



825 NE Multnomah, Suite 2000
Portland, Oregon 97232

May 21, 2009

***VIA ELECTRONIC FILING
AND OVERNIGHT DELIVERY***

Oregon Public Utility Commission
550 Capitol Street NE, Ste 215
Salem, OR 97301-2551

Attn: Filing Center

**RE: UM 1208 – PacifiCorp’s Response to Independent Evaluator’s Comments on
PacifiCorp’s Termination of the 2012 RFP Process**

PacifiCorp d/b/a Pacific Power (“PacifiCorp or the Company”) encloses for filing its Response to comments filed by the independent evaluators on the Company’s termination of the 2012 request for proposals in the above referenced docket.

Please contact Joelle Steward, Regulatory Manager, at (503) 813-5542 for questions on this matter.

Sincerely,

Andrea L. Kelly
Vice President, Regulation

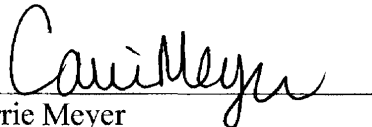
Enclosure

Cc: Service List – UM 1208

CERTIFICATE OF SERVICE

I certify that I have cause to be served the foregoing document in OPUC Docket No. UM 1208 by electronic mail and first class mail to the parties on the attached service list unless paper service has been waived.

DATED this 21st day of May 2009.


Carrie Meyer
Coordinator, Administrative Services

Service List UM-1208

ANN ENGLISH GRAVATT (C) RENEWABLE NORTHWEST PROJECT 917 SW OAK STE 303 PORTLAND OR 97205 ann@rnp.org	SUSAN K ACKERMAN (W) (C) (HC) 9883 NW NOTTAGE DR PORTLAND OR 97229 susan.k.ackerman@comcast.net
JORDAN WHITE (C) (HC) PACIFIC POWER & LIGHT 825 NE MULTNOMAH STE 1800 PORTLAND OR 97232 jordan.white@pacificorp.com	VIJAY A. SATYAL (C) (HC) OREGON DEPARTMENT OF ENERGY 625 MARION ST NE STE 1 SALEM OR 97301-3742 vijay.a.satyal@state.or.us
MELINDA J DAVISON (C) DAVISON VAN CLEVE PC 333 SW TAYLOR, STE. 400 PORTLAND OR 97204 mail@dvclaw.com	G. CATRIONA MCCRACKEN (C) (HC) (W) CITIZENS' UTILITY BOARD OF OREGON 610 SW BROADWAY STE 308 PORTLAND OR 97205 catriona@oregoncub.org
OPUC DOCKETS (W) CITIZENS' UTILITY BOARD OF OREGON 610 SW BROADWAY STE 308 PORTLAND OR 97205 dockets@oregoncub.org	RANDALL J FALKENBERG (C) (HC) RFI CONSULTING INC PMB 362 8351 ROSWELL RD ATLANTA GA 30350 consultrfi@aol.com
NATALIE HOCKEN (C) (HC) PACIFICORP 825 NE MULTNOMAH #2000 PORTLAND OR 97232 natalie.hocken@pacificorp.com	ROBERT D KAHN (HC) (W) NW INDEPENDENT POWER PRODUCERS 1117 MINOR AVE, SUITE 300 SEATTLE WA 98101 rkahn@nippc.org
JANET L PREWITT (C) (HC) DEPARTMENT OF JUSTICE 1162 COURT ST NE SALEM OR 97301-4096 janet.prewitt@doj.state.or.us	ED BUSCH (C) OREGON PUBLIC UTILITY COMMISSION PO BOX 2148 SALEM OR 97308-2148 ed.busch@state.or.us

