

EXHIBIT B



201 South Main, Suite 2300
Salt Lake City, Utah 84111

November 10, 2011

***VIA ELECTRONIC FILING
AND HAND DELIVERY***

Public Service Commission of Utah
Heber M. Wells Building, 4th Floor
160 East 300 South
Salt Lake City, UT 84114

Attention: Julie P. Orchard
Commission Secretary

Re: In the Matter of the Application of Rocky Mountain Power for Approval of the Power Purchase Agreement between PacifiCorp and Blue Mountain Wind 1, LLC

Rocky Mountain Power hereby submits for filing to the Public Service Commission of Utah ("Commission") an original and five (5) copies of its Application for Approval of the Power Purchase Agreement between PacifiCorp and Blue Mountain Wind 1, LLC.

It is respectfully requested that all formal correspondence and Staff requests regarding this matter be addressed to:

By E-mail (preferred): datarequest@pacificorp.com
dave.taylor@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 800
Portland, OR 97232

Informal inquiries may be directed to Dave Taylor at (801) 220-2923.

Sincerely,

Jeffrey K. Larsen
Vice President, Regulation

cc: Service List

Daniel E. Solander (11467)
Rocky Mountain Power
201 South Main Street, Suite 2300
Salt Lake City, UT 84111
Telephone: (801) 220-4014
Facsimile: (801) 220-3299

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)	DOCKET NO. _____
Agreement between PacifiCorp)	
and Blue Mountain Wind 1, LLC)	ROCKY MOUNTAIN POWER
)	

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 the Power Purchase Agreement (“Agreement”) between PacifiCorp and Blue Mountain Wind 1, LLC (“Blue Mountain Wind”) dated November 8, 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 Public Service Commission of Utah 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, Blue Mountain Wind 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): datarequest@pacificorp.com
Daniel.Solander@pacificorp.com
Dave.Taylor@pacificorp.com

By mail: Data Request Response Center
Rocky Mountain Power
825 NE Multnomah St., Suite 800
Portland, OR 97232

Dave Taylor
Rocky Mountain Power
201 South Main, Suite 2300
Salt Lake City, UT 84111
Telephone: (801) 220-2923
Facsimile: (801) 220-2798
Email: Dave.Taylor@pacificorp.com

Daniel E. Solander
201 South Main Street, Suite 2300
Salt Lake City, UT 84111
Telephone: (801) 220-4014
Facsimile: (801) 220-3299
Email: Daniel.Solander@pacificorp.com

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

3. In Docket No. 03-035-14, *In the Matter of the Application of PacifiCorp for Approval of an IRP-Based Avoided Cost Methodology for QF Projects larger than One Megawatt*, the Commission issued a series of orders, which established avoided capacity and energy cost payments for purchases from QF projects larger than one

megawatt, such as Blue Mountain Wind's, under contracts with PacifiCorp with terms up to 20 years.

4. The Agreement provides for the sale to PacifiCorp of energy to be generated by Blue Mountain Wind up to 79.5 MW, from a proposed wind facility to be constructed by Blue Mountain Wind and located near Monticello, Utah (the "Facility"). A copy of the Agreement is attached to this Application as Exhibit A. The Agreement is for a term of 20 years: December 31, 2012 through December 30, 2032.

5. The purchase prices set forth in the Agreement were calculated using the methodology approved in Docket No. 03-035-14.

6. The Facility is located near Monticello, UT in an area served by Rocky Mountain Power. Blue Mountain Wind is in the process of completing interconnection requirements.

7. The Agreement constitutes a "New QF Contract" under the PacifiCorp Interjurisdictional Cost Allocation Protocol ("Protocol"), previously filed with the Commission pursuant to a stipulation in Docket No. 02-035-04. According to the terms of the Protocol, the costs of the QF provisions would be allocated as a system resource, unless any portion of those costs exceed the cost PacifiCorp would have otherwise incurred acquiring comparable resources.

WHEREFORE, Rocky Mountain Power respectfully requests that the Commission issue an order approving the Agreement and find the terms and conditions of the Agreement to be just and reasonable and in the public interest.

DATED this 10th day of November, 2011.

