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State of Utah
DEPARTMENT OF COMMERCE
Office of Consumer Services

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Director

To: The Public Service Commission of Utah

From: The Office of Consumer Services
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Copies To: Rocky Mountain Power
David Taylor, Regulation, Utah
The Division of Public Utilities
Philip Powlick, Director
Artie Powell, Energy Section Manager

Date: August 25, 2009

Subject: Office of Consumer Services' Comments on the Application for Approval of Master Electric Service Agreement between Rocky Mountain Power and First Wind, Docket No. 09-035-55

Background

On August 5, 2009, Rocky Mountain Power filed an Application with the Commission for Approval of an Electric Service Agreement (ESA) between Rocky Mountain Power (the Company) and Milford Wind Corridor I, LLC (First Wind) dated July 29, 2009. Accompanying the Application, the Company submitted a copy of the contract that was negotiated and agreed to by the Parties as well as a copy of the Company's Power Purchase Agreement (Wholesale PPA) between the Company and the Los Angeles Department of Water and Power (LADWP). On August 20, 2009, the Division of Public Utilities (Division) filed a memo recommending approval of the contract including the proposed terms and conditions. The Division also recommended that any changes to the contract terms or conditions, including an expansion to include Phase 2 of the wind project, should be submitted to the Commission for approval.

Discussion

The Office reviewed the Company's application, the ESA, and the Division's comments. Based on this review, the Office concurs with the Division's recommendations. In particular, the Office believes it is important that the Company be required to file any changes to the ESA, whether it is an actual revision to the contract, a cancellation to serve First Wind under an existing rate schedule or for any other reason. Because of the unique nature of First Wind as a customer of RMP, any change in service must be taken

to the Commission both to determine appropriate treatment of First Wind as well as to ensure that the contract does not impact other RMP customers.

Recommendation

The Office recommends that the Commission approve the Company's proposed Application, with the requirement that any changes or cancellation involving the ESA be filed with the Commission.