



DEPARTMENT OF THE AIR FORCE
AIR FORCE LEGAL SERVICES AGENCY (AFLSA)

April 14, 2004

MEMORANDUM FOR THE PUBLIC SERVICE COMMISSION OF UTAH

FROM: Major Craig Paulson
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SUBJECT: Recommendations of the United States Executive Agencies Regarding Schedule 37:
Avoided Cost Purchases from Qualifying Facilities Docket No. 03-035-T10

The United States Executive Agencies (USEA) were granted intervention in this docket on March 2, 2004. On April 13, 2004 the USEA received copies of the comments from the Division of Public Utilities and the Committee of Consumer Services. The USEA support the Division of Public Utilities proposal to increase the limit under Schedule 37 to 5 MW on an experimental basis with no restriction on fuel type. The USEA are in the process of gaining approval from PACIFICORP for a QF at Hill Air Force Base. The facility will use renewable energy, methane gas, from a landfill to generate electric power. It is anticipated that the initial amount to be produced will be about 1 MW. The amount produced could increase to 3 MW in the future. Increasing the cap to 5 MW as proposed by the Division would be more efficient for the USEA because a special contract with PACIFICORP would not be required. As a result, the USEA support the Division of Public Utilities proposal to increase the limit under Schedule 37 to 5 MW on an experimental basis with no restriction on fuel type.

The USEA propose that Schedule 37 include renewable energy credits (Green Tags). The USEA support the Committee of Consumer Services proposal to defer making a decision regarding a change to Schedule 37 until the Green Tag issue is resolved for Schedule 38. Presumably any Green Tag credits would be applicable to both Schedule 37 and Schedule 38 customers, if this is not the case then the USEA propose that the Commission consider the Green Tag issue in this docket.

Respectfully,

Craig Paulson
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USEA

I hereby certify that a copy of the USEA Memorandum of April 14, 2004 in Docket Number 03-035-T10 was mailed on the 14th day of April, 2004 to the following:

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