

October 16, 2019

***VIA ELECTRONIC FILING
AND OVERNIGHT DELIVERY***

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

Attention: Gary Widerburg
Commission Administrator

RE: **Docket No. 19-035-39 – In the Matter of the Application of Rocky Mountain Power for Approval of Renewable Energy Service Contracts Between Rocky Mountain Power and Six Qualified Customers Pursuant to Electric Service Schedule No. 34**

Rocky Mountain Power (the “Company”) hereby submits for filing its application for approval of Renewable Energy Service Contracts with Salt Lake City, Park City, Summit County, Utah Valley University, Vail Resorts, and Deer Valley Resorts (collectively “Customers”) in accordance with Utah Code Ann. § 54-17-806 and Electric Service Schedule No. 34 – Renewable Energy Purchases for Qualified Customers – 5,000 kW and Over.

The Company respectfully requests that all formal correspondence and requests for additional information regarding this filing be addressed to the following:

By E-mail (preferred): datarequest@pacificorp.com
utahdockets@pacificorp.com
jana.saba@pacificorp.com
jacob.mcdermott@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, OR 97232

Informal inquiries may be directed to Jana Saba at (801) 220-2823.

Sincerely,



Joelle Steward
Vice President, Regulation

Enclosures

CC: Service List

Jacob A. McDermott (in-house)
Rocky Mountain Power
1407 W North Temple, Suite 320
Salt Lake City, UT 84116
Telephone: (801) 220-2233
Facsimile: (801) 220-4615

Attorney for Rocky Mountain Power

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of)	Docket No. 19-035-39
Rocky Mountain Power for Approval of)	
Renewable Energy Service Contracts)	
Between Rocky Mountain Power and Six)	APPLICATION OF
Qualified Customers Pursuant to Electric)	ROCKY MOUNTAIN POWER
Service Schedule Number 34)	

Pursuant to Utah Code Ann. § 63g-4-201 and Utah Admin. Code R746-1-203, PacifiCorp, doing business in Utah as Rocky Mountain Power (“Company”) hereby submits this application (“Application”) to the Public Service Commission of Utah (“Commission”) requesting approval of its Renewable Energy Service Contracts (“Contracts”) with Salt Lake City, Park City, Summit County, Utah Valley University, Vail Resorts, and Deer Valley Resorts (collectively “Customers”) in accordance with Utah Code Ann. § 54-17-806 and Electric Service Schedule 34 (“Schedule 34”).

In support of its Application, Rocky Mountain Power states as follows:

1. Rocky Mountain Power is a division of PacifiCorp, an Oregon Corporation that provides electric service to retail customers through its Rocky Mountain Power division in the States of Utah, Wyoming, and Idaho, and through its Pacific Power division in the states of Oregon,

California and Washington. Rocky Mountain Power is a public utility in the state of Utah and is subject to the Commission's jurisdiction with respect to its prices and terms of electric service to retail customers in Utah. The Company serves approximately 870,000 customers in Utah. Rocky Mountain Power's principal place of business in Utah is 1407 West North Temple, Suite 320, Salt Lake City, Utah 84116.

2. Communications regarding this Application should be addressed to:

Jana Saba
Utah State Regulatory Affairs Manager
Rocky Mountain Power
1407 West North Temple, 330
Salt Lake City Utah 84116
Telephone: 801-220-4705
Email: jana.saba@pacificorp.com

Jacob A. McDermott
Senior Attorney
Rocky Mountain Power
1407 West North Temple, Suite 320
Salt Lake City Utah 84116
Telephone: 801-220-2233
Email: jacob.mcdermott@pacificorp.com

In addition, the Company requests that all data requests regarding this matter be addressed to:

By email (preferred): datarequest@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, OR 97232

Informal inquiries may be directed to Jana Saba by telephone at 801-220-2823.

BACKGROUND

3. The Company seeks approval of the Contracts in order to facilitate its ongoing efforts to help the Customers meet their renewable energy goals. Salt Lake City, Park City, and

Summit County have all established, through proclamations, agreements, and formal resolutions, goals to purchase certain percentages of renewable energy for their respective municipal government loads by specific dates. Vail Resorts has made similar public commitments to procure renewable energy for 100 percent of its annual operations in Utah and other states by 2030. Utah Valley University and Deer Valley Resort are also interested in procuring a greater percentage of renewable energy as part of their sustainability commitments.

