December 18, 2006

Wyoming Public Service Commission  
2515 Warren Avenue, Suite 300  
Cheyenne, Wyoming 82002

Attn: Steve Oxley  
Secretary

RE: In the Matter of the Application of Rocky Mountain Power for Authority to Establish a Demand-Side Management Program in Wyoming, Establish DSM Tariffs and Increase Rates to Fund DSM

Enclosed for filing are an original and seven copies of Rocky Mountain Power’s Application for authority to establish a Demand-Side Management Program in Wyoming, establish DSM tariffs and increase rates to fund DSM, together with Direct Testimony, Exhibits and proposed tariff sheets applicable to electric service in the state of Wyoming (listed below). Provided on the enclosed CD is a Proposed Notice. Enclosed is a check in the amount of $15.00 representing the filing fee.

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</table>
Formal correspondence and requests for additional information regarding this matter should be addressed to:

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

By Fax:  
(503) 813-6060

By regular mail:  
Data Request Response Center  
PacifiCorp  
825 NE Multnomah, Suite 800  
Portland, OR  97232

With copies to:  
Evan S. Reynolds  
Attorney  
Rocky Mountain Power  
825 NE Multnomah, Suite 1900  
Portland, OR  97232  

Jeffrey K. Larsen  
Regulation  
Rocky Mountain Power  
201 South Main Street, Suite 2300  
Cheyenne, WY  82001

Sincerely,

D. Douglas Larson  
Vice President, Regulation

Enclosures
BEFORE THE WYOMING PUBLIC SERVICE COMMISSION

ROCKY MOUNTAIN POWER

Application

December 2006
BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

IN THE MATTER OF THE APPLICATION ) Docket No. 20000-
of Rocky Mountain Power ) Record No.
for Authority to Establish a )
Demand-Side Management Program )
in Wyoming, Establish DSM Tariffs )
and Increase Rates to Fund DSM )

APPLICATION

Comes now Rocky Mountain Power ("RMP" or the "Company"), by and through its Attorney Evan Reynolds, with the following Application to the Public Service Commission of Wyoming ("Commission") respectfully requesting an Order approving a Demand-Side Management Program (DSM) in Wyoming upon finding that the proposed program is in the public interest and that the associated changes in rates are just and reasonable. This Application is filed pursuant to the Commission’s general statutory and rate-making authority and its Rules and Regulations. In support of the Application, the Company states as follows:

1. Rocky Mountain Power is a public utility in the state of Wyoming and is subject to the jurisdiction of the Commission with regard to its public utility operations, retail rates, service and accounting practices. The Company also provides retail electricity service under the name Rocky Mountain Power in the states of Utah and Idaho and under the name Pacific Power in the states of Oregon, Washington and California.

2. Rocky Mountain Power’s principal place of business in Wyoming is 2840 East Yellowstone Highway, Casper, Wyoming, 82602.
3. Communications regarding this Application should be addressed to:

Jeffrey K. Larsen
Vice President, Regulation
Rocky Mountain Power
201 South Main Street, Suite 2300
Salt Lake City, UT 84111
E-mail: jeff.larsen@pacificorp.com

Evan Reynolds
Legal Counsel
Rocky Mountain Power
825 NE Multnomah
Lloyd Center Tower, Suite 1800
Portland, OR 97232
E-mail: evan.reynolds@pacificorp.com

In addition, Rocky Mountain Power requests that all data requests regarding this Application be sent in Microsoft Word or plain text format addressed to:

By email (preferred) datarequest@pacificorp.com

Or by regular mail to: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, OR 97232

Or by facsimile to: (503) 813-6060

Informal inquiries related to this Application may be directed to Dave Mosier, (307) 632-2677.

4. On February 28, 2006, the Commission issued its Order in Docket No. 20000-EA-05-226 (the reorganization of PacifiCorp) approving the transaction and Stipulation associated with that Docket. Commitment WY 5 in the Stipulation required the Company to meet with parties no later than 30 days after the close of the transaction to begin dialogue on evaluation of DSM programs that could be prudent and cost effective for Wyoming customers. The Company agreed to make a best-efforts attempt to file an application with the Commission prior to December 31, 2006, to implement prudent and cost-effective DSM programs in Wyoming that can be shown to be in the
public interest and to propose an appropriate cost recovery mechanism.

5. On March 24, 2006, the Commission issued its Order in Docket No. 20000-230-ER-05 (the 2005 general rate case) approving the Stipulation and Agreement associated with that Docket. Paragraph 31 of the Stipulation required the Company to meet with the parties no later than March 15, 2006, to begin a dialogue on the evaluation of new DSM programs, where all classes of service shall be considered, and that the Company agreed to make a best-efforts attempt to file an application with the Commission prior to December 31, 2006, to implement prudent and cost-effective DSM programs in Wyoming that can be shown to be in the public interest, including an appropriate cost recovery mechanism.

6. The Company hosted five Wyoming collaborative DSM meetings in Cheyenne, Wyoming, on March 15th, April 21st, June 16th, August 21st and September 15th, 2006, and one telephone conference on April 19, 2006, all of which were to discuss and identify DSM issues that would assist the Company in filing a DSM application by December 31, 2006. Parties involved in the DSM meetings included Office of Consumer Advocate (OCA), Wyoming Industrial Energy Consumers (WIEC), Southwest Energy Efficiency Project (SWEEP), Big Horn Basin Irrigators and Western Resource Advocates (WRA).

7. The Company’s proposed DSM pilot program in this Application is an appreciation of many positions and issues. The Company has worked cooperatively with the parties interested in developing a DSM program for Wyoming, taking into consideration the special circumstances and conditions that exist in Wyoming in relation to the other states served by Rocky Mountain Power or Pacific Power. As is typically the case with an approach developed through the participation of multiple parties, it may not represent the optimal position of each party that has contributed in various ways to its
development, but does represent a positive approach to the establishment of DSM programs and DSM activity in Wyoming.

8. The DSM program proposed in this Application is a three-year pilot program intended to introduce Wyoming ratepayers to the concept of conservation by offering cost-effective options that have proven to be successful in the other states the Company serves. The scope of the Wyoming program proposed in this Application will be limited to keep the costs moderate while at the same time providing an equal opportunity to DSM services for all customer classes. The proposed programs will include rebates, incentives and energy engineering services to help customers select, install and use energy-efficient equipment or make permanent operational changes that reduce energy consumption and save money. The Company is proposing a DSM pilot program in Wyoming that will be funded and include investments for the duration of the three-year pilot period that are capped at one percent (1.0%) of participating customers’ retail revenues which will generate approximately $1.9 million per year of program funding (based on estimated participation by customers representing approximately 10 percent of the Wyoming large industrial customer load). The Application includes programs that will be supported by and available to all residential, low income, irrigation and business customer classes. It also includes a voluntary opt-in subscription process and program for large industrial customers. Each of the program offerings is explained and supported in the testimony of Company witnesses included in this Application.