<p>OREGON DOCKETS (W) PACIFIC POWER 825 NE MULTNOMAH STREET, SUITE 2000 PORTLAND, OR 97232 oregondockets@pacificcorp.com</p>	<p>MICHAEL T WEIRICH (C) (HC) DEPARTMENT OF JUSTICE REGULATED UTILITY & BUSINESS SECTION 1162 COURT ST NE SALEM OR 97301-4096 michael.weirich@doj.state.or.us</p>
<p>STEVEN WEISS (W) NORTHWEST ENERGY COALITION 4422 OREGON TRAIL CT NE SALEM OR 97305 steve@nwenergy.org</p>	<p>JAMES EDELSON (W) ECUMENICAL MINISTRIES OF OREGON 415 NE MIRIMAR PL PORTLAND, OR 97232 Edelson8@comcast.net</p>
<p>JEREMIAH BAUMANN (W) OREGON STATE PUBLIC INTEREST RESEARCH GROUP CLEAN ENERGY ADVOCATE 1536 SE 11TH AVE PORTLAND, OR 97214 Jeremiah@ospirg.org</p>	<p>ALAN KESSLER ACCION GROUP INC 244 NORTH MAIN STREET CONCORD, NH 03001 akessler@acciongroup.com</p>
<p>HAROLD T. JUDD ACCION GROUP INC 244 NORTH MAIN STREET CONCORD, NH 03001 hjudd@acciongroup.com</p>	<p>FRANK MOSSBURG BOSTON PACIFIC COMPANY INC 1100 NEW YORK AVENUE NW, SUITE 490 EAST WASHINGTON DC 20005 fmossburg@bostonpacific.com</p>
<p>CRAIG ROACH BOSTON PACIFIC COMPANY INC 1100 NEW YORK AVENUE NW, SUITE 490 EAST WASHINGTON DC 20005 croach@bostonpacific.com</p>	<p>GORDON FEIGHNER (C) (HC) (W) CITIZENS' UTILITY BOARD OF OREGON 610 SW BROADWAY STE 308 PORTLAND OR 97205 Gordon@oregoncub.org</p>

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1208

In the Matter of PacifiCorp's Draft 2012
Request for Proposals

**PACIFICORP'S RESPONSE TO
INDEPENDENT EVALUATOR'S
COMMENTS ON PACIFICORP'S
TERMINATION OF THE 2012 RFP
PROCESS**

PacifiCorp d/b/a Pacific Power (“PacifiCorp” or “Company”) respectfully provides this response to Comments on PacifiCorp's Termination of the 2012 RFP Process submitted on March 31, 2009 to the Public Utility Commission of Oregon (“Commission”) by Boston Pacific Company Inc. and Accion Group in their capacity as the Oregon independent evaluator.

Background

On July 11, 2006, PacifiCorp filed a draft of its 2012 Request for Proposals for Base Load Resources (“2012 RFP”). One month later, the Commission issued competitive bidding requirements for new supply-side resource acquisitions applicable to Oregon's investor-owned utilities. *See* Order No. 06-446 (“RFP Order”). Pursuant to the RFP Order, PacifiCorp filed a series of revised drafts of its 2012 RFP on August 30, October 4 and November 1 of 2006, respectively.

At its public meeting on November 7, 2006, the Commission approved Commission Staff's (“Staff”) recommendation and selected Boston Pacific and Accion Group to serve jointly as the Oregon independent evaluator (“IE”) for PacifiCorp's 2012 RFP. *See*, Staff Report, Docket UM 1208 (November 7, 2006 Public Meeting).

Pursuant to Guideline 5 of the RFP Order, the IE is to contract with and be paid by the Company. To that end, PacifiCorp and the IE entered into a contract for the provision of IE

services in the 2012 RFP on January 25, 2007 (“IE Contract”). The IE Contract incorporates a detailed Scope of Work, which outlines the role and duties of the IE during the 2012 RFP process. The Scope of Work was drafted and negotiated consistent with the bidding guidelines contained in the RFP Order.

Although approval of the draft 2012 RFP was denied by the Commission on January 16, 2007, the Commission indicated that the Company may still seek acknowledgment of its final shortlist of bidders. *See* Order No. 07-018 at p. 10 and Order No. 06-676 at pp. 3-4.

PacifiCorp issued the 2012 RFP to the market on April 5, 2007. On April 8, 2008, the IE submitted its Final Closing Report on PacifiCorp's 2012 RFP.

After conducting an extensive bid evaluation process, PacifiCorp narrowed down its final shortlist of bidders to an asset purchase and sale agreement with a planned 581 MW, natural gas fired combustion turbine power plant on PacifiCorp's existing Lake Side site in Utah (“Final Shortlist Bid” or “Lake Side 2”).

Pursuant to Guideline 13 of the RFP Order, PacifiCorp filed an Amended Request for Acknowledgment of Revised Final Shortlist of Bidders in 2012 Request for Proposal (“Request for Acknowledgment”) on December 17, 2008.

On January 22, 2009, Staff filed the IE's comments on PacifiCorp's Request for Acknowledgement (“Request for Acknowledgment Report”), wherein the IE recommended the Commission grant the Company's Request for Acknowledgment. *See* Request for Acknowledgment Report at p.2.

