

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Application of Rocky Mountain Power for Approval of a Partial Requirement Electric Service Agreement between PacifiCorp and Tesoro Refining and Marketing Company)	<u>DOCKET NO. 09-035-104</u>
)	<u>ORDER APPROVING PARTIAL REQUIREMENT MASTER ELECTRIC SERVICE AGREEMENT</u>

ISSUED: December 10, 2009

By The Commission:

This matter is before the Commission on the Application of Rocky Mountain Power (Company) for Approval of a Partial Requirement Master Electric Service Agreement (Agreement or ESA) between Rocky Mountain Power and Tesoro Refining and Marketing Company (Tesoro). The Administrative Law Judge of the Commission held a duly-noticed scheduling conference on Tuesday, December 1, 2009. Daniel Solander was counsel for the Company. Robert Reeder was counsel for Tesoro. Michael Ginsberg, assistant attorney general, was counsel for the Division of Public Utilities (Division). Paul Proctor, assistant attorney general, was counsel for the Office of Consumer Services (OCS).

The Company submitted its Application on November 24, 2009. The underlying Agreement was filed under a protective order in this docket, being a confidential document. The effective date of the Agreement is January 1, 2010 and is submitted in connection with the Power Purchase Agreement presented to the Commission in Docket No. 09-035-102. The Division recommended approval of the Agreement on December 1, 2009. Its recommendation described the reason for this Agreement, as stated below, in relevant part:

The proposed ESA is a contract to provide back-up, maintenance and supplementary power at the Tesoro facility. The total demand under this Agreement is 18,250 kW under Schedule 31 Electric Service Schedule. . . . This Agreement is coming before the Commission due to

the 10,000 kW power cap that is written into the Schedule 31 tariff. This special contract will use the pricing in Schedule 31 but will allow up to 18,250 kW of back-up power at the Tesoro facility. . . . The Company feels that they have sufficient resources to meet the needs of this facility and other customers in 2010 and that a separate capacity analysis is not required. . . . rates in this Agreement will change at the same time and with the same magnitude as changes to Schedule 31 pricing.

Division Recommendation, p. 3.

No one opposed the approval of the Agreement.

ORDER

The Commission finds the approval of the Application to be just and reasonable and in the public interest, and approves the Agreement between Rocky Mountain Power and Tesoro.

DATED at Salt Lake City, Utah this 10th day of December, 2009.

/s/ Ruben H. Arredondo
Administrative Law Judge

Approved and confirmed this 10th day of December, 2009 as the Order of the Public Service Commission of Utah.

/s/ Ted Boyer, Chairman

/s/ Ric Campbell, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Julie Orchard
Commission Secretary