Respectfully submitted,

Daniel E. Solander
Attorney for Rocky Mountain Power

CERTIFICATE OF SERVICE

I hereby certify that on this 10th day of November, 2011, I caused to be served via electronic mail, a true and correct copy of the foregoing Application of Rocky Mountain

Power to the following:

Trisha Schmid
Assistant Attorney General
Division of Public Utilities
500 Heber M. Wells Building
160 East 300 South
Salt Lake City, UT 84111

Paul Proctor
Assistant Attorney General
Committee of Consumer Services
500 Heber M. Wells Building
160 East 300 South
Salt Lake City, UT 84111

POWER PURCHASE AGREEMENT

(RENEWABLE ENERGY)

BETWEEN

BLUE MOUNTAIN WIND 1, LLC

AND

PACIFICORP

**POWER PURCHASE AGREEMENT
(RENEWABLE ENERGY)**

THIS POWER PURCHASE AGREEMENT (RENEWABLE ENERGY) (this "Agreement"), entered into this 9th day of November, 2011 (the "Effective Date"), is between Blue Mountain Wind 1, LLC, a Delaware limited liability company (the "Seller") and PacifiCorp, an Oregon corporation acting in its merchant function capacity ("PacifiCorp"). Seller and PacifiCorp are sometimes hereinafter referred to collectively as the "Parties" and individually as a "Party."

WHEREAS, Seller intends to construct, own, operate and maintain a wind-powered generation facility for the generation of electric energy located in San Juan County, Utah with an expected nameplate capacity rating of 79.5 MW (the "Facility").

WHEREAS, Seller intends to operate the Facility as a Qualifying Facility ("QF").

WHEREAS, Seller expects that the Facility will deliver to PacifiCorp 206,833 MWh per calendar year of Net Output and associated green tags. Seller estimates that the Net Output and green tags will be delivered during each calendar year according to the estimates of monthly output set forth in Exhibit A. Seller acknowledges that PacifiCorp will include this amount of energy and associated green tags in PacifiCorp's resource planning.

WHEREAS, Seller desires to sell, and PacifiCorp desires to purchase, the Net Output expected to be delivered by the Facility and all associated green tags in accordance with the terms and conditions hereof.

WHEREAS, The rates, terms and conditions in this Agreement are in accordance with the rates, terms, and conditions approved by the Commission in Docket No. 03-035-14 for purchases from Qualifying Facilities.

WHEREAS, For purposes of inter-jurisdictional cost allocation, this Agreement is a "New QF Contract" under the PacifiCorp Inter-Jurisdictional Cost Allocation Revised Protocol and, as such, its costs are allocated as a system resource unless any portion of the cost of this Agreement exceeds the cost PacifiCorp would have otherwise incurred acquiring comparable resources, in which case such excess costs shall be assigned on a situs basis.

NOW, THEREFORE, in consideration of foregoing and the mutual promises set forth below and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties mutually agree as follows:

**SECTION 1
DEFINITIONS, RULES OF INTERPRETATION**

1.1 **Defined Terms.** Unless otherwise required by the context in which any term appears, initially capitalized terms used herein shall have the following meanings:

"AAA" is defined in Section 5.6.2.

24.6 Specific Performance. Each Party shall be entitled to seek and obtain a decree compelling specific performance or granting injunctive relief with respect to, and shall be entitled, to enjoin any actual or threatened breach of any material obligation of the other Party hereunder. The Parties agree that specific performance (including temporary and preliminary relief) and injunctive relief are proper in the event of any actual or threatened breach of any material obligation of the other Party hereunder, and that any liability limits contained herein shall not operate to limit the exercise of PacifiCorp's remedies in equity to cause Seller to perform its obligations hereunder. Seller agrees that it will not assert as a defense to PacifiCorp's action for specific performance of, or injunctive relief relating to, Seller's obligations hereunder that the amounts payable or paid by Seller in respect of liquidated damages constitute an adequate remedy for the breach of such obligation, and Seller hereby conclusively waives such defense. Seller shall at all times during the Term, own, lease, control, hold in its own name or be signatory to (as the case may be) all assets and Required Facility Documents relating to the Facility to the extent necessary to prevent a material adverse effect on PacifiCorp's right to specific performance or injunctive relief.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed in their respective names as of the date first above written.

Blue Mountain Wind 1, LLC

By: 

Name: RYAN DAVES

Title: MANAGING MEMBER

PACIFICORP

By:  DC

Name: Bruce Griswold

Title: Director, Short-term Origination