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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

IN THE MATTER OF THE APPLICATION)	Docket No. 12-035-100
OF ROCKY MOUNTAIN POWER FOR)	
APPROVAL OF CHANGES TO)	
RENEWABLE AVOIDED COST)	PETITION FOR INTERVENTION FILED
METHODOLOGY FOR QUALIFYING)	BY ELLIS-HALL CONSULTANTS, LLC
FACILITIES PROJECTS LARGER THAN)	
THREE MEGAWATTS)	

INTRODUCTION

Pursuant to Utah Code Annotated § 63G-4-207 and Utah Administrative Code § R746-100-7, Ellis-Hall Consultants, LLC (“EHC”) respectfully requests that the Public Service Commission of Utah (“PSC”) permit EHC to intervene in the above referenced matter. EHC requests leave to intervene to give the PSC notice of its ownership of certain leases that comprise 100% of the geographic footprint involved in the Power Purchase Agreement (“PPA”) that is the basis of the Blue Mountain Wind Project, a.k.a the Blue Mountain project. As set forth below, EHC believes that its interest in these leases and the subject land will be substantially affected by the current adjudicative proceeding.

FACTS

In support of its petition, EHC provides the following information and documentation:

1. On October 24, 2011, Renewable Energy Development Corporation (“REDCO”) formed Blue Mountain Wind 1, LLC, #50556088, a Delaware Limited Liability Company (“Blue Mountain Wind”).

2. On or about November 8, 2011, PacifiCorp executed a Power Purchase Agreement (“PPA”) with Blue Mountain Wind.¹

3. On November 10, 2011, Rocky Mountain Power applied for an approval Order, Docket No. 11-035-196 (“Order Application”) from the PSC requesting approval of the executed PPA between PacifiCorp and Blue Mountain Wind.²

4. Rocky Mountain Power attached the executed PPA as Exhibit A of the Order Application. The PPA contains an EXHIBITS page (“Exhibits Page”) that identifies the Exhibits contained within the PPA.³ The Exhibits Page identifies Exhibit 3.2.4 REQUIRED FACILITY DOCUMENTS (“Exhibit 3.2.4”). Included in the Land Rights identified on Exhibit 3.2.4 - 1 are Leases that identify the Lessors as follows:

Lessor: Michael N. Roring	280 Acres
Lessor: Corinne N. Roring, Revocable Living Trust	2,999 Acres
Lessor: Roring Family Trust	320 Acres
Lessor: Joseph J. Adams	640 Acres
Lessor: Mossbuck, LLC	860 Acres

See EXHIBIT 3.2.4 REQUIRED FACILITY DOCUMENTS, attached as Exhibit D.

¹ *See* PPA, attached as Exhibit A, at 1, 60 (also filed as Exhibit A of Docket Number 11 035-196 filed November 10, 2011 with the Public Service Commission of Utah.)

² *See* Cover Letter, Application for Approval, and the PPA, attached as Exhibit B.

³ *See* PPA EXHIBITS, attached as Exhibit C.

5. The Exhibits Page identifies Exhibit 3.2.7 WIND LEASES (“Exhibit 3.2.7”). Included in the Wind Leases identified on Exhibit 3.2.7 are Leases that identify the Lessors as follows:

Lessor: Michael N. Roring	280 Acres
Lessor: Corinne N. Roring, Revocable Living Trust	2,999 Acres
Lessor: Roring Family Trust	320 Acres
Lessor: Joseph J. Adams	640 Acres
Lessor: Mossbuck, LLC	860 Acres

See EXHIBIT 3.2.7 WIND LEASES, attached as Exhibit E.

6. On December 30, 2011, REDCO filed a Voluntary Petition for Chapter 7 Bankruptcy Case No. 11-38145 WTT (“Bankruptcy Petition”) in the United States Bankruptcy Court District of Utah (“Bankruptcy Court”).⁴

7. In its bankruptcy petition, REDCO provided the court schedules of personal property. As part of these schedules, REDCO identified its interests in partnerships or joint ventures, including “[o]wnership interest in Blue Mountain Wind, LLC, 922 W. Baxter Drive Suite 200, South Jordan UT 84095.”⁵

8. Similarly, REDCO identified approximately twenty (20) leases or executor contracts it claimed to hold a real property ownership interest in, including the following:

Lessor: Michael N. Roring	280 Acres
Lessor: Corinne N. Roring, Revocable Living Trust	2,999 Acres
Lessor: John Roring (of the Roring Family Trust)	320 Acres

⁴ See Voluntary Petition for Chapter 7 Bankruptcy Case No. 11-38145 WTT, attached as Exhibit F.

⁵ See SCHEDULE B – PERSONAL PROPERTY, attached as Exhibit G.

Lessor: Joseph John Adams (aka Joseph J. Adams) 640 Acres
Lessor: Mike Adams (Principal of Mossbuck, LLC) 860 Acres

See SCHEDULE A –REAL PROPERTY, attached as Exhibit H; see also SCHEDULE G– EXECUTORY CONTRACTS AND UNEXPIRED LEASES, attached as Exhibit I.

9. The Leases with the Lessors identified in the executed PPA, Exhibit 3.2.4 – 1, Exhibit 3.2.7, Schedule A and Schedule G are all the same land with the same Lessors.

