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Attorney for Rocky Mountain Power

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of Rocky

Mountain Power for Approval of the
Power Purchase Agreement between
PacifiCorp and US Magnesium LLC

APPLICATION OF
ROCKY MOUNTAIN POWER
FOR APPROVAL OF
AMENDMENT

AMENDMENT

Pursuant to Utah Code Ann. § 54-12-2, PacifiCorp, doing business in Utah as Rocky Mountain Power ("Rocky Mountain Power" or "Company") hereby applies for an order approving an amendment, dated June 19, 2012, to the existing Power Purchase Agreement ("Agreement") between PacifiCorp and US Magnesium LLC ("US Mag") dated October 18, 2011. In support of its Application, Rocky Mountain Power states as follows:

1. Rocky Mountain Power is a public utility in the state of Utah and is subject to the jurisdiction of the Commission with regard to its rates and service. Rocky Mountain Power also provides retail electric service in the states of Idaho and Wyoming. As a "purchasing utility," as that term is used in Utah Code Ann. §54-12-2, PacifiCorp is obligated to purchase power from qualifying facilities pursuant to the Public Utility

Regulatory Policies Act of 1978, Utah Code Ann. §54-12-1, *et seq.*, and the Commission's orders. Under the Agreement, US Mag represents itself to be a qualifying facility, and agrees to provide PacifiCorp, upon request, with evidence to show its qualifying facility status.

2. Communications regarding this Application should be addressed to:

By e-mail (preferred): <u>datarequest@pacificorp.com</u>

<u>Daniel.Solander@pacificorp.com</u> <u>Dave.Taylor@pacificorp.com</u>

By mail: Data Request Response Center

Rocky Mountain Power

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Informal inquiries may be directed to Dave Taylor, Utah Regulatory Affairs Manager, at (801) 220-2923.

3. The existing Agreement between US Mag and PacifiCorp contains more stringent credit requirements than the standard Master Electric Service Agreement ("MESA") typically used by the Company.

4. US Mag has provided the Company with additional information regarding

the creditworthiness of US Mag, and accordingly, the Company has agreed to modify the

existing Agreement as described in the Amendment to the Agreement so that its terms

align more closely with the standard MESA.

5. The Company has extensively reviewed US Mag's credit situation, and

believes that the Amendment to the Agreement is in the best interests of the Company

and its customers.

WHEREFORE, Rocky Mountain Power respectfully request that the Commission

issue an order approving the Amendment submitted herewith and finding the terms and

conditions of the Amendment to be just and reasonable and in the public interest.

DATED this 12th day of July, 2012.

Respectfully submitted,

Daniel E. Solander

Attorney for Rocky Mountain Power