On February 10, 2009, PacifiCorp and the IE appeared before the Commission at a special public meeting to address PacifiCorp's Request for Acknowledgment. Although PacifiCorp had concerns about the Final Shortlist Bid at the time of the special public meeting,

the Company continued to actively evaluate all of its options, including the Final Shortlist Bid. PacifiCorp informed the Commission of its ongoing evaluation of options at the public meeting.

In observing the global economic downturn's impact on demand for power and associated reduced demand for power plants, reduced costs of construction materials and declines in the forward price curve for purchased power alternatives, the Company determined that the Final Shortlist Bid was not in the best interest of customers. After careful analysis and consideration, the Company filed a Confidential Notice of Termination of Master Development, Engineering, Procurement and Construction Agreement with the Final Short List Bidder on February 12, 2009.

On February 19, 2009, PacifiCorp filed a Notice of Withdrawal of Amended Request for Acknowledgment of Final Shortlist of Bidders in 2012 Request for Proposal.

On February 24, 2009, Commission Staff filed its Response in Opposition to PacifiCorp's Request to Close Docket, wherein Staff requested the docket to remain open to provide time to accomplish the following events: "(1) allow staff to submit data requests to PacifiCorp and to receive the company's responses, and (2) allow time for the Oregon Independent Evaluator (IE) to complete and submit final comments in the acknowledgment proceeding given the company's recent decision to reject all bids in its 2012 Request for Proposals (RFP)."

On March 31, 2009, Staff filed the IE's Comments on PacifiCorp's Termination of the 2012 RFP ("Termination Comments"). PacifiCorp provides the following response to the Termination Comments in an effort to present a complete record with respect to the 2012 RFP process.

Scope of Request for Acknowledgement

Guideline 13 of the RFP Order allows utilities the opportunity to request the Commission to acknowledge the utility's selection of its final shortlist of RFP resources. *See* Order No. 06-446 at p. 14. In making such a request, Guideline 13 directs utilities to discuss the consistency of the Final Shortlist with its acknowledged Integrated Resource Plan (“IRP”) Action Plan and to explain whether the Final Shortlist is consistent with the near-term resource acquisitions identified in its acknowledged IRP. *Id.*

Guideline 13 further indicates that “acknowledgment” has the same meaning as assigned to that term in Order No. 89-507 (“Least-Cost Planning Order”). In that order, the Commission indicated that “[a]cknowledgment of a plan means only that the plan seems reasonable to the Commission at the time the acknowledgment is given. As is noted elsewhere in this order, favorable rate-making treatment is not guaranteed by acknowledgment of a plan.” *Id.* at p.11.

In seeking “acknowledgment” of its Final Shortlist, PacifiCorp simply requested the Commission to determine whether its Final Shortlist selection was reasonable; *i.e.*, whether the Final Shortlist was consistent with the Company's acknowledged IRP Action Plan. PacifiCorp made no request for a rate-recovery determination by the Commission.

In the Request for Acknowledgment Report, the IE determined that, based on (a) the evidence the IE provided in its Final Closing Report, (b) its monitoring of the negotiation process with the short listed bidders and (c) its review of the final contract with the Shortlist Bidder, PacifiCorp “has shown that it has chosen the best possible deal from the 2012 RFP.” For that reason, the IE recommended that the Commission grant PacifiCorp's Request for Acknowledgment. *See* Request for Acknowledgment Report at p.2.

Role of IE

Certain relevant guidelines in the RFP Order pertain to the IE. Guideline 5 addresses the IE selection and contracting process and states in relevant part: “[t]he IE must be independent of the utility and likely, potential bidders, and also be experienced and competent to perform all IE functions identified in these Guidelines. The IE will contract with and be paid by the utility. The IE should confer with Commission staff as needed, on the IE’s duties under these Guidelines. The utility may request recovery of its payments to the IE in customer rates.” RFP Order at p. 6. Guideline 6 states, “The utility will consult with the IE in preparing the RFPs, and the IE will submit its assessment of the final draft RFP to the Commission when the utility files for RFP approval.” *Id.* at 7.