9. The Company proposes that the DSM programs included in this Application be implemented through new rate Schedule 191 that is a stand-alone rate surcharge for the duration of the pilot period which will be mandatory for all customers except large industrial customers. The rate surcharge will be included as a line item charge on customer bills entitled “Customer Efficiency Services”. Any large industrial
customer choosing to participate in a DSM program must commit within a 90-day open subscription period, and once the customer has voluntarily subscribed, it must continue participation for the remaining term of the pilot program, including payment of the rate surcharge. The rate surcharge will be monitored through a balancing account mechanism that will track actual program costs against rate surcharge revenues collected. At the end of the pilot period, if excess rate surcharge revenues exist beyond the actual approved costs incurred, any excess will be refunded to customers or, upon approval by the Commission, shall be taken into consideration against future longer-term DSM investments beyond the initial three-year pilot plan. The Company will perform monthly balancing account reviews during the three-year pilot period and will provide semi-annual status reports to the Commission. The rate surcharge and balancing account mechanism is explained further in the testimony of Company witnesses included in this Application.

10. Included with this Application is the direct testimony and supporting exhibits of Jeff W. Bumgarner, the Company’s Director of DSM, and Don L. Jones, Jr., the Company’s Energy Efficiency Segment Manager. The testimony of these witnesses describes DSM and its benefits, general and specific overviews of the programs being proposed, program rationales, rate recovery, program cost-effectiveness analysis, tariff provisions, large customer involvement, program evaluation plans and other relevant aspects of the proposed pilot.

11. To administer the proposed DSM programs included in this Application, the Company seeks to add new or modify existing tariff Schedules as follows:

Schedule 111 (new) Home Energy Savings Program

Schedule 115 (new) FinAnswer Express

Schedule 125 (existing) Energy FinAnswer
Schedule 118 (new) Low Income Weatherization

Schedule 192 (new) Self-Direction Program

Schedule 191 (new) Customer Efficiency Services Rate Surcharge

In order to expedite the consideration of this application by the Commission, the Company is including with this Application printed and electronic copies of a proposed Notice. In addition, the Company offers its resources to whatever extent helpful or necessary on a procedural basis in order to expedite the notice and scheduling of this Application for public hearing.

WHEREFORE, Rocky Mountain Power respectfully requests that, in accordance with its general rate-making authority, the Commission notice this application in a expeditious manner, and once the parties of interest have intervened in time, that the Commission establish a procedural schedule that will allow for the full investigation and consideration of the Wyoming DSM program, culminating with the Commission issuing an Order authorizing the Company to implement the DSM program in Wyoming effective June 1, 2007.

Dated this 18th day of December, 2006.

Respectfully submitted,

Evan S. Reynolds
Legal Counsel
Rocky Mountain Power

Attachments:

Testimony and Exhibits of Jeff W. Bumgarner
Testimony and Exhibits of Don L. Jones, Jr.
BEFORE THE WYOMING PUBLIC SERVICE COMMISSION

ROCKY MOUNTAIN POWER

Proposed Notice

December 2006
BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

IN THE MATTER OF THE APPLICATION
OF ROCKY MOUNTAIN POWER FOR
AUTHORITY TO ESTABLISH A DEMAND-
SIDE MANAGEMENT PROGRAM
IN WYOMING, ESTABLISH DSM TARIFFS
AND INCREASE RATES TO FUND DSM

DOCKET NO. 20000-___-EA-06
(RECORD NO. __________)

NOTICE OF APPLICATION
(Issued December 27, 2006)

Pursuant to the Wyoming Administrative Procedure Act and the Wyoming Public Service Commission's Procedural Rules and Special Regulations, notice is hereby given of the application of Rocky Mountain Power requesting an Order approving a Demand-Side Management (DSM) Program in Wyoming upon a finding by the Commission that the proposed program is in the public interest and that the associated changes in rates are just and reasonable.

1. Rocky Mountain Power (or the Company) is a public utility, as defined in W.S. § 37-1-101(a)(vi)(C), providing retail electric public utility service under certificates of public convenience and necessity issued by the Commission. Rocky Mountain Power is subject to the Commission's jurisdiction under W.S. § 37-2-112.

2. Rocky Mountain Power is the trade name for PacifiCorp, an Oregon corporation, doing business under the name Rocky Mountain Power in Wyoming, Idaho and Utah, and under the name Pacific Power in California, Oregon and Washington. The Company's principal place of business in Wyoming is Casper. Rocky Mountain Power provides retail electricity service to approximately 132,000 customers in Wyoming.

3. On December 18, 2006, Rocky Mountain Power submitted an application, together with pre-filed testimony, exhibits and a proposed new tariff Schedule 191 to implement a three-year DSM pilot program intended to introduce Wyoming ratepayers to the concept of conservation by offering cost-effective options that have proven to be successful in the other states the Company serves.

4. In the application, Rocky Mountain Power states that pursuant to Commission orders in dockets associated with the reorganization of PacifiCorp and its 2005 general rate case, Rocky Mountain Power undertook to promptly meet with parties to begin dialogue on evaluation of potential DSM programs for Wyoming customers. The Company agreed to make a best-efforts attempt to file an application with the Commission prior to December 31, 2006, to implement prudent and cost-effective DSM programs in Wyoming that can be shown to be in the public interest and to propose an appropriate cost-recovery mechanism.
5. Rocky Mountain Power states that it hosted five Wyoming collaborative DSM meetings in Cheyenne, Wyoming, on March 15th, April 21st, June 16th, August 21st and September 15th, 2006, and one telephone conference on April 19, 2006, all of which were to discuss and identify DSM issues that would assist the Company in filing a DSM application by December 31, 2006. Parties involved in the DSM meetings included Office of Consumer Advocate (OCA), Wyoming Industrial Energy Consumers (WIEC), Southwest Energy Efficiency Project (SWEEP), Big Horn Basin Irrigators and Western Resource Advocates (WRA). Rocky Mountain Power states that its proposed DSM pilot program reflects the outcome of its collaborative discussions and takes into consideration the special circumstances and conditions that exist in Wyoming compared to the other states served by Rocky Mountain Power or Pacific Power.

