



June 8, 2004

Utah Public Service Commission  
Heber M. Wells Building, 4<sup>th</sup> Floor  
160 East 300 South  
Salt Lake City, UT 84111

Attn: Julie P. Orchard  
Commission Secretary

RE: Docket No 03-035-T10 Compliance Filing  
Schedule 37 - Avoided Cost Purchases From Qualifying Facilities

In compliance with the Commission's order dated June 1, 2004, PacifiCorp (d.b.a. Utah Power & Light Company) hereby submits for filing an original and ten copies of proposed changes to Schedule 37 of Tariff P.S.C.U. No. 45 of Utah Power & Light Company applicable to electric service in the State of Utah. Pursuant to the requirement of Rule R746-405D, PacifiCorp states that the proposed tariff sheets do not constitute a violation of state law or Commission rule. PacifiCorp will also provide an electronic version of this filing to [aflanders@utah.gov](mailto:aflanders@utah.gov). PacifiCorp respectfully requests an effective date of July 8, 2004.

First Revision of Sheet No. 37.1	Schedule 37	Avoided Cost Purchases From Qualifying Facilities
First Revision of Sheet No. 37.2	Schedule 37	Avoided Cost Purchases From Qualifying Facilities
First Revision of Sheet No. 37.3	Schedule 37	Avoided Cost Purchases From Qualifying Facilities
Original Sheet No. 37.4	Schedule 37	Avoided Cost Purchases From Qualifying Facilities

Tariff Sheet No. 37.1 and 37.2 are being filed with revised tariff language. Tariff Sheet No. 37.3 and 37.4 are being filed with the updated prices.



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It is respectfully requested that all formal correspondence and staff requests regarding this matter 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

Informal inquiries may be directed to Laren Hale at (503) 813-6054 or Mark Widmer at (503) 813-5541.

Sincerely,



D. Douglas Larson  
Vice President, Regulation

Enclosures



**UTAH POWER & LIGHT COMPANY**  
**ELECTRIC SERVICE SCHEDULE NO. 37**

**STATE OF UTAH**

\_\_\_\_\_  
**Avoided Cost Purchases From Qualifying Facilities**  
\_\_\_\_\_

**AVAILABLE:** To owners of Qualifying Facilities in all territory served by the Company in the State of Utah.

**APPLICABLE:** For power purchased from Qualifying Facilities located in the State of Utah with a design capacity of up to 1,000 kW for a Cogeneration Facility or 3,000 kW for a Small Power Production Facility. Owners of these Qualifying Facilities will be required to enter into a written power sales contract with the Company. A cumulative cap of 10,000 kW shall apply to new resources contracted under this schedule. (C)  
|  
(C)

**DEFINITIONS:**

**Cogeneration Facility**

A facility which produces electric energy together with steam or other form of useful energy (such as heat) which are used for industrial, commercial, heating or cooling purposes through the sequential use of energy.

**Qualifying Facilities**

Qualifying cogeneration facilities or qualifying small power production facilities within the meaning of section 201 and 210 of the Public Utility Regulatory Policies Act of 1978 (PURPA), 16 U.S.C. 796 and 824a-3.

**Small Power Production Facility**

A facility which produces electric energy using as a primary energy source biomass, waste, renewable resources or any combination thereof and has a power production capacity which, together with other facilities located at the same site, is not greater than 80 megawatts.

(continued)



**ELECTRIC SERVICE SCHEDULE NO. 37 - Continued**

**DEFINITIONS (continued)**

**Wind Facility** (N)  
A facility which produces electric energy using wind as the primary energy source. | (N)

**Winter Season** (C)  
The months of October through May.

**Summer Season** (C)  
The months of June through September.

**Peak Hours**  
On-peak hours are defined as 6:00 a.m. to 10:00 p.m. Monday through Saturday, excluding holidays.

Holidays include only New Year's Day, President's Day, Memorial Day, Independence Day, Pioneer Day, Labor Day, Thanksgiving Day and Christmas Day. When a holiday falls on a Saturday or Sunday, the Friday before the holiday (if the holiday falls on a Saturday) or the Monday following the holiday (if the holiday falls on a Sunday) will be the holiday and will be Off-peak.