10. On January 10, 2012, George B. Hofmann, Trustee for the REDCO Bankruptcy Estate (the “Trustee”) filed the “Trustee’s Motion for Order (A) Approving Bid Procedures for Sale of Substantially all of the Debtor’s Assets, (B) Authorizing the Sale of the Debtor’s Assets Free and Clear of Liens, Claims, Encumbrances, and Interests, (C) Waiving the 14 Day Stay and Otherwise Authorizing Assumption and Assignment of Executory Contracts and Unexpired Leases” (“Trustee’s First Sale Motion”) seeking to sell various assets of the REDCO Estate, including but not limited to the above identified Leases.⁶

11. In Trustee’s First Sale Motion, the Leases and Lessors identified in the executed PPA, Exhibit 3.2.4 – 1, Exhibit 3.2.7, Schedule A and Schedule G are referred to as “certain unexpired leases and executor contracts. . .” and are specifically itemized as “Assigned Contracts” or “Assumed Contracts.”⁷ The Assumed Contracts identify the very Leases and Lessors previously noted above. *Id.*

12. On January 18, 2012, the Bankruptcy Court issued an Order that approved the Trustee’s First Sale Motion (“Approved SPG Order”) to Sustainable Power Group, LLC, (“Sustainable Power Group”).⁸

⁶ See Docket No. 12, Case No. 11-38145 WTT, attached as Exhibit J.

⁷ See Exhibit J at 11, 59.

⁸ See, January 18, 2012 Order, Case No. 11-38145 WTT, attached as Exhibit K.

13. The Approved SPG Order specifically identifies as the Assumed Contracts, the Leases and Lessors identified in the executed PPA, Exhibit 3.2.4 – 1, Exhibit 3.2.7, Schedule A and Schedule G.⁹

14. On February 23, 2012, Sustainable Power Group sold the Assumed Contracts to EHC.¹⁰

15. EHC currently owns the leases for the Assumed Contracts and the land included in the PPA executed by PacifiCorp. The Assumed Contracts comprise 100% of the original geographic footprint involved in the PPA that is the basis of the Blue Mountain Wind Project, which is an 80 megawatt (“MW”) wind power Qualified Facilities (“QF”) project located near Monticello, Utah.

16. The PSC issued an Order in 2005 (“2005 Order”) that determined a separate price for wind QFs larger than three (3) MW, depending on whether PacifiCorp had reached Integrated Resource Plan (“IRP”) target level for wind power resources. PacifiCorp identified as part of its IRP, the project that included the Assumed Contracts.

17. On August 1, 2012, Brian W. Burnett, Esq. of Callister Nebeker & McCullough, filed a Request for Agency Action (“Action Request”) with the PSC.

18. The subject land of the Action Request that includes the Blue Mountain Wind Project filed by Mr. Burnett, and the executed PPA is the land identified as the Assumed Contracts, which is owned by EHC.

19. On September 20, 2012 the PSC approved Mr. Burnett’s Action Request.

⁹ See Exhibit K at 6.

¹⁰ See ASSIGNMENT AND ASSUMPTION AGREEMENT of February 23, 2012, attached as Exhibit L.

20. On October 9, 2012, in this matter, Rocky Mountain Power filed a request with the PSC for an immediate stay of the application of the 2005 Order for indicative pricing based on the Market Proxy method to any wind QFs in excess of three (3) megawatts with the exception of Blue Mountain.

ARGUMENT

Under Utah R. Civ. P. 24(a), “anyone shall be permitted to intervene in an action . . . when the applicant claims an interest relating to the property or transaction which is the subject of the action and he is so situated that the disposition of the action may as practical matter impair or impede his ability to protect that interest, unless the applicant=s interest is adequately represented by existing parties.”

Utah Administrative Code § R746-100-7 provides that persons wishing to intervene may do so if they conform to Utah Code Annotated § 63G-4-207.

Here, the PSC should grant EHC’s petition to intervene. As noted above, EHC is owner of leases that comprise 100% of the geographic footprint involved in the PPA that is the basis of the Blue Mountain Wind Project.

Blue Mountain Power Partners, LLC, although unrelated to EHC, obtained indicative pricing based on the Market Proxy method by assuming data contained in the PPA. In essence, Blue Mountain Power Partners, LLC obtained indicative pricing based on EHC’s leases.

Consequently, Rocky Mountain Power’s request for a stay of the application of the 2005 Order for indicative pricing with the exception of “Blue Mountain” may affect EHC interests in its leases, if EHC is not considered a beneficiary of the proposed exemption.

As a result, EHC respectfully requests that the PSC take notice of EHC interest in the land that comprises the Blue Mountain Project, and permit EHC to intervene to protect its

interests. EHC also requests that it be permitted to participate in the December 12, 2012 hearing and any future hearings or proceedings scheduled in this matter.

Respectfully submitted this 7th day of December, 2012.

Ellis-Hall Consultants, LLC

By: /s/ Kimberly Ceruti

CERTIFICATE OF SERVICE

I hereby certify that on this 7th day of December 2012, a true and correct copy of the forgoing was sent via e-mail to the following:

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