6. Rocky Mountain Power proposes programs that will include rebates, incentives, and energy engineering services to help customers select, install and use energy-efficient equipment or make permanent operational changes that reduce energy consumption and save money. Rocky Mountain Power proposes to fund the DSM pilot program with a stand-alone "Customer Efficiency Services" rate surcharge for the duration of the three-year pilot period, which will be mandatory for all customers except large industrial customers choosing not to participate in a DSM program. Funding and investments for the duration of the three-year pilot period will be capped at one percent (1.0%) of participating customers' retail revenues.

7. Interested persons may inspect the application at Rocky Mountain Power's Wyoming offices and at the Commission's offices in Cheyenne, Wyoming, during regular business hours.

8. Anyone wishing to file a statement, intervention, protest, or a request for a public hearing in this matter must do so, in writing, with the Commission on or before January 30, 2007. Any petitions filed shall set forth the grounds of the proposed intervention or request for hearing as well as the position and the interest of the petitioner in this proceeding. Please be sure to mention Docket No. 20000-____-EA-06.

9. If you wish to intervene in this matter and/or request a public hearing which you will attend and you require reasonable accommodation for a disability, call the Commission at (307) 777-7427 or write the PSC at 2515 Warren Avenue, Suite 300, Cheyenne, Wyoming 82002. Communications-impaired persons may contact the Commission through Wyoming Relay at 711.

Dated: December 27, 2006.

10. Published notice in this matter shall consist of paragraphs 1 through 9 hereof.

11. This Notice of Application is effective immediately.
MADE and ENTERED at Cheyenne, Wyoming, this ___ day of December 2006.

BY ORDER OF THE COMMISSION

(SEAL)

________________________, Assistant Secretary
Wyoming Public Service Commission
2515 Warren Avenue, Suite 300
Cheyenne, Wyoming 82002
CERTIFICATE OF SERVICE

I hereby certify that on this 18th day of December 2006, I caused to be served, via Federal Express, a true and correct copy of the WY Demand Side Management Application, Testimony and Exhibits to the following persons:

Bryce Freeman
Office of Consumer Advocate
2515 Warren Avenue, Suite 304
Hansen Building
Cheyenne, WY 82002
(OCA – 4 copies)

Dale W. Cottam
Hirst & Applegate
1720 Carey Avenue
Cheyenne, WY 82001
(AARP – 1 copy)

Robert M Pomeroy, Jr.
Thorvald Nelson
Holland & Hart
8390 East Crescent Parkway, Suite 400
Greenwood Village, CO 80111
(WIEC – 3 copies)

Rick Anderson
Consultant for WIEC
Energy Strategies
215 South State Street
Suite 200
Salt Lake City, UT 84111

Howard Geller
Southwest Energy Efficiency Project
2260 Baseline Road, Suite 212
Boulder, CO 80304
(1 copy)

Richard McKamey
Big Horn Basin Irrigators
500 Hillcrest Drive
Worland, WY 82401
(1 copy)

Eric Guidry
Western Resource Advocates
2260 Baseline Road Suite 200
Boulder, CO 80302
(1 copy)

Peggy Ryan
Supervisor, Regulatory Administration
BEFORE THE WYOMING PUBLIC SERVICE COMMISSION

ROCKY MOUNTAIN POWER

Direct Testimony of Jeffery W. Bumgarner

Demand-Side Management

December 2006
Q. Please state your name and business address.

A. My name is Jeffery W. Bumgarner and my business address is 825 NE Multnomah Boulevard, Suite 600, Portland, Oregon, 97232.

Qualifications

Q. What is your current position at PacifiCorp and your employment history?

A. I am currently employed as the Director of Demand-side Management for PacifiCorp’s PacifiCorp Energy division. I have been employed by PacifiCorp since August 26, 1981. My occupational experience in the electric utility industry includes assignments in customer care (call center management, metering and billing); marketing; non-regulated new product and service development; regulated new product and service development; cost analysis and reporting; cost accounting; new business development; and demand-side management program design and implementation. I am a member of the Association of Professional Energy Managers and hold board positions with the Northwest Energy Efficiency Alliance, Southwest Energy Efficiency Project, and Bonneville Power Administration’s non-wires group. I have been in my current position as Director of Demand-side Management since July 2000.

Q. What are your responsibilities as Director of Demand-side Management for PacifiCorp Energy?

A. My responsibilities include the development of demand-side strategy, resource identification, resource planning, design, implementation, program delivery, administration, cost-effective evaluation and cost recovery of PacifiCorp’s demand-side management activities and programs. My responsibilities span
PacifiCorp’s six state service territories.

Q. What is your educational background?
A. I received Bachelor of Science degrees in Finance, Business Management, and Sociology from the University of Oregon in 1981 and completed the University of Idaho’s Professional Utility Executives for Change summer program in 2003.

Q. Have you appeared as a witness in previous regulatory proceedings?
A. No.

Q. What are the customer characteristics of Rocky Mountain Power’s Wyoming service area?
A. In Wyoming, Rocky Mountain Power serves approximately 103,000 residential customers, 24,500 general service customers, 400 irrigation customers, and 115 large commercial and industrial customers.

Q. What is the purpose of your testimony in this proceeding?
A. I will generally explain what demand-side management is and why it is important. I will also explain the reasons and timing of the Application by Rocky Mountain Power (the “Company”) for approval of DSM programs in Wyoming and provide a general overview of the proposed program scope, how the Company proposes to fund a demand-side management program in Wyoming, the prospects of large customer involvement, a proposed implementation timeline, and future demand-side management considerations.

Demand-side Management Application Overview

Q. What is demand-side management?
A. Demand-side management ("DSM") is the practice of working with customers to
reduce their demand for and improve the productivity they derive from the
electric energy they consume. DSM programs consist of advice, processes,
analysis and other types of customer incentives (technical and financial support)
designed to encourage consumers to modify their level and pattern of electricity
usage.

Q. Please explain the benefits of cost-effective DSM programs to Rocky
Mountain Power and its customers?

A. The primary objective of DSM programs is to provide cost-effective energy and
capacity resources to help defer the need for new sources of power, including
generating facilities, power purchases, and transmission and distribution capacity
additions. DSM is important to the Company and its customers for many reasons
including the following:

- DSM is an integral part of the Company’s resource acquisition plan, providing
cost-effective resources for the Company’s portfolio. Acquiring resources
from customers and minimizing potential elements of inefficient electricity
use is the first step in optimizing a system’s efficiency before taking more
expensive actions that may result in longer-term rate impacts;

- Customers that participate in DSM programs will see both the near-term
benefits of lower electricity bills and more productivity from the electricity
they consume;

- Customers will benefit in the long-term as DSM aids in delivering lower
resource portfolio costs, which help to reduce increases to electricity rates.
This lower resource portfolio cost structure is the result of limiting the
Company’s exposure to market price volatility and, over the longer term, allowing the Company to defer investment in new generation and delivery infrastructure.