Guideline 10 addresses the role of the IE in the competitive bidding process, including when the RFP includes utility ownership options:

b. The IE will oversee the RFP process to ensure that it is conducted fairly and properly

d. If the RFP allows affiliate bidding or includes ownership options, the IE will independently score the utility's Benchmark Resource (if any) and all or a sample of the bids to determine whether the selections for the initial and final short-lists are reasonable. In addition, the IE will evaluate the unique risks and advantages associated with the Benchmark Resource (if used), including the regulatory treatment of costs or benefits related to actual construction cost and plant operation differing from what was projected for the RFP.

e. Once the competing bids and Benchmark Resource (if used) have been scored and evaluated by the utility and the IE, the two should compare results. The utility and IE should attempt to reconcile and resolve any scoring differences. If the two are unable to agree, the IE should explain the differences in its Closing Report.

RFP Order at pp. 12-13.

Under Guideline 11, the IE prepares a Closing Report for the Commission after the utility has selected its final short-list of bids for use in any final short-list acknowledgment process. The IE's detailed bid scoring and evaluation results also are provided to the utility, Commission staff and non-bidding parties in the RFP docket, subject to terms of the protective order.

Finally, under Guideline 13, the IE participates in the final short-list acknowledgment process.

Termination Comments are outside the Scope of IE's Role

PacifiCorp believes that the IE's primary role (as set forth in the RFP Order) is to oversee the RFP process to ensure that it is conducted fairly and properly. The Termination Comments, however, venture far outside the IE's defined role as set forth in the RFP Order in several respects.

For example, the Termination Comments recommend to the Commission that cost recovery treatment of future resource decisions by the Company should be capped at the fixed price of the terminated contract with the Final Shortlist Bid. *See* Termination Comments at pp. 4, 6, 14.

The Guidelines contain no provision for rate making recommendations by the IE. Moreover, the Commission has indicated that ratemaking determinations are not made within the context of the resource planning or acquisition approval process. *See, e.g., Re Investigation Regarding Competitive Bidding*, Docket UM 1182, Order No. 06-446 at p. 10 (commenting with regard to the RFP approval process that, “[a]ny ratemaking determinations would occur at a later time”); *See also, Re Investigation into Least-cost Planning in Oregon*, Docket UM 180, Order No. 89-507 at p. 6 (“[r]atemaking decisions will not be made in the Least-Cost Planning

process”). Instead, the Commission has chosen to address cost recovery issues in a prudence review through a rate proceeding, rather than through the RFP process.

To determine whether the utility’s decision to acquire a given resource is prudent, the Commission will examine the objective reasonableness of the decision. *Re PacifiCorp*, Docket UM 995, Order No. 02-469, 218 P.UR.4th 465, 468 (July 18, 2002). The Commission will examine the objective reasonableness of the decision at the time it was made, meaning without the benefit of hindsight. *Id.* at p. 469; *Re Tariffs filed by Juniper Utility Co. for Water Service*, Docket UW 65, Order No. 00-543 at p. 8 (September 14, 2000). Importantly, the Commission cannot substitute its judgment for that of the utility. *Pac. Tel. & Tel. Co. v. Flagg*, 189 Or. 370, 395-96 (1950). The determination of what is reasonable with respect to a utility’s business decision is the primary responsibility of the utility, not the Commission. *Id.*

The Termination Comments also make several unsolicited recommendations to the Commission regarding the reimbursement of expenses reasonably incurred by bidders in negotiating contracts and developing projects. *See* Termination Comments at pp. 4, 13. These recommendations on private contractual issues between PacifiCorp and a counterparty are beyond the scope of the IE’s role, and more importantly, beyond the scope of an acknowledgment proceeding. Rather, all terms and conditions regarding the bidders’ costs for participation in this process are clearly set forth in the 2012 RFP. *See* 2012 RFP at pp. 33, 55. A bidder is fully aware that the RFP is an “invitation to submit proposals.” The Company has no obligation to enter into any agreement with any bidder to the RFP and the Company may terminate or modify this RFP at any time “*without liability or obligation to any Bidder.*” *See* 2012 RFP at p. 55. Therefore, what the IE proposes is contrary to the plain language of the 2012 RFP.