4. On December 28, 2018 the Company sought the Commission's approval of a solicitation process pursuant to Utah Code Ann. § 54-17-807 and Utah Administrative Code R746-450 ("R746-450") to enable the Company to acquire renewable resources to help the Customers achieve their renewable energy goals ("2019R Utah RFP"). The Commission approved the proposed solicitation in its March 11, 2019 order in Docket No. 18-035-47. The Company issued the solicitation on March 18, 2019, final bids were received on June 14, 2019, and negotiations with the winning bidder for a power purchase agreement are currently ongoing. Utah Code Ann. § 54-17-807 and R746-450 contemplate an acquisition approval process at the Commission if the solicitation process will result in the Company's acquisition of the winning bidder, or if the winning bidder is a Company-owned resource. However, the winning bid in the 2019R Utah RFP was for a power purchase agreement rather than for a Company acquisition, so Commission approval of the selection is not required by R746-450.

5. As the 2019R Utah RFP proceeded to final selection, the Company worked with the Customers to negotiate the Contracts. The Contracts use rates that are calculated in compliance with Utah Code Ann. § 54-17-806. The Contracts also use the Schedule 34, Section I.c standard methodology for determining the cost of renewable resources procured under Schedule 34, meaning that the Customers will pay: (1) their normal tariff rate as specified in the applicable

Electric Service Schedules; (2) a renewable supply rate that is based on the estimated output of customer selected renewable resources over the next annual period and the customer's estimate load over the same period; (3) a true-up rate to cover costs or credits resulting from differences between forecasted and actual output and usage for the prior period; (4) a cost based administrative fee of \$500 per month, which the company has determined will fully cover its costs for billing; (5) the applicable EBA surcharge which will be applied to the percentage of customer load that is not supplied by renewable resources procured under the contract; (6) unbundled REC charges, if any; (7) other rates specified in Electric Service Schedule 80; and other charges, fees, exemptions or credits associated with power and energy supplied under the Contracts.

6. The Company is filing the unsigned master version of the Contracts to accommodate a 30-45 day contract approval process of some of the Customers. The Company anticipates supplementing this filing with the fully executed agreements after the Customers have full authority to execute. Given that the only differences between the contracts will be language regarding compliance with public records law for those Customers that are public entities, and a few required provisions related to anticorruption requirements, the fact that the fully executed contracts will be filed later should not hinder the Commission or other interested parties' ability to review the Contracts for compliance with Schedule 34 and § 54-17-806. Additionally, further delay could negatively affect the Company and the Customers' pricing under the 2019R Utah RFP to the extent it hinders the ability to negotiate and execute a final PPA with the winning bidder in light of the stepdown in federal investment tax credits, which starts at 30% in 2020 and will drop down to 10% in 2022.

7. The Application is supported by witness Kyle T. Moore, a Power Marketer and Originator in Rocky Mountain Power's Customer Solutions and Business Strategy group. Mr.

Moore's testimony explains the Contracts': a) objectives, b) basic structure; c) rates; and d) renewable resource procurement mechanisms.

CONCLUSION

WHEREFORE, based on the foregoing and by this application, the Company respectfully requests that the Commission:

- a) Hold a scheduling conference in this matter as soon as practicable;
- b) Approve the Company's Application and the Contracts.
- c) Grant such other relief it deems just and reasonable and in the public interest.

DATED this 16th day of October, 2019.

Respectfully submitted,

ROCKY MOUNTAIN POWER



Jacob A. McDermott

Attorney for Rocky Mountain Power
Jacob A. McDermott (in-house)
Rocky Mountain Power
1407 W North Temple, Suite 320
Salt Lake City, UT 84116
Telephone: (801) 220-2233
Facsimile: (801) 220-4615

Rocky Mountain Power
Docket No. 19-035-39
Witness: Kyle T. Moore

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF UTAH

ROCKY MOUNTAIN POWER

Direct Testimony of Kyle T. Moore

October 2019

1 **Q. Please state your name, business address, and present position with Rocky**
2 **Mountain Power (the “Company”), a division of PacifiCorp.**

3 A. My name is Kyle T. Moore. My business address is 1407 West North Temple Street,
4 Suite 310, Salt Lake City, Utah 84116. My present position is Originator/Power
5 Marketer, Customer Solutions and Business Strategy for Rocky Mountain Power.