- Non-participants in the DSM program also benefit from their assistance in funding DSM programs through the same longer-term system savings and reduction of Wyoming’s demand for electricity.

- For many businesses and large industrial customers in Wyoming, electricity represents a significant portion of their operating costs. DSM programs may improve bottom-line results for some businesses by reducing costs.

- The services and incentives provided through DSM programs both increase the level of DSM investments businesses and households make, as well as accelerate the speed of such investments. This occurs as a result of customers becoming better informed and financially able to make investments in DSM and by reducing the time needed for a business customer to realize a return on these investments.

Q. **Why is the Company filing a DSM application in Wyoming at this time?**

A. As a condition of the acquisition of PacifiCorp by MidAmerican Energy Holdings Company in March 2006, and the Company’s general rate case settlement agreement approved by the Commission in Docket No. 20000-230-ER-05, the Company agreed to revisit DSM opportunities in Wyoming and begin to explore whether cost-effective DSM opportunities exist. The commitments made by the Company were to meet with interested parties and “begin a dialog on and evaluation of DSM programs offered by PacifiCorp in other states that could be
prudent and cost-effective for Wyoming.” All classes of service were to be considered in the Company’s evaluation. The agreement was for the Company to make a best-effort attempt to file an application with the Wyoming Public Service Commission (Commission) prior to December 31, 2006, for a DSM program that can be shown to be in the public interest. The application was to also propose an appropriate cost-recovery mechanism to fund the proposed DSM program.

Q. **Are there other reasons the Company is proposing a Wyoming DSM application at this time?**

A. Yes, while the two commitments previously mentioned are primary drivers for the timing of this application, they don’t represent the sole reason the Company has interest in offering DSM programs in Wyoming. Following the 2001 Western energy crisis and its effects on the electric deregulation movement, PacifiCorp, along with most utilities across the nation, placed additional importance on DSM as a cost-effective resource option within the integrated resource planning process. In both the Company’s 2003 and 2004 integrated resource plans, the Company identified nearly 2.2 million megawatt hours of DSM resources available across its six-state service area. The plans also sought to obtain an additional 1.7 million megawatts if cost-effective projects could be identified. As a result, the Company began working with individual states in an effort to promote greater investment in DSM and drive improved efficiencies into the Company’s system. Utah, being one of the fastest growing states in the Company’s system, was among the first states to increase DSM investment. Washington has also recognized the benefits of increasing DSM investments.
Idaho approved its first enhanced DSM application in early 2006. The Company is scheduled to introduce an enhanced set of DSM programs in California during the first quarter of 2007. In Oregon, PacifiCorp assisted in the transition of DSM delivery to the Energy Trust of Oregon under a legislative provision within Oregon’s revised deregulation legislation, Oregon Senate Bill 1149. The timing of renewed interest in DSM investments in Wyoming is consistent with the increasing DSM investment activity occurring within PacifiCorp’s other state jurisdictions and reflects the Company’s strategy of identifying and securing diversified, cost-effective resources to serve customers.

**Q. What are the basic elements of the Company’s DSM proposal for Wyoming customers?**

**A.** The Company is proposing a three-year pilot in Wyoming consisting of four individual DSM programs (two residential programs, one small to medium business program including agricultural customers, and one large business customer self-directed option). The program spending over the three-year pilot would be limited to 1 percent of the retail revenues of those customers participating in DSM. Participation and funding of the programs is optional for large industrial customers on Schedules 33, 46 and 48T; however, funding participation of DSM programs is mandatory for residential customers on Schedules 2 and 18, business customers on Schedule 25, lighting customers on Schedules 15, 51, 53, 54, 57, 58, 207, 211, and 212, and agricultural customers on Schedules 40 and 210. Since funding of the DSM program for business customers on Schedules 33, 46 and 48T is optional for the three-year pilot, only...
those customers participating in the program funding are eligible for DSM services. If a customer on Schedules 33, 46 or 48T elects to participate in the funding of the DSM program and receive program benefits, it must participate for the entire three-year pilot period, with the exception of a 90-day subscription window that is proposed to commence upon the Commission’s approval of the DSM tariffs.

Q. What are the four DSM programs being proposed by the Company?
A. Schedule 111 – Home Energy Savings residential program
Schedule 118 – Low-income residential weatherization program
Schedule 115 – FinAnswer Express business program
Schedule 192 – Self-Direction business program

Q. Has the Company prepared exhibits that provide additional information on these four DSM programs?
A. Yes, Exhibits RMP_.1(DLJ-1) through RMP_.7(DLJ-7) provide more detail, such as program budgets, projected savings, program cost-effectiveness results, and draft program tariffs. In addition, the testimony of Don Jones, Jr. goes into greater detail on key delivery logistics and program assumptions.

Q. Why were these DSM programs selected as part of the Company’s proposal?
A. The program set was determined following a review of possible programs by a group of interested parties that met to assist Rocky Mountain Power in the development of this application. The Company and these parties felt strongly that the program set needed to provide an opportunity for all Wyoming customers to participate in DSM programs and associated benefits.
• The low-income program is a no-cost program to qualifying households that should eliminate any co-funding hurdle that would prohibit income-challenged customers from participating.

• The residential Home Energy Savings program consists of a wide array of household measures and incentives likely to benefit most cost-effective energy efficiency-related home improvement projects for residential customers. In addition, the program contains a builder’s option package to address DSM opportunities associated with residential new construction.

• The FinAnswer Express program offers a similar array of measures and incentives tailored to business customers and customized slightly to accommodate the most common agricultural customer energy efficiency-related project work.

• The optional Self-Direction program is tailored to those larger more energy intensive consumers who may be able to benefit from larger and typically lower-cost DSM savings opportunities.

In all, the Company believes that the program set is the best combination of programs available, providing DSM opportunities to the broadest range of Wyoming customers at the 1 percent funding level proposed in this application.

Q. Why are you suggesting a three-year pilot as opposed to a longer-term DSM program?

A. Based on my understanding of Rocky Mountain Power’s resource position as it stands today, the company has adequate resources in Wyoming to meet the state’s existing electricity requirements. In addition, the company has limited ability
during high summer peak load hours to transmit surplus energy out of the state.

