



January 23, 2012

VIA OVERNIGHT DELIVERY

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

Re: Case No. PAC-E-12-02
In the Matter of the Application of Rocky Mountain Power for Approval of Changes to Network Performance Standard 3.

Dear Ms. Jewell:

Please find enclosed for filing an original and seven copies of Rocky Mountain Power's Application in the above-referenced matter, including an attachment to the Application containing a matrix summarizing the Customer Guarantees, Network Performance Standards, and Customer Performance Standards.

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

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

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

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

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

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Very truly yours,



Jeffrey K. Larsen
Vice President, Regulation

Enclosures

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NEW CASE

Attorneys for Rocky Mountain Power

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)
ROCKY MOUNTAIN POWER FOR) CASE NO. PAC-E-12-02
MODIFICATIONS TO THE SERVICE AND)
PERFORMANCE QUALITY REPORTING) **APPLICATION**

Comes now, PacifiCorp, d/b/a Rocky Mountain Power and hereby applies to the Idaho Public Utilities Commission requesting authorization to modify the Company's existing Performance Standards program.

In support of this Application, Rocky Mountain Power represents as follows:

I. Background

As part of Order No. 28213 approving the ScottishPower / PacifiCorp merger the Company agreed to implement Network Performance Standards, Service Performance Standards and Customer Guarantees. The Company committed to a five-year term for the program and began offering the Customer Guarantees on February 29, 2000. Improvements to Network and Service performance standards were initiated at approximately the same time. This program expired on March 31, 2005, but was extended voluntarily and later affirmed and further extended through December 31, 2011 in Order No. 29998 as part of the merger commitments of MidAmerican Energy Holding Company when acquiring PacifiCorp.

The purpose behind the Service Performance Standards is to improve customer service while emphasizing to employees that customer service and system reliability are a top priority. This focus on reliability and individual transactions with customers has improved the Company's operations and been effective in setting priorities for employees as they conduct their daily work. These programs have been very effective and the Company has successfully implemented them as demonstrated by its semi-annual Service Standard Program reports.

On June 4, 2008, PacifiCorp filed an application requesting authorization to modify the Network Performance Standards. The application proposed that the basis for developing targets be modified in order to continue cost-effective improvements in system wide reliability and to maintain responsiveness in the event of outages. The Company proposed that improvement targets should be developed around outage events that are of a controllable nature on the distribution system, and therefore developed the category of "Controllable Distribution" outages. Controllable outage events are attributed to causes against which the Company is able to implement system improvements that have a high probability of avoiding future recurrence at a

local level. For example, outages that are related to equipment failure or animal interference are controllable distribution outages since the Company can take measures to avoid them in the future and have some fairly high certainty these events will not recur. On the other hand, transmission outage events and car-hit-pole interference outage events do not conform to the definition of controllable distribution, and while important to avoid, are generally not avoidable via engineered programs.

In Order No. 32432, the Final Order from the 2011 general rate case, PAC-E-11-12, the Commission ordered the Company to continue its service performance and quality reporting requirements including those associated with momentary and longer-term service interruptions occurring in the Idaho service territory.

II. PROPOSED MODIFICATIONS

MEHC merger Commitment 45 states: "MEHC and PacifiCorp commit to continue customer service guarantees and performance standards as established in each jurisdiction, provided that MEHC and PacifiCorp reserve the right to request modifications of the guarantees and standards after March 31, 2008, and the right to request termination (as well as modification) of one or more guarantees or standards after 2011. The guarantees and standards will not be eliminated or modified without Commission approval."

Recognizing the value of the Customer Guarantee and Performance Standards programs and that the merger commitments would be completed by December 31, 2011, the Company initiated meetings on July 13 and December 14, 2011, with Commission staff to discuss the continuation of these two programs. At these meetings the Company recommended that these programs continue as part of the Company's regular business with no changes to the Customer Guarantees and re-establish the basis of the baseline performance targets to move back from

controllable distribution outage events to underlying distribution outage events. Underlying distribution events include all outages excluding major events and prearranged (customer notice given and customer requested) outages. These events represent the overall outage customer experience, and while certain volatile controllable events may occur (such as a driver hitting a pole and causing a power outage), the Company is confident that the routine performance discussions that occur between the Commission Staff and the Company can properly identify when performance has been negatively impacted by such events. The Company also recommended that the Network Performance Standards also remain with only one modification to Network Performance Standard 3.

Currently Network Performance Standard 3 states:

“The Company will select a maximum of two under-performing circuits in Idaho on an annual basis and will undertake corrective measures to reduce the average circuit performance indicator (CPI) by 20% within five years. CPI includes all outage events experienced by customers, including transmission and local transmission outage events, as well as events that meet the criteria of the IEEE major event definition discussed above.”