Moreover, PacifiCorp asserts that such a recommendation calls into question the IE's ultimate obligation to, and representation of, PacifiCorp's customers. Bidding Guideline 5 indicates that the "the IE must be independent of the utility and likely, potential bidders." It further indicates that "the IE will contract with and be paid by the utility." Finally, Guideline 5 notes that, "[t]he utility may request recovery of its payments to the IE in customer rates." In other words, the IE does not represent bidders or the utility, and although the utility contracts with the IE, its fees are ultimately paid by customers through rates. If bidders take issue with the terms and conditions outlined in the 2012 RFP, they may seek appropriate remedies through their own advocacy. The IE's role does not, and should not, extend to making recommendations about how PacifiCorp should treat bidders in any potential private contractual disputes.

Termination Comments Contain Inaccurate Statements

The Termination Comments also contain statements which the Company believes are inaccurate. For example, in the context of contract negotiations with the Final Shortlist Bidder, the IE states, "[t]he negotiations were further extended when PacifiCorp, after initially agreeing to terms, sought to renegotiate several critical terms which resulted in increased overall project costs and reduced risk to PacifiCorp." Termination Comments at p. 12.

PacifiCorp disagrees with this statement. The renegotiation of certain contract terms did not increase the overall project costs of Lake Side 2. The Company acknowledges that costs initially increased as PacifiCorp's risk decreased. However, the Company was later able to negotiate the cost to its original position; while simultaneously gaining a major decrease in the risk associated with upfront payments.

In challenging PacifiCorp's assertion that the Lake Side 2 contract resulted in costs that exceeded market prices, the IE opines that the Final Shortlist Bid is more competitive with, and

more economical than, comparable bids received in PacifiCorp's subsequent 2008 All Source RFP. The IE states, “[b]y their very nature, the 2008 All Source bids represent the current market price of power.” Termination Comment at p 13.

The Company agrees that the 2008 All Source bids represent the market for long-term capacity at a given point in time. This cost and risk, however, must be compared to the Company's other alternatives which include bridging the capacity and/or energy. In the event that short-term supply can bridge the short position, those alternatives must be compared to the long-term alternatives resulting from the 2012 RFP, including Lake Side 2.

PacifiCorp's observations of the global economic downturn's impact on demand for power and associated reduced demand for power plants, declines in the forward price curve for purchased power and declines in the cost of construction materials guided its decision to terminate a project costing more than twice that of any similar project the Company has ever purchased or built. For similar reasons, the Company decided to suspend the 2008 All Source RFP, allowing the Company to assess all of its options. **The Company's ultimate obligation is to find the best solution for its customers with the lowest risk-adjusted cost. It is not the purpose of the RFP to displace management's prudent judgment in seeking the lowest cost solutions for customers or to justify a decision to acquire a resource costing over double historical costs just because it is the best result of an RFP.**

The IE also questions PacifiCorp's analysis with respect to future generation plant construction costs, stating, “[t]he major defect in the PacifiCorp analysis is that there is no analysis of the potential changes in the cost of building new generation. In the PaR analysis, the cost for generation in 2014 is assumed to be the same in nominal terms as the current Lake Side 2 contract.” Termination Comments at p.5

In the same context, the IE further notes that, “[s]ome credence has to be given to a scenario in which construction costs rise rapidly just when PacifiCorp gets back to looking at long-term capacity self-builds or purchases. The reasons we give credence to such a scenario include, but are not limited to the following. First, if every player in the generation market has the same forecasts, all players may defer and then get back into the market at the same time, thus driving prices upward. Second, China, one of the chief drivers of commodity costs, may resume or continue its growth, and keep commodity prices high. Third, although we do not wish this to be true, the monetary and fiscal stimulus plans now in place or in the works could over-stimulate the economy and lead to rising interest rates and higher inflation; both higher interest rates and higher inflation could drive construction cost upward.” Termination Comments at p. 6.

PacifiCorp disagrees with the IE's highly speculative and unfounded assumptions regarding future construction costs. Coincident industry response, commodity price uncertainty, and inflation are all potential risks and contrary to the IE's statements, PacifiCorp did incorporate nominal cost escalation into its base analysis. Notwithstanding this analysis, PacifiCorp believes that it would be impracticable to apply appreciable probabilistic weights to scenarios defined by rapidly escalating construction costs in light of current market conditions characterized by a rapid decline in commodity prices and a recessionary economic climate working to suppress demand for a broad spectrum of goods and services.

The Termination Comments unfairly suggest that PacifiCorp's conduct in the 2012 and other recent RFPs resulted in a loss of credibility with bidders. For example, the IE states, “[a]n additional concern bidders may have, given that PacifiCorp is offering self-build proposals into these RFPs, is that the Company is merely using these RFPs to collect market-sensitive information regarding the costs on new generation for use in preparing its own bids. Should the

Company refresh their prices in a much more competitive fashion bidders will justifiably be concerned that the Company simply used this delay in order to make sure their bids were successful.” Termination Comments at p. 7.