While these conditions discount, to a degree, the value of incremental additions to
supply or decreases in load in the near term, parties participating in the
discussions understood that building a DSM resource base takes time. DSM is a
long-term process and a long-term resource. Waiting until additional supply is
needed or broader out-of-state markets for energy are accessible would put
Wyoming in a position of potentially having foregone economic system efficiency
improvements that could be more expensive to capture at a later date.

Q. How did you arrive at the 1 percent of retail revenue funding level proposed
in your DSM application?

A. The suggestion to limit the program funding to 1 percent of retail revenues each
year is based on a balancing of the same factors that drove the decision to limit
the initial application to a three-year pilot; near-term resource adequacy in
Wyoming, the relative lack of a DSM track record in the state, and the
corresponding need for customer education and evaluation of real-world DSM
results in Wyoming all coupled with the potential ramifications of waiting too
long to get started on a DSM program in Wyoming and finding a reasonable
investment level that would generate meaningful results for evaluation purposes.

These considerations led to the decision to limit the funding level to 1 percent of
retail revenues during the pilot period.

Q. At what levels are the Company’s other states funding DSM?

A. While the average level of DSM funding across PacifiCorp’s six state service
areas is approximately 1.7 percent, the load and resource situation and DSM
history and experience in each state vary considerably. Individually, Utah’s
funding level is 2.2 percent; Washington, 2.4 percent; Oregon, 1.9 percent; Idaho,
1.5 percent; California, 0.4 percent; and Wyoming, 0.04 percent (refer to Don
Jones Jr. testimony for history of Company program activity in Wyoming). Our
plan in this application is to begin to experiment more extensively with DSM in
Wyoming and, depending on the results, potentially put Wyoming on a course
toward permanent DSM program availability

Q. Why is Wyoming DSM funding proposed to be different than the other
states?

A. All PacifiCorp states have different levels of DSM funding that reflect each
state’s differing and unique history and circumstances. In Oregon, the DSM
funding level is set by the legislature and is likely to increase next session. In
Utah and Washington, DSM is based on the forecasted investments of
Commission-approved programs for the coming year. In California, DSM is
based on the current program set, which is expected to change by first quarter of
2007 (a proposed funding level increase to just over 1% is planned). In Idaho, the
Company filed a DSM application in early 2006, which proposed that initial
funding begin at 1.5 percent while the Company demonstrates its ability to deliver
cost-effective DSM programs in the state. Wyoming’s funding level proposed in
this application is similar to what other states with limited historical experience in
utility-delivered DSM have implemented. Positioning an initial investment level
at 1 percent, given the near-term resource situation in Wyoming, is a reasonable
starting point and approach for this application and the three-year pilot period.
Q. Why is participating in the funding of the three-year pilot application optional for large customers on Schedules 33, 46 and 48T?

A. Optional participation in the DSM pilot by Schedule 33, 46 and 48T customers is founded upon several factors. First, it recognized that as a result of Wyoming's current resource position, most of the initial or near-term benefits associated with DSM investments by customers will accrue to those customers able and willing to complete energy efficiency projects under the proposed programs. Second, as a general course of business some large industrial customers have already pursued DSM investment on their own. Third, due to the nature of their operations some large industrial customers may be unable to pursue energy efficiency projects at this time and given the short-term nature of the application may be resistant to fund energy efficiency improvements at their competitors' facilities. However, offering opportunities for participation to large industrial customers is important due to their large-scale energy consumption and opportunity for low cost DSM savings. The optional participation provision is a way to ensure that those large industrial customers who wish to participate in a DSM program in Wyoming may do so. Longer term, if the DSM application and associated programs are extended by the Commission beyond the three-year pilot period (based on the application's stated measurement criteria) the issue of mandatory participation by customers on Schedules 33, 46 and 48T will be revisited for it's appropriateness going forward.
Q. Given that the benefits of all DSM resource acquisitions will be shared among all customer groups, won’t making participation in DSM programs optional for large customers lead to inequities in cost of service calculations during future rate-making proceedings?

A. No. Since some large industrial customers have already been self-investing in energy efficiency in their businesses, and the DSM pilot application is for a limited period (three years) and investment level (1%) the Company doesn’t foresee inequities arising as a result of the current proposal.

Q. How much self-investment in DSM have Wyoming’s large industrial customers completed and what have the benefits been to other Wyoming customers of these investments?

A. While Rocky Mountain Power cannot quantify the amount of DSM self-investment that large industrial or other customers have made, based on our experience with our customers and the competitive nature of industrial customers’ businesses, we believe that some level of DSM investments have been and are being made absent utility-sponsored programs. Utility programs increase the amount and accelerate the timing of DSM investments through improving customer investment return periods and enabling motivated customers to afford such investments. However, even if they cannot be quantified in Wyoming, investments in DSM (whether self-investments or utility-assisted investments) benefit both the customers making the investments as well as other customers living in the state.
Q. What happens to the proposed programs at the end of the three-year pilot period?

A. The objective of the pilot is to gauge customer participation and market potential for DSM programs, and demonstrate the Company’s ability to deliver cost-effective DSM programs in Wyoming. The pilot is designed to be evaluated after two years at which time the Company will take the necessary action to either discontinue the DSM program activity and terminate the program offerings at the end of the three-year pilot period or prepare a new proposal to extend the delivery period, under a longer-term application to be filed prior to the end of the three-year pilot.

Q. What will be the determining factors as to whether the Company files to continue the DSM programs and/or introduce additional programs once the three-year pilot period ends?

A. The programs offered during the pilot period will be reviewed annually with formal program evaluations occurring at the end of the second year of the three-year pilot period. Factors such as changes in Wyoming’s resource position, customer demand for the DSM program services being offered, and program performance (which includes using actual program data to reassess program cost-effectiveness) will all be considered in determining whether to propose that the DSM programs should be discontinued, continued, or expanded at the end of the pilot period. The Company is currently conducting a system-wide DSM potential study that will be completed in June 2007. This study will provide valuable information to PacifiCorp on how much DSM opportunity exists in each of the
states we serve, as well as in what sectors and end-uses that opportunity can be found. This type of information will be valuable to the Company in developing new programs and fine-tuning existing programs in order to achieve the greatest results from the dollars invested.

