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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of Rocky Mountain Power for Approval of its Proposed Energy Cost Adjustment Mechanism	Docket No. 09-035-15 UTAH OFFICE OF CONSUMER SERVICES' MEMORANDUM IN OPPOSITION TO MOTION FOR A DEFERRED ACCOUNTING ORDER
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The Utah Office of Consumer Services opposes Rocky Mountain Power's motion for a deferred accounting order. Rocky Mountain Power (RMP) asks that it be allowed to begin deferring the difference between net power costs (NPC) approved in the 2009 General Rate Case, and actual NPC incurred. In its Motion, served upon the Office's counsel February 10, 2010, RMP proposes that the amount to be deferred is calculated as described in the RMP's application and testimony in this docket. Deferral would begin coincident with the effective date of new rates from the 2009 General Rate Case, February 18, 2010.

The Office is largely in agreement with the grounds for opposition stated by the Utah Association of Energy Users (UAE), the Utah Industrial Energy Consumers (UIEC), and the Division of Public Utilities (DPU). Those reasons

include the fact that the ECAM has not been found to be in the public interest, and the Commission has yet to determine either the elements of revenue and expense included in an ECAM or the method to recover the net of the included elements, including allocations of energy and demand components and allocations to different rate classes. Nothing in the Commission's February 8, 2010 Report and Order in Phase I of this docket provides substantial evidence that RMP's proposed ECAM, or any ECAM, conforms to ratemaking rules and principles.

As the Commission held in its Report and Order, Utah PSC Dockets 06-035-163, 07-035-04, 07-035-14, at 19 (January 3, 2008), while granting an accounting order is not a dispositive determination of final treatment in future ratemaking proceedings, authorization of an accounting order for a particular expense is an indication, if but an early tentative one, that there is a likelihood that the particular expense can be included in a future revenue requirement determination. Thus, the request for deferred accounting must be tested by ratemaking rules and principles. UAE and UIEC convincingly describe how RMP has failed to comply with such rules. And, as the DPU has explained, RMP's request does not conform to customary accounting rules and principles applied in Utah.

The Office respectfully does not agree with UIEC suggestion in its Argument Part D that the Commission could impose reporting and accounting requirements upon the deferral that will permit an accurate true-up or cost assignment. This alternative requires that the Commission ignore precedent that it

has established for when deferred accounting is allowed, and ignore as well, the plain prohibition of retroactive ratemaking.

RESPECTFULLY SUBMITTED this 24th day of February 2010.

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CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the above Memorandum was served upon the following by electronic mail sent on February 24, 2010:

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