6 **Q. How long have you been in your present position?**

7 A. I have been in my present position since July 2015. I previously held other positions
8 within PacifiCorp since July 2007.

9 **Q. Please describe your education and business experience.**

10 A. I have a B.A. in Finance and an M.B.A. from the University of Utah. I have been
11 employed with PacifiCorp since 2015 as an originator/power marketer responsible for
12 negotiating qualifying facility contracts, negotiating interruptible retail special
13 contracts, and managing wholesale or market-based energy and capacity contracts with
14 other utilities and power marketers. Prior to my current role I worked at PacifiCorp
15 from 2007 through 2015 in various finance, planning, and structure and pricing roles.
16 I also worked in the regulatory department at Kern River Gas Transmission Company
17 for approximately three years and as an energy consultant at Energy Strategies in Salt
18 Lake City for approximately five years.

19 **PURPOSE AND SUMMARY OF TESTIMONY**

20 **Q. What is the purpose of your testimony?**

21 A. The purpose of my testimony is to support the Company’s application for approval of
22 Electric Service Schedule 34 (“Schedule 34”) renewable energy service contracts (the
23 “Contracts”) between Rocky Mountain Power and, respectively, Park City, Salt Lake

24 City, Summit County, Park City Mountain Resort, Deer Valley Resort, and Utah Valley
25 University (“Customers”). Specifically, I provide a comprehensive overview of the
26 material terms and conditions of the Contracts, as follows:

- 27 • Contract objective and basic structure;
- 28 • Contract rate calculation and rate design;
- 29 • Billing mechanics; and
- 30 • Renewable resource procurement process.

31 The master Contract is presented with my testimony as Exhibit RMP__(KTM-1).

32 **Q. Please summarize your testimony.**

33 A. This application seeks approval of one master contract form that will be separately
34 executed by each of the Customers, resulting in a total of six Contracts for which the
35 Company requests approval. The Contracts allow the Customers to meet all or a
36 portion of their energy needs with new renewable resources acquired on their behalf.
37 The Contracts follow the standard rate structure found in Schedule 34 Section I.c.i
38 through ii(1) and include the structure under which the Customers will pay normal tariff
39 rates, a cost-based administrative fee, and an incremental charge equal to the difference
40 between the cost to the Company to supply renewable generation to the Customers and
41 the Company’s avoided costs as defined in Utah Code Annotated § 54-2-1(1).

42 The Contracts include a billing mechanism to account for two unique aspects
43 related to the interaction of the Estimated Output¹ and the Consumed Energy by the
44 Customers: 1) variability in the monthly solar production; and 2) variability in the load

¹ If not otherwise defined in my testimony, any capitalized terms used in my testimony refer to defined terms in the Contract.

45 served by the renewable resource. To account for both of these “variability” issues in
46 the monthly billings, the Contracts use certain estimates for monthly billings and a true-
47 up mechanism at the end of each True-up Period to account for actual meter data.

48 The Contracts also include procedures by which the parties work together to
49 acquire the renewable resources. Each of the Customers are responsible for the
50 financial obligations under any contract between the Company and a renewable
51 resource, and adequate credit assurances are in place to ensure the Company and other
52 customers are protected in the event any of the Contracts are terminated early.

53 **Q. Why is the Company seeking approval of the single contract form that will be used**
54 **for six different customers?**

55 A. The Customers jointly participated in a solicitation process seeking to pool their loads
56 to acquire the first renewable resource under each of their individual Schedule 34
57 contracts with the Company. That solicitation process (“2019R Utah RFP”) was
58 approved on March 11, 2019 by the Commission in Docket No. 18-035-47 pursuant to
59 Utah Administrative Code R746-450. Because the Customers were jointly seeking
60 resources, and jointly selecting winning bids in the 2019R Utah RFP, they also elected
61 to jointly negotiate the Contracts with the Company. For the same reason and to ensure
62 an efficient approval process, the Company is seeking approval of each of the Contracts
63 in this docket. The terms will only vary between the Customers in two areas: 1) public
64 information law requirements for the public entities; and 2) limited additional language
65 relating to specific anti-corruption clauses required as standard language in all contracts
66 by some of the public customers.

