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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Petition of Spring Canyon LLC for Approval of a Contract For the Sale of Capacity and Energy From Its Proposed QF Facilities

DOCKET NO. 05-035-08

In the Matter of the Petition of Pioneer Ridge LLC & Mountain Wind For Approval of a Contract For the Sale of Capacity and Energy from its Existing and Proposed QF Facilities

DOCKET NO. 05-035-09

UAE RESPONSE TO
EXXONMOBIL'S MOTION

UAE files this in response to and support of ExxonMobil's Motion to Establish Deadline for Spring Canyon and Determine Availability of Stipulation Pricing for ExxonMobil. UAE's positions on the issues raised in ExxonMobil's Motion are as follows:

1. UAE agrees that the Commission should establish a reasonable deadline for the PacifiCorp/Spring Canyon contract to be executed. The Commission should provide

protection, however, against the possibility that the deadline may be missed as a result of PacifiCorp's actions or inactions, as opposed to Spring Canyon's inability or unwillingness to sign.

2. UAE also agrees that stipulation pricing should remain available to those in the "queue" for the remaining 100 MW determined by the Commission to be available under the Stipulation, whether or not a Commission order establishing a new pricing methodology is approved. UAE notes that realistic avoided cost prices are higher than those specified in the Stipulation, as explained UAE's testimony and the testimony of several other parties in the generic docket. Nevertheless, some parties, including PacifiCorp, the Division and the Committee, continue to try to minimize avoided costs to unreasonably low levels that will largely thwart further QF development in this State. In light of this risk, those parties who have requested and continue to be interested in stipulation pricing should be given the option of electing the certainty of the same.
3. Tesoro, whose QF contract is set to expire soon, sought assurances earlier in this docket that the Commission's ruling on the Stipulation would contemplate and accommodate an extension of its agreement, including a firm arrangement for up to the maximum output of the QF facility. Similarly, US Magnesium sought assurances that the ruling would recognize that existing QF contracts will be renewed and that a renewal or extension of its contract should be available at stipulation pricing. The Commission's order did not directly respond to these issues or requests. UAE requests that the Commission clarify and hold that Tesoro and US Magnesium may extend their existing contracts under Stipulation pricing.

DATED this 30th day of August, 2005.

HATCH, JAMES & DODGE

/s/ _____
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by email this 30th day of August, 2005, to the following:

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