Q. How will the Company’s system-wide DSM potential study impact the programs being proposed in this application?

A. The system-wide DSM potential study will not have an initial impact on the programs being offered in this application. However, the information from the system-wide study will be used to propose modifications to approved Wyoming programs in the second year of operation, should they be warranted, to improve their performance. The Company also would use the system-wide study information to introduce new program offerings in Wyoming that best match the opportunities identified in the state should the programs be extended beyond the three-year pilot period.

Q. How is the Company suggesting funding the DSM programs proposed in this application?

A. The Company is proposing that a DSM surcharge be added to monthly customer bills with an explanation entitled, “Customer Efficiency Services.” Approved program costs and revenues collected through the new Customer Efficiency Services charge will be reconciled in a Wyoming DSM balancing account where the revenues can be closely tracked and accounted for. All monies collected, if not spent delivering program services and paying program incentives within the three-year pilot period, will be returned to customers through a refund process at
the conclusion of the proposed three-year pilot period. Additional information on
the Customer Efficiency Services charge can be found in Exhibit RMP_.3(JWB-
3), the draft Customer Efficiency Service charge tariff.

Q. How will DSM expenses in rates today be recovered during the pilot period?
A. The small level of prior DSM investments in Wyoming will continue to be
recovered through general rates until they are fully amortized, after which time
they will be removed from general rates. The proposed Customer Efficiency
Services charge will fund only new DSM expenses incurred as a result of offering
the four DSM programs proposed within the DSM application.

Q. Has the Company prepared an exhibit showing the difference between how
prior DSM investments are accounted for and amortized over time verses
how the DSM application expenses will be handled?
A. Yes. Exhibit RMP_.2(JWB-2) is a flow chart that demonstrates the similarities
and differences between the two methods.

Q. Is the proposed Customer Efficiency Services charge mechanism consistent
with how the Company accounts for DSM investments in its other states?
A. Yes, the Customer Efficiency Services charge with accompanying balancing
account is currently used in Utah, Washington, and Idaho. Oregon and California
use similar mechanisms. However, they were established through restructuring
legislation rules within those two states.

Q. Does the proposed DSM program application represent a rate increase to
Wyoming customers?
A. Yes. The Customer Efficiency Services charge would represent a 1 percent rate
increase to all customers except those large customers on Schedules 33, 46, and 48T who opt not to participate in the pilot DSM application and associated program benefits.

Q. **Have you prepared an exhibit to demonstrate the impact by customer class?**

A. Yes, Exhibit RMP__1(JWB-1) shows the Company's estimates of customer price impacts by rate schedule. Based on this analysis, the average impact to residential customer bills would be an increase of $.58 a month. For business customers (excluding Schedules 33, 46 and 48T) the average impact would be an increase of $2.93 per month. For agricultural customers the average impact would be an increase of $2.50 per month and for lighting customers the average impact would be an increase of $.58 per month. These calculations were not performed for customers on Schedules 33, 46 and 48T due to the application's optional participation provision. Following the approval of the DSM application and after the Self-Direction program 90-day, post-application approval subscription deadline, the Company will know which Schedule 33, 46 and 48T customers have opted to participate and will be able to calculate the average bill increase to those participating customers at that time.

Q. **What will customers see on their monthly bills?**

A. Customers will see a new line item entitled “Customer Efficiency Services” and the 1 percent charge.
Q. What happens to any excess revenues collected during the three-year pilot period if DSM investments don’t equal the revenues collected through the Customer Efficiency Services charge mechanism?

A. As mentioned earlier, at the conclusion of the three-year pilot period any excess revenues will be refunded to those customers who had paid the Customer Efficiency Services charge throughout the three-year pilot period. Over expenditure risk will be managed through program caps eliminating any possibility of expenditures beyond the revenues proposed to be collected through the Customer Efficiency Services charge.

Q. Are there carrying charges for over- or under-collections during the three-year pilot period?

A. Typically the Company proposes reciprocal carrying charges be assessed on positive or negative balances within DSM balancing accounts. However, for the duration of the three-year pilot period, the Company is proposing that no carrying charges be assessed. This is due to the limited nature of the pilot funding and the Company’s requirement to maintain all program expenses within the 1 percent level. If the DSM programs are extended beyond the three-year pilot period by approval of the Commission, the Company will at that time propose that a reciprocal carrying charge provision be added to adequately compensate both Rocky Mountain Power and its Wyoming customers for any over- or under-collections that may occur between the annual reconciliations, DSM surcharge adjustment filings and the DSM balancing account being balanced.
Q. Are there planned reviews of the Customer Efficiency Services charge revenues collected against the DSM investments made during the three-year pilot period, and will there be any reports available?

A. There will be monthly reviews and tracking of the program expenses incurred by Rocky Mountain Power and the revenues collected through the Customer Efficiency Services charge. The Company proposes the providing semi-annual reports with the Commission.

Q. What program and administrative costs are envisioned as being recovered through the Customer Efficiency Services charge mechanism?

A. Qualifying program cost categories typically include administrative support, program-specific advertising, program collateral materials, program education, program evaluation, program development costs, program management costs, energy engineering and audit costs, field inspection costs, savings verification costs, customer incentive costs, dealer incentives (if applicable), training, and temporary help. Costs allocated with the DSM program of existing Company personnel will be tracked and appropriately removed from general rate case proceedings.

Q. Have you prepared an exhibit showing the estimated costs by category by program in order for the Commission to see how the costs are likely to be allocated?

A. Yes. Exhibit RMP__1 (DLJ-1), provides both the forecasted program costs and savings over the three-year pilot period as well as a breakdown of the program costs by major cost category.
Q. What are the estimated utility administrative costs associated with the DSM application?

A. Utility administrative costs are estimated to be five percent. The cost categories used to derive the administrative expenses can be found in Exhibit RMP-1(DLJ-1).

Q. What is a reasonable implementation date for the proposed programs?

A. The Company proposes implementing the DSM programs and Customer Efficiency Services charge at the same time. The timing depends on the timeline established by the Commission for the review and approval of the Company’s DSM application. The Company is proposing an implementation date of June 1, 2007.

Q. When will increased rates begin to be billed?

A. The Company proposes that the Customer Efficiency Services charge appear on customer bills in concert with the DSM programs being available, so effective with the program implementation date approved by the Commission.

Q. How long will it be after the Customer Efficiency Services charge is implemented until program benefits are available?

A. DSM program benefits would be available immediately with the implementation of the Customer Efficiency Services charge.