67 **Q. Have the Contracts been executed yet?**

68 A. No. Many of the Customers have approval processes that they must go through before
69 executing a contract that can take about a month. At the same time there is an interest
70 in moving forward quickly to maintain the best possible pricing for the first renewable
71 resource procured, which the Company anticipates will be through a power purchase
72 agreement (“PPA”) with a solar facility. Given that federal investment tax credits for
73 solar facilities will, starting in 2020, begin stepping down to 10 percent in 2022, there
74 is some degree of urgency to getting the Commission’s approval of the Contracts so
75 that the PPA with the bidder selected in the 2019R Utah RFP can be finalized and
76 executed without any impact on pricing.

77 The Company will supplement its application with the executed agreements as
78 soon as all customers have completed their approval processes, which is expected to
79 occur within the next 30-45 days.

80 **OBJECTIVE AND BASIC STRUCTURE OF THE CONTRACTS**

81 **Q. Please describe the objective of the Contracts.**

82 A. The Company worked closely with the Customers to develop a contract that would
83 allow them to procure, through the Company and consistent with Schedule 34,
84 renewable resources to meet up to net-100 percent of their annual electric energy needs.
85 The Customers, like most customers with renewable goals, measure their objectives on
86 an annual kilowatt hour (“kWh”) basis. For example, if one of the Customers consumes
87 100 million kWh over the course of one year, it will purchase output from renewable
88 resources that produce up to 100 million kWh over the course of one year. The
89 Customers also desire to actively participate in the selection of the renewable resources

90 to be acquired on their behalves and desire a contract structure that easily allows for
91 additional renewable resources to be acquired needed.

92 Additionally, the contract structure and rate design also make the Customers
93 responsible for the incremental system cost of any renewable resources acquired on
94 their behalves. The actual cost of the renewable resource is passed through to the
95 Customers after accounting for the avoided cost value of the resource, as contemplated
96 in Schedule 34. Importantly, the Customers are also responsible for any costs
97 associated with the renewable resources in the event of early termination or default.

98 **Q. Please describe the basic structure of the Contracts.**

99 A. The Contracts first include definitions, term conditions, conditions precedent, and the
100 general terms and conditions under which the Company will acquire a renewable
101 resource(s) on the Customers' behalves. The Contracts then set forth the rates for the
102 electric service the Company will provide to the Customers. The Contracts include rates
103 calculated in compliance with Utah Code Annotated § 54-17-806. Under the Contracts,
104 the Customers will pay:

- 105 i. The Customers' normal tariff rates as specified in the applicable Electric
106 Service Schedule,
- 107 ii. Cost-based administrative fees, and
- 108 iii. An incremental charge equal to the difference between the cost to the
109 Company to supply renewable generation to the Customers and the
110 Company's avoided costs as defined in Utah Code Annotated § 54-2-1(1).

111 The Contracts then contain several other standard provisions, including but not limited
112 to: billing and payment, operational constraints, representations and warranties and
113 termination.

114 **OTHER CONDITIONS OF SERVICE**

115 **Q. Do the Contracts contain service termination provisions obligating the Customers**
116 **to continue to pay all of the costs of the renewable energy resource(s) acquired by**
117 **the Company on the Customers' behalves in the event one of the Customers'**
118 **contract is terminated early and a cost obligation related to the renewable energy**
119 **resource(s) continues beyond the termination?**

120 A. Yes. Section 10.3 of the Contracts contain provisions requiring the Customers to pay
121 any applicable Early Termination Payment in full within 30 days after receiving notice
122 from the Company of the amount of the Early Termination Payment. Calculation of the
123 Early Termination Payment is detailed in Exhibit F of the contract.

124 **Q. Do the Contracts allow the Customers the option to transfer the renewable energy**
125 **contract obligation of one delivery point to a new or existing delivery point within**
126 **the Company's service territory without termination fees?**

127 A. Yes. Exhibit A, which may be updated at the beginning of each True-up Period, allows
128 the Customers to determine which of their meters shall be considered Enrolled Meters
129 for purposes of the Contracts. These meters may be changed without termination fees.