**Off-Peak Hours**  
All hours other than On-peak.

**MONTHLY PAYMENTS:** A Qualifying Facility, other than a Wind Facility, shall have (C)  
the option of either: a) taking the applicable capacity and average energy price payment, or b) taking (C)  
the applicable winter and summer energy payment for Peak and Off-Peak hours. Once an option is (C)  
selected the option will remain in effect for the duration of the Facility's contract. Capacity kW (C)  
will be the maximum 15-minute generation during Peak Hours. A Wind Facility shall be paid the (C)  
applicable winter and summer energy payment for Peak and Off-Peak hours.

(continued) (L, 37.3)



**ELECTRIC SERVICE SCHEDULE NO. 37 - Continued**

**RATES FOR PURCHASES:** The non-levelized and levelized prices shown below are (L) subject to change from time to time to reflect changes in the Company's determination of Utah avoided costs. The prices applicable to a Utah Qualifying Facility shall be those in effect at the time a written contract is executed by the parties. The levelized prices shown are for a 20-year contract and assume a 2004 starting date. Levelized prices for contracts which start after 2004 and are for periods of 20 years or less are available upon request. (C) (L, 39.2)

**Non-Levelized Prices**

Deliveries During Calendar Year	Capacity Price \$/kW - month	Average Energy Price ¢/kWh	Peak Energy Prices		Off-Peak Energy Prices		
			Winter ¢/kWh	Summer ¢/kWh	Winter ¢/kWh	Summer ¢/kWh	
2004	\$2.59	3.12	3.84	3.87	3.11	3.14	I,R-R,I
2005	\$2.66	4.19	4.21	6.39	3.46	5.64	R,I,R,I-I
2006	\$6.53	3.96	5.20	7.04	3.35	5.19	I,I,R,I,R
2007	\$7.23	3.51	5.41	5.85	3.40	3.74	I-I,R,I
2008	\$7.95	3.24	5.48	5.48	3.24	3.24	I-I
2009	\$8.15	3.23	5.54	5.54	3.23	3.23	
2010	\$8.35	3.16	5.52	5.52	3.16	3.16	
2011	\$8.56	3.22	5.64	5.64	3.22	3.22	
2012	\$8.77	3.34	5.82	5.82	3.34	3.34	
2013	\$8.99	3.41	5.95	5.95	3.41	3.41	
2014	\$9.22	3.48	6.09	6.09	3.48	3.48	
2015	\$9.45	3.58	6.25	6.25	3.58	3.58	
2016	\$9.68	3.69	6.43	6.43	3.69	3.69	
2017	\$9.93	3.80	6.61	6.61	3.80	3.80	
2018	\$10.17	3.91	6.79	6.79	3.91	3.91	
2019	\$10.43	4.03	6.98	6.98	4.03	4.03	
2020	\$10.69	4.16	7.18	7.18	4.16	4.16	
2021	\$10.96	4.29	7.38	7.38	4.29	4.29	
2022	\$11.23	4.42	7.59	7.59	4.42	4.42	
2023	\$11.51	4.55	7.80	7.80	4.55	4.55	I-I

(continued)

(L, 37.4)



**ELECTRIC SERVICE SCHEDULE NO. 37 - Continued**

**Levelized Prices (Nominal)**

Deliveries During Calendar Year	Capacity Price \$/kW - month	Average Energy Price ¢/kWh	<u>Peak Energy Prices</u>		<u>Off-Peak Energy Prices</u>	
			<u>Winter</u> ¢/kWh	<u>Summer</u> ¢/kWh	<u>Winter</u> ¢/kWh	<u>Summer</u> ¢/kWh
	7.73	3.62	5.68	6.05	3.50	3.85

(L,  
37.3)  
I-I  
(L)

Issued by authority of Report and Order of the Public Service Commission of Utah in Docket No. 03-035-T10.

**FILED:** June 8, 2004

**EFFECTIVE:** July 8, 2004