Q. Does this conclude your testimony?

A. Yes.
BEFORE THE WYOMING PUBLIC SERVICE COMMISSION

ROCKY MOUNTAIN POWER

Exhibit Accompanying Direct Testimony of Jeffery W. Bumgarner

Wyoming Table A
Showing Price Impact by Rate Schedule

December 2006
<table>
<thead>
<tr>
<th>Line No.</th>
<th>Description</th>
<th>Schedule Number</th>
<th>Average No. of Customers</th>
<th>KWH (000)</th>
<th>Present Revenues ($000)</th>
<th>CESC Charge ($000)</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Residential</td>
<td>2/18</td>
<td>103,127</td>
<td>934,667</td>
<td>$71,497</td>
<td>$715</td>
<td>1.0%</td>
</tr>
<tr>
<td>1</td>
<td>Commercial, Industrial &amp; Irrigation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>General Service</td>
<td>25</td>
<td>24,524</td>
<td>1,321,732</td>
<td>$86,332</td>
<td>$863</td>
<td>1.0%</td>
</tr>
<tr>
<td>3</td>
<td>Partial Requirements Service</td>
<td>33</td>
<td>6</td>
<td>815,014</td>
<td>$35,606</td>
<td>$0</td>
<td>0.0%</td>
</tr>
<tr>
<td>4</td>
<td>Agricultural Pumping Service</td>
<td>40</td>
<td>380</td>
<td>15,057</td>
<td>$1,120</td>
<td>$11</td>
<td>1.0%</td>
</tr>
<tr>
<td>5</td>
<td>Agricultural Pumping Service</td>
<td>210</td>
<td>20</td>
<td>1,905</td>
<td>$139</td>
<td>$1</td>
<td>1.0%</td>
</tr>
<tr>
<td>6</td>
<td>Large General Service kW&gt;1,000</td>
<td>46</td>
<td>86</td>
<td>2,039,853</td>
<td>$90,247</td>
<td>$0</td>
<td>0.0%</td>
</tr>
<tr>
<td>7</td>
<td>Large General Service - Transmission</td>
<td>48</td>
<td>25</td>
<td>2,894,580</td>
<td>$101,390</td>
<td>$0</td>
<td>0.0%</td>
</tr>
<tr>
<td>8</td>
<td>Recreational Field Lighting</td>
<td>54</td>
<td>57</td>
<td>577</td>
<td>$46</td>
<td>$0</td>
<td>1.0%</td>
</tr>
<tr>
<td>9</td>
<td>Total Commercial, Industrial &amp; Irrigation</td>
<td></td>
<td>25,097</td>
<td>7,088,719</td>
<td>$314,879</td>
<td>$876</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Lighting</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Outdoor Area Lighting Service</td>
<td>15</td>
<td>3,144</td>
<td>4,286</td>
<td>$645</td>
<td>$6</td>
<td>1.0%</td>
</tr>
<tr>
<td>11</td>
<td>Street Lighting Service</td>
<td>51</td>
<td>181</td>
<td>3,909</td>
<td>$851</td>
<td>$9</td>
<td>1.0%</td>
</tr>
<tr>
<td>12</td>
<td>Street Lighting Service</td>
<td>53</td>
<td>287</td>
<td>4,421</td>
<td>$554</td>
<td>$6</td>
<td>1.0%</td>
</tr>
<tr>
<td>13</td>
<td>Street Lighting Service</td>
<td>57</td>
<td>34</td>
<td>600</td>
<td>$118</td>
<td>$1</td>
<td>1.0%</td>
</tr>
<tr>
<td>14</td>
<td>Street Lighting Service</td>
<td>58</td>
<td>53</td>
<td>1,437</td>
<td>$91</td>
<td>$1</td>
<td>1.0%</td>
</tr>
<tr>
<td>15</td>
<td>Security Area Lighting</td>
<td>207</td>
<td>256</td>
<td>400</td>
<td>$136</td>
<td>$1</td>
<td>1.0%</td>
</tr>
<tr>
<td>16</td>
<td>Street Lighting - Company</td>
<td>211</td>
<td>91</td>
<td>1,340</td>
<td>$476</td>
<td>$5</td>
<td>1.0%</td>
</tr>
<tr>
<td>17</td>
<td>Street Lighting - Customer</td>
<td>212</td>
<td>14</td>
<td>90</td>
<td>$16</td>
<td>$0</td>
<td>1.0%</td>
</tr>
<tr>
<td>18</td>
<td>Traffic Signal Systems</td>
<td>212</td>
<td>16</td>
<td>76</td>
<td>$3</td>
<td>$0</td>
<td>1.0%</td>
</tr>
<tr>
<td>19</td>
<td>Metered Outdoor Night Lighting</td>
<td>212</td>
<td>3</td>
<td>49</td>
<td>$4</td>
<td>$0</td>
<td>1.0%</td>
</tr>
<tr>
<td>20</td>
<td>Total Lighting</td>
<td></td>
<td>4,078</td>
<td>16,607</td>
<td>$2,892</td>
<td>$29</td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>AGA (Revenue Credit)</td>
<td></td>
<td>0</td>
<td>0</td>
<td>$1,111</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>Total Sales to Ultimate Consumers</td>
<td></td>
<td>132,302</td>
<td>8,039,993</td>
<td>390,380</td>
<td>$1,620</td>
<td></td>
</tr>
</tbody>
</table>

Note: Estimated effect of proposed prices for Customer Efficiency Services Charge to customers on rate Schedules 33, 46 and 48T will be calculated following the 90 day subscription process which commences upon Commission approval of the DSM application.
BEFORE THE WYOMING PUBLIC SERVICE COMMISSION

ROCKY MOUNTAIN POWER

Exhibit Accompanying Direct Testimony of Jeffery W. Bumgarner

Flow Chart Outlining Proposed Schedule 191 Accounting

December 2006
Wyoming DSM accounting – current and proposed

- **Collection of program costs**
  - Cash G/L Account CR
  - Internal Order charged to cost elements, 530190, 545150, etc. DR
  - Fixed asset by state (WY) for program EX: XXXXX life of measure amortization straight line CR
  - G/L#553400 Amort of DSM assets (908.5) In rate base DR

- **DSM cost recovery prior to Commission approval date**
  - Cash G/L Account CR
  - Payment of program costs DR

- **DSM cost recovery post Commission approval date**
  - Collection of program costs remains the same DR

- **Collection of tariff riders**
  - Cash G/L account DR
    - General business revenues (440/442) CR
    - G/L #301xxx DR
    - G/L 553406 Amort of WY DSM (908.5) Not in rate base

**Note:** Each calendar year, new assets will be created and settlement rules on orders will be changed to settle to the new assets. Going forward these assets will be set-up to not generate amortization and the tariff rider balancing account asset will remain as the collector account.
BEFORE THE WYOMING PUBLIC SERVICE COMMISSION

ROCKY MOUNTAIN POWER

Exhibit Accompanying Direct Testimony of Jeffery W. Bumgarner

Schedule 191
Customer Efficiency Services Charge Draft Tariff
Clean Format

December 2006
Proposed Tariff

Do Not Bill

Customer Efficiency
Services Charge
Schedule 191

Available
In all territory served by the Company in the State of Wyoming.

