

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

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Application of Rocky Mountain Power for Approval of Extension of Power Purchase Agreement Between PacifiCorp and Tesoro Refining and Marketing Company	<u>DOCKET NO. 17-035-63</u>  <u>ORDER</u>
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ISSUED: December 18, 2017

**SYNOPSIS**

The Commission approves a two-month extension of the Power Purchase Agreement between PacifiCorp and Tesoro Refining and Marketing Company, which is scheduled to expire December 31, 2017.

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**PROCEDURAL HISTORY**

PacifiCorp, doing business as Rocky Mountain Power (PacifiCorp), currently has a Power Purchase Agreement (PPA) with Tesoro Refining and Marketing Company, which is set to expire December 31, 2017. On November 29, 2017, PacifiCorp filed a request for approval of a new agreement with an effective date of January 1, 2018 in Docket No. 17-035-60.<sup>1</sup> According to the Division of Public Utilities (DPU), “[it] objected [to this expedited schedule because it] ... did not provide enough time to adequately review the new proposed PPA by the desired date of December 31, 2017.”<sup>2</sup>

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<sup>1</sup> See *Application of Rocky Mountain Power for Approval of Power Purchase Agreement between PacifiCorp and Tesoro Refining and Marketing Company* (Redacted Application of Rocky Mountain Power, filed November 29, 2017; Docket No. 17-035-60), available at: <https://psc.utah.gov/2017/11/29/docket-no-17-035-60/>.

<sup>2</sup> See *Application of Rocky Mountain Power for Approval of Extension of Power Purchase Agreement between PacifiCorp and Tesoro Refining and Marketing Company* (Comments from the Division of Public Utilities at 2, filed December 11, 2017; Docket No. 17-035-63), available at: <https://psc.utah.gov/2017/12/08/docket-no-17-035-63/>.

On December 8, 2017, PacifiCorp filed the above application for a two-month extension of the PPA between PacifiCorp and Tesoro (Application).<sup>3</sup> PacifiCorp requests the extension be approved on or before December 31, 2017, if possible, to avoid there being no PPA in place when the current PPA expires on December 31, 2017.<sup>4</sup> In the Application PacifiCorp states it “is authorized to represent that the Utah Division of Public Utilities and the Office of Consumer Services do not oppose the extension, provided that the price paid by PacifiCorp for the output from Tesoro’s facility under the existing contract is trued up to the price that would have been paid had the new prices been in effect beginning January 1, 2017. Tesoro and PacifiCorp have agreed to this pricing true up.”<sup>5</sup>

On December 8, 2017, the PSC issued a Notice of Filing and Comment Period, setting a comment deadline of December 15, 2017.<sup>6</sup> On December 11, 2017, the DPU filed comments recommending the PSC approve PacifiCorp’s proposed extension.<sup>7</sup> The DPU also recommends that if the PPA under consideration in Docket No. 17-035-60 is approved “the difference between the existing PPA and the new PPA . . . be trued up at the end of the extension period and the savings passed on to rate payers through the EBA . . .”<sup>8</sup>

No other comments were filed and the time for doing so has elapsed.

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<sup>3</sup> See *id.* (Application of Rocky Mountain Power, filed December 8, 2017).

<sup>4</sup> See *id.* at 3.

<sup>5</sup> *Id.*

<sup>6</sup> See Notice of Filing and Comment Period, issued December 8, 2017.

<sup>7</sup> See *supra* n.2 at 1.

<sup>8</sup> *Id.* at 2.

**FINDINGS, CONCLUSION, AND ORDER**

Based on PacifiCorp's proposed extension and the agreed-to pricing true up, the DPU's comments, and there being no objection to granting an extension in this instance, we approve PacifiCorp's Application as filed.

DATED at Salt Lake City, Utah, December 18, 2017.

/s/ Melanie A. Reif  
Presiding Officer

Approved and confirmed December 18, 2017, as the Order of the Public Service Commission of Utah.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Jordan A. White, Commissioner

Attest:

/s/ Gary L. Widerburg  
PSC Secretary  
DW#298551

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Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this written order by filing a request for review or rehearing with the PSC within 30 days after the issuance of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the PSC fails to grant a request for review or rehearing within 20 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the PSC's final agency action may be obtained by filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of Utah Code Ann. §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

CERTIFICATE OF SERVICE

I CERTIFY that on December 18, 2017, a true and correct copy of the foregoing was served upon the following as indicated below:

By Electronic-Mail:

Data Request Response Center ([datarequest@pacificorp.com](mailto:datarequest@pacificorp.com)), ([utahdockets@pacificorp.com](mailto:utahdockets@pacificorp.com))  
PacifiCorp

Jana L. Saba ([jana.saba@pacificorp.com](mailto:jana.saba@pacificorp.com))  
Joelle Steward ([joelle.steward@pacificorp.com](mailto:joelle.steward@pacificorp.com))  
Daniel E. Solander ([daniel.solander@pacificorp.com](mailto:daniel.solander@pacificorp.com))  
Rocky Mountain Power

Patricia Schmid ([pschmid@agutah.gov](mailto:pschmid@agutah.gov))  
Justin Jetter ([jjetter@agutah.gov](mailto:jjetter@agutah.gov))  
Robert Moore ([rmoore@agutah.gov](mailto:rmoore@agutah.gov))  
Steven Snarr ([stevensnarr@agutah.gov](mailto:stevensnarr@agutah.gov))  
Assistant Utah Attorneys General

Erika Tedder ([etedder@utah.gov](mailto:etedder@utah.gov))  
Division of Public Utilities

By Hand-Delivery:

Office of Consumer Services  
160 East 300 South, 2nd Floor  
Salt Lake City, Utah 84111

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Administrative Assistant