130 **Q. Do the Contracts require the Customers to provide adequate credit assurances?**

131 A. Yes. Section 6.6 of the Contracts require that the Customers provide adequate
132 assurances as the Company may reasonably require.

133 **Q. Do the Customers meet the 5,000 kW eligibility requirement for participation**
134 **under this Schedule?**

135 A. Yes. Each of the Customers have aggregated peak loads of at least 5,000 kW.

136 **Q. Do the Contracts address the extent to which rate adjustments identified in**
137 **Electric Service Schedule 80, including but not limited to the Energy Balancing**
138 **Account in Electric Service Schedule 94 (“Schedule 94”), will apply?**

139 A. Yes. Section 5.1 of the Contracts identifies the applicability of the rate adjustments
140 identified in Schedule 80.

141 **Q. How is the Energy Balancing Account in Electric Service Schedule 94 applicable**
142 **to Enrolled Meters for the Customers?**

143 A. Section 1.1 contains the definition for “Applicable EBA Surcharge” as it relates to the
144 Contracts. The definition identifies that the EBA surcharge will be calculated in
145 accordance with the following formula:

146 (a) x (b) x (c), where:

147 (a) = Power Charge (\$) and Energy Charge (\$) of, and as defined by, the Applicable
148 Electric Service Schedule;

149 (b) = The EBA Surcharge (%); and

150 (c) = One-hundred percent (100%) - Renewable Percentage (%)

151 where the Renewable Percentage is equal to the actual output of the Customer
152 Renewable Resource divided by the Consumed Energy at all Enrolled Meters for each
153 True-Up Period.

154 **Q. Do the Contracts include consideration of use of system facilities and**
155 **contributions to system fixed costs as contemplated in section 2 of Conditions of**
156 **Service in Schedule 34?**

157 A. Yes. The Contracts requires the Customers to continue to pay their normal tariff rates
158 for all Enrolled Meters, which include consideration for use of system facilities and
159 contributions to system fixed costs.

160 **RATE CALCULATION**

161 *General Overview*

162 **Q. Please describe the rates included in the Contracts.**

163 A. The Contracts include the following cost components, as applicable:

- 164 (a) Normal Tariff Rates – applied to all kW and kWh delivered by Company to each
165 Enrolled Meter;
- 166 (b) Renewable Supply Rate – applied to all kWh delivered by Company to each
167 Enrolled Meter;
- 168 (c) True-Up Rate – applied to all kWh delivered after the first True-Up Date to each
169 Enrolled Meter;
- 170 (d) Administrative Fees of \$500 per month – single charge applied to one customer
171 invoice each month;
- 172 (e) Applicable EBA rate adjustment – applied to all applicable kW and kWh charges
173 at each Enrolled Meter;
- 174 (f) Unbundled REC Charges, if any – single charge applied to one customer invoice
175 each month;
- 176 (g) Other Schedule 80 rate adjustments – applied to each Enrolled Meter; and
- 177 (h) Other charges, fees, exemptions and credits associated with Firm Power and Energy
178 and Renewable Supply delivered by Company to Customer to each Enrolled Meter
179 hereunder, as determined by the Commission from time to time, including possible
180 future carbon taxes, charges or exemptions.

181
182 **Q. Please describe in general terms how the Renewable Supply Rate will be**
183 **calculated.**

184 A. The Renewable Supply Rate represents the cost identified in Condition of Service
185 1.c.iii of Schedule 34. This incremental charge is equal to the difference between the

186 cost to the Company to supply renewable generation to the Customers (as may be
187 determined by a power purchase agreement price to purchase renewable energy) and
188 the Company's avoided costs as defined in Utah Code Annotated § 54-2-1(1). The
189 Company's avoided costs shall be calculated at the time the Company enters into a
190 contract to purchase renewable energy on behalf of the Customers, which rate shall be
191 set for a period of no more than 15 years, or other period of years as is available under
192 the Company's then current avoided cost calculation methodology as approved by the
193 Commission.

