approved methods from the 2010 general rate case.

**Barbara A. Coughlin**

***Director of Customer and Regulatory Liaison***

Company witness Coughlin provides testimony describing the progress the Company has made working with Commission staff on the miscellaneous consumer and customer service issues and present the Company's position on low income weatherization assistance, as directed by the Commission in Order No. 32224.

**C. Craig Paice,**

***Regulatory Consultant in Pricing and Cost of Service,***

Company witness Paice provides testimony explaining the Company's class cost of service study used to allocate costs in the case.

**William R. Griffith**

***Director of Pricing and Cost of Service***

Company witness Griffith provides testimony supporting the Company's rate spread and rate design proposals. Mr. Griffith recommends that the Commission increase the current Monthly Customer Service Charge for Residential - Schedule 1 service by \$1.00 from \$5.00 to \$6.00. Rocky Mountain Power proposes the following allocation of the net price increase for major customer classes:

<u>Customer Class</u>	<u>Proposed Price Change</u>
Residential – Schedule 1	7.2%
Residential – Schedule 36	15.9%
General Service	
Schedule 23/23A	11.8%
Schedule 6/6A	10.8%
Schedule 9	11.2%
Schedule 19	9.7%
Irrigation	
Schedule 10	19.9%
Special Contracts	
Schedule 400	18.7%
Schedule 401	19.9%
Public Street Lighting	
Schedules 7/7A, 11, 12	0%
Total Overall Increase	15.0%