Title: February 22, 2012 Transmission Workshop Follow-up Questions and PacifiCorp Transmission Services Responses

Date: February 28, 2012

1. Q. During the Transmission Workshop for the 2016 All Source RFP, a PacifiCorp representative mentioned that the purpose of the RFP was to meet the needs of the Salt Lake City load bubble". Our analysis of the 2016 WECC High Summer and High Winter load flow models indicate that the electricity flow is East to West across Path C and Pavant/IPP-Gonder suggesting that additional generation west of those paths would be a better location since that would avoid flow constraints across those paths. Please explain if PacifiCorp has a different view.

   Response:
   WECC bases cases are developed for member system use and are intended to represent generalized flow conditions under varying load and resource scenarios (for example, a summer case might represent high hydro conditions in the NW along with high loads in California). As such, flows in these cases do not represent contractual obligations across a particular path and are, instead, simply a reflection of a particular load and resource combination selected for study. On a contractual, scheduling capability, basis, all the capacity west of the paths referenced is already committed to firm use.

2. Q. Why does delivery across Path C from Populus require use of existing firm network allocation rights across Path C when the High Summer and High Winter load flow models indicate that electricity flow is East to West across Path C.

   Response:
   The WECC uses a Contract Path methodology to regulate use of the transmission system. Therefore, in order to schedule power across an intertie or other scheduled path, the party making the schedule has to have the right to use a contiguous schedule path from source to sink. The available transmission capacity (ATC) across the many interties and scheduled paths in the WECC can be found on each transmission provider's OASIS site. As noted in the previous response, WECC cases are created to represent flows for a particular load and resource combination that was selected for study in the annual WECC study program and for the use of member systems. While these cases are used to study the transfer capability of various lines and paths, they provide no insight into the ownership or use of these lines and paths. Existing firm scheduling capability south bound is already committed, therefore the comment that existing allocated firm scheduling rights will be required to move incremental energy, south, across this path.

3. Q. Excluding the cost of System upgrades and the times of completion of those upgrades, does PacifiCorp have a preference between locating the new resource in either the east or the west load bubble and why? What transmission related evaluation criteria other than integration costs will be applied for resources with Points of Delivery in the West System versus the East System?

   Response:
   The east system has the highest growth rates and requires incremental resources, that said, we have no strong preferences for resource either east or west. New resources would be integrated into either system to serve load growth and

potentially displace higher cost existing resources. PacifiCorp's east and west bound rights between the East and West control areas are currently fully utilized and will not meet the forecasted future needs required to reliably meet projected future customer need. This is one need aspect of ongoing system upgrades being pursued by PacifiCorp.

4. Q. Please explain how PacifiCorp will equitably address and compare transmission system integration costs and cost risks for a new resource directly interconnected with PacifiCorp versus such costs borne by a new resource interconnecting to a non-PacifiCorp system with firm transportation to PacifiCorp's system.

   Response:
   As discussed in the workshop any resource located off system, with firm transmission delivery rights to the PacifiCorp system will be treated on the same basis as on system resource bids, within the delivery limitations identified in Attachment 20.