The Company is proposing that Network Performance Standard 3 be modified to state:

“The Company will identify reliability areas of concern, the criteria or metric used for determining these areas, in addition to improvement plans to address them.”

The Company is proposing this modification in order to continue cost-effective improvements in system wide reliability and to maintain responsiveness in the event of outages. An attachment to this Application contains the Customer Guarantees, Customer Performance Standards and Network Performance Standards updated with the proposed revision to Network Performance Standard 3.

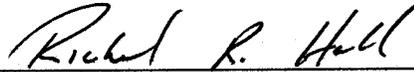
III. MODIFIED PROCEDURE

Rocky Mountain Power believes that a hearing is not necessary to consider the issues presented herein and, therefore, respectfully requests that this Application be processed under Modified Procedure, i.e., by written submissions rather than by hearing. RP 201 et seq. If, however, the Commission determines that a technical hearing is required, the Company stands ready to present its testimony and support the Application in such hearing.

IV. REQUEST FOR RELIEF

Rocky Mountain Power respectfully requests that the Commission issue an Order: (1) authorizing that this matter may be processed by Modified Procedure; (2) acknowledging that MEHC met its merger commitment by successfully delivering the Customer Guarantees, Network Performance Standards, and Customer Performance Standards programs through December 31, 2011; and; (3) approving the proposed modification to Network Performance Standard 3.

DATED: January 23, 2012.



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Attorneys for Rocky Mountain Power



Idaho Customer Guarantees

<p><u>Customer Guarantee 1:</u> Restoring Supply After an Outage</p>	<p>The Company will restore supply after an outage within 24 hours of notification with certain exceptions as described in Rule 25.</p>
<p><u>Customer Guarantee 2:</u> Appointments</p>	<p>The Company will keep mutually agreed upon appointments which will be scheduled within a two-hour time window.</p>
<p><u>Customer Guarantee 3:</u> Switching on Power</p>	<p>The Company will switch on power within 24 hours of the customer or applicant's request, provided no construction is required, all government inspections are met and communicated to the Company and required payments are made. Disconnections for nonpayment, subterfuge or theft/diversion of service are excluded.</p>
<p><u>Customer Guarantee 4:</u> Estimates For New Supply</p>	<p>The Company will provide an estimate for new supply to the applicant or customer within 15 working days after the initial meeting and all necessary information is provided to the Company.</p>
<p><u>Customer Guarantee 5:</u> Respond To Billing Inquiries</p>	<p>The Company will respond to most billing inquiries at the time of the initial contact. For those that require further investigation, the Company will investigate and respond to the Customer within 10 working days.</p>
<p><u>Customer Guarantee 6:</u> Resolving Meter Problems</p>	<p>The Company will investigate and respond to reported problems with a meter or conduct a meter test and report results to the customer within 10 working days.</p>
<p><u>Customer Guarantee 7:</u> Notification of Planned Interruptions</p>	<p>The Company will provide the customer with at least two days notice prior to turning off power for planned interruptions.</p>



Idaho Performance Standards

<p><u>Network Performance Standard 1:</u> Maintain System Average Interruption Duration Index (SAIDI)</p>	<p>The Company will report Controllable, Total and Underlying SAIDI for each reporting period, as well as identify baseline underlying performance targets for the period. For actual performance variations from underlying baseline, explanations of performance will be provided.</p>
<p><u>Network Performance Standard 2:</u> Improve System Average Interruption Frequency Index (SAIFI)</p>	<p>The Company will report Controllable, Total and Underlying SAIFI for each reporting period, as well as identify underlying baseline performance targets for the period. For actual underlying performance variations from baseline, explanations of performance will be provided.</p>
<p><u>Network Performance Standard 3:</u> Identify Areas of Reliability Concern</p>	<p>The Company will identify reliability areas of concern, the criteria or metric used for determining these areas, in addition to improvement plans to address them.</p>
<p><u>Network Performance Standard 4:</u> Supply Restoration</p>	<p>The Company will restore power outages due to loss of supply or damage to the distribution system within three hours to 80% of customers on average.</p>
<p><u>Customer Service Performance Standard 5:</u> Telephone Service Level</p>	<p>The Company will answer 80% of telephone calls within 30 seconds. The Company will monitor customer satisfaction with the Company's Customer Service Associates and quality of response received by customers through the Company's eQuality monitoring system.</p>
<p><u>Customer Service Performance Standard 6:</u> Commission Complaint Response / Resolution</p>	<p>The Company will a) respond to at least 95% of non-disconnect Commission complaints within three working days and will b) respond to at least 95% of disconnect Commission complaints within four working hours, and will c) resolve 95% of informal Commission complaints within 30 days.</p>