PacifiCorp is puzzled by such statements in light of the fact that the IE has determined PacifiCorp's benchmarks to be reasonable in all cases. For example, in its July 2, 2007 memorandum to Staff regarding the analysis of the PacifiCorp benchmark bids, the IE found “that all of the capital costs were properly included and that the capital costs for the [b]enchmarks were not lowballed.” *Id.* at p. 14. The IE further concluded that the benchmark operation and maintenance costs were reasonable. *Id.* These conclusions were based on a “thorough examination of PacifiCorp's submissions and detailed supporting documentation, including the company's backup cost sheets, which contained the detailed line item inputs that were rolled up into the total cost estimates.” *Id.* at 2. The IE also made its conclusion regarding the Company's benchmark after conducting “lengthy discussions with PacifiCorp staff, in order to determine whether or not PacifiCorp had, in fact, included these costs in their estimates.” *Id.*

PacifiCorp asserts that the primary role of the IE is to ensure that the RFP process is fair and reasonable, including a review and determination of whether the benchmark is reasonable. It is difficult for the Company to understand how, on one hand the IE questions the integrity of PacifiCorp's use of benchmarks, while simultaneously (and consistently) deeming the Company's benchmarks as reasonable.

The Company strictly abides by a self-imposed code of conduct to ensure that information is not shared between the Company's RFP evaluation and generation teams. The IE (having full access to all information) has not identified a single violation of the Company's code of conduct. PacifiCorp believes that the IE's participation in the RFP process (as provided in the

bidding guidelines) is intended to identify these issues, *if* they occur, and more importantly, to assist with the design process that guards against any issues of fairness or impartiality. The IE's statements unfairly imply bad faith on the part of the Company and are unsupported by any evidence.

The Termination Comments suggest that PacifiCorp's handling of the 2012 RFP has damaged the competitive market. For example, the IE states, "PacifiCorp's conduct of both the 2012 and 2008 All Source RFPs has been, at best, problematic. The ultimate failure to acquire any capacity or energy pursuant to the 2012 RFP, and the indefinite delay in the 2008 All Source RFP, may well be seen by potential bidders as signs that the Company is not committed to conducting a process in which the opportunity for merchant suppliers to fairly compete with PacifiCorp is genuine." Termination Comments at p. 14.

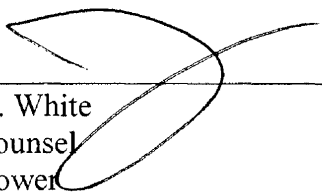
PacifiCorp has not seen any evidence from the IE that damage to the competitive environment exists. The IE's comments appear to just assume damage has occurred. PacifiCorp also wishes to clarify that the 2008 All Source RFP has not been suspended indefinitely. The Company was required to file a motion to approve suspension of the 2008 All Source RFP with the Public Service Commission of Utah prior to advising the market. The Public Service Commission of Utah approved the suspension with certain conditions, including: 1) a 6 month suspension period; and 2) a requirement to request approval from the Commission for further suspension, cancellation or resumption of the 2008 All Source RFP. *See Public Service Commission of Utah, Docket No. 07-035-94, Re PacifiCorp All Source RFP Suspension, Order Approving Suspension of Request for Proposals (April 6, 2009).* PacifiCorp provided notice of the suspension of the 2008 All Source RFP pursuant to the terms of the Utah Commission order on April 22, 2009.

The IE states that PacifiCorp's conduct of both the 2012 and the 2008 All Source RFP "has been at best problematic" but offers no support or documentation for this statement. The term "problematic" implies that PacifiCorp conducted itself improperly, which is unfounded and inaccurate. This statement is confusing to PacifiCorp considering past IE reports that have concluded the Company's RFP process as generally fair and in adherence to the bidding guidelines. *See* IE Final Closing Report at pp. 26, 33.

Conclusion

PacifiCorp appreciates the opportunity to provide this Response and looks forward to working with the Commission, its Staff, parties and independent evaluators to further refine, develop and enhance the request for proposal process for the benefit of customers.

DATED: May 21, 2009.



Jordan A. White
Senior Counsel
Pacific Power
PacifiCorp