Applicable
This schedule shall be applicable to retail tariff Customers taking service under the terms contained in this tariff.

Term
The term of the Customer Efficiency Services Charge shall begin on the effective date of this Schedule and will automatically expire 36 months from the effective date unless otherwise extended by Commission order.

Monthly Billing

Standard Service Customers
In addition to the Monthly Billing charges and provisions of the applicable rate schedule applied in determining a Customer's electric bill, all monthly bills for customers receiving service under the following rate schedules shall have applied the following percentage increases when calculating a Customer's total monthly bill:

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schedule 2</td>
<td>1.00%</td>
</tr>
<tr>
<td>Schedule 15</td>
<td>1.00%</td>
</tr>
<tr>
<td>Schedule 25</td>
<td>1.00%</td>
</tr>
<tr>
<td>Schedule 40</td>
<td>1.00%</td>
</tr>
<tr>
<td>Schedule 51</td>
<td>1.00%</td>
</tr>
<tr>
<td>Schedule 53</td>
<td>1.00%</td>
</tr>
<tr>
<td>Schedule 54</td>
<td>1.00%</td>
</tr>
<tr>
<td>Schedule 57</td>
<td>1.00%</td>
</tr>
<tr>
<td>Schedule 58</td>
<td>1.00%</td>
</tr>
<tr>
<td>Schedule 207</td>
<td>1.00%</td>
</tr>
<tr>
<td>Schedule 210</td>
<td>1.00%</td>
</tr>
<tr>
<td>Schedule 211</td>
<td>1.00%</td>
</tr>
<tr>
<td>Schedule 212</td>
<td>1.00%</td>
</tr>
</tbody>
</table>

(continued)

Issued by
D. Douglas Larson, Vice President, Regulation

Issued: December 18, 2006

Effective: With service rendered on and after

Advice No. 06-04
Proposed Tariff
Do Not Bill

Customer Efficiency Services Charge Schedule 191

Monthly Billing (continued)
Self-Direction Customers (Optional)
In addition to the Monthly Billing charges and provisions of the following applicable rate schedule applied in determining a Customer's electric bill, all monthly bills for Schedule 33, 46, or 48T Customers who elected to participate in the optional Self-Direction Program (Schedule 192) during the Open Enrollment period specified in Schedule 192 shall have applied the following percentage increases when calculating a Customer's total monthly bill:

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>33</td>
<td>1.00%</td>
</tr>
<tr>
<td>46</td>
<td>1.00%</td>
</tr>
<tr>
<td>48T</td>
<td>1.00%</td>
</tr>
</tbody>
</table>

Rules
Service under this Schedule is subject to the General Rules contained in the tariff of which this Schedule is a part, and to those prescribed by regulatory authorities.

Issued by
D. Douglas Larson, Vice President, Regulation

Issued: December 18, 2006
Effective: With service rendered on and after

WY_191.2 NEW-CLEAN

Advice No. 06-04
BEFORE THE WYOMING PUBLIC SERVICE COMMISSION

ROCKY MOUNTAIN POWER

Exhibit Accompanying Direct Testimony of Jeffery W. Bumgarner

Schedule 191
Customer Efficiency Services Charge Draft Tariff
Legislative Format

December 2006
Available
In all territory served by the Company in the State of Wyoming.

Applicable
This schedule shall be applicable to retail tariff Customers taking service under the terms contained in this tariff.

Term
The term of the Customer Efficiency Services Charge shall begin on the effective date of this Schedule and will automatically expire 36 months from the effective date unless otherwise extended by Commission order.

Monthly Billing
Standard Service Customers
In addition to the Monthly Billing charges and provisions of the applicable rate schedule applied in determining a Customer's electric bill, all monthly bills for customers receiving service under the following rate schedules shall have applied the following percentage increases when calculating a Customer's total monthly bill:

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schedule 2</td>
<td>1.00%</td>
</tr>
<tr>
<td>Schedule 15</td>
<td>1.00%</td>
</tr>
<tr>
<td>Schedule 25</td>
<td>1.00%</td>
</tr>
<tr>
<td>Schedule 40</td>
<td>1.00%</td>
</tr>
<tr>
<td>Schedule 51</td>
<td>1.00%</td>
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<tr>
<td>Schedule 53</td>
<td>1.00%</td>
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<tr>
<td>Schedule 54</td>
<td>1.00%</td>
</tr>
<tr>
<td>Schedule 57</td>
<td>1.00%</td>
</tr>
<tr>
<td>Schedule 58</td>
<td>1.00%</td>
</tr>
<tr>
<td>Schedule 207</td>
<td>1.00%</td>
</tr>
<tr>
<td>Schedule 210</td>
<td>1.00%</td>
</tr>
<tr>
<td>Schedule 211</td>
<td>1.00%</td>
</tr>
<tr>
<td>Schedule 212</td>
<td>1.00%</td>
</tr>
</tbody>
</table>

(continued)

Issued by
D. Douglas Larson, Vice President, Regulation

Issued: December 18, 2006
Effective: With service rendered on and after

WY_191.1 NEW-LEG
Advice No. 06-04
Proposed Tariff
Do Not Bill

Customer Efficiency
Services Charge
Schedule 191

Monthly Billing (continued)
Self-Direction Customers (Optional)

In addition to the Monthly Billing charges and provisions of the following applicable rate schedule applied in determining a Customer's electric bill, all monthly bills for Schedule 33, 46, or 48T Customers who elected to participate in the optional Self-Direction Program (Schedule 192) during the Open Enrollment period specified in Schedule 192 shall have applied the following percentage increases when calculating a Customer's total monthly bill:

<table>
<thead>
<tr>
<th>Schedule</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Schedule 33</td>
<td>1.00%</td>
</tr>
<tr>
<td>Schedule 46</td>
<td>1.00%</td>
</tr>
<tr>
<td>Schedule 48T</td>
<td>1.00%</td>
</tr>
</tbody>
</table>

Rules

Service under this Schedule is subject to the General Rules contained in the tariff of which this Schedule is a part, and to those prescribed by regulatory authorities.

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