194 **Q. Can you explain why the administrative fee is not the same as the standard**
195 **administrative fees set forth in Schedule 34?**

196 A. Schedule 34 requires that the administrative fees be cost based, and in this circumstance
197 the standard fees would have resulted in fees to the Customers that were, in most cases,
198 much higher than the Company's administrative costs. This is particularly true with
199 Salt Lake City, Park City and Summit County, because these customers have a large
200 volume of individual delivery points with the Company. The combination of the \$150
201 for the first delivery point and \$50 per each additional delivery point would result in
202 very large administrative fees each month.

203 To address this issue, the Company analyzed its anticipated costs to implement
204 the Contracts and bill the Customers and determined that its costs in this case would be
205 \$6,000 annually, or \$500 per month. Based on this analysis, this fee will cover the
206 Company's cost to develop customer specific models and rates, maintain and bill all
207 applicable customer delivery points and to perform an annual true-up.

208 **BILLING AND TRUE-UP CALCULATION**

209 *General Overview of Billing Mechanism*

210 **Q. Please provide a general overview of how the Contracts will be billed.**

211 A. The Customers intend to procure renewable production from their dedicated renewable
212 resources such that their share of output is less than or equal to the Consumed Energy
213 at their Enrolled Meters on an annual kWh basis. The Contracts include a billing
214 mechanism to account for two unique aspects related to the comparison of the
215 Estimated Output of the renewable facility and the Consumed Energy at the Enrolled
216 Meters:

- 217 1. Variability in the monthly solar production: Solar produces more in the
218 summer months than in the winter months due to longer periods of daylight.
- 219 2. Variability in the percentage of load served by the renewable resource:
220 While the objective may be that 100 percent (or some other pre-set amount)
221 of the Enrolled Meters load is served with renewable resources, the
222 Estimated Output and the Enrolled Meters load will naturally vary each
223 year.

224 To account for both of these “variability” issues in the monthly billings, the
225 Contracts use estimates related to the expected amount of production from the
226 renewable resources and the expected Enrolled Meters load. Prior to the start of each
227 True-up Period, the Estimated Output and the Enrolled Meters load are estimated for
228 billing purposes for the coming True-up Period. The estimates are then used in the
229 coming True-up Period for two purposes related to billing:

- 230 1. To estimate the total annual Net Renewable Supply Charge for the coming
231 True-up Period; and
- 232 2. To estimate the percentage of Enrolled Meters load that will be served with
233 renewable resources.

234 A True-Up Adjustment is performed at the end of each True-up Period to true-up the
235 estimates to actual production and load results. I will discuss the True-Up Adjustment
236 later in my testimony.

237 **Q. Why are these estimates used in the monthly billings for each True-up Period?**

238 A. The estimates are used to simplify and levelize the Renewable Supply Rate across the
239 True-up Period by kWh. This billing approach is consistent with the concept that the
240 Company is providing firm service under standard Company tariffs with a renewable
241 adder to pay the cost of the Company acquiring the renewable generation on the
242 Customers' behalves.

243 **Q. Do the estimates provide a benefit or detriment to the Customers or to the
244 Company?**

245 A. Neither. The estimates are used for initial monthly billing during the True-up Period,
246 and the True-Up Adjustment corrects the estimates to actuals so that neither party is
247 affected by the estimates.

248 *True-Up Adjustment*

249 **Q. Why is a True-Up Adjustment required, and what are the components that are**
250 **included?**

251 A. The True-Up Adjustment is required because certain estimates are used in the monthly
252 billing and those estimates must be trued-up to actual amounts once the data is known
253 and measurable.

254 The Contracts include two True-Up Adjustment components that are
255 determined prior to calculating the True-Up Amount:

256 1. True-Up for Cost of Renewable Supply: If there are multiple renewable
257 resources in the renewable portfolio acquired to serve any of the Customers,
258 an estimated weighted-average Cost of Renewable Supply will be set forth
259 in the Renewable Resource Appendix. The weighted-average cost will be
260 determined by calculating the estimated production and the estimated costs
261 for each Customer Renewable Resource. The estimated Cost of Renewable
262 Supply will be used for billing purposes in the True-up Period. At the end
263 of each True-up Period, the actual Cost of Renewable Supply will be
264 calculated by taking the actual production and the actual costs for each
265 Customer Renewable Resource. This true-up is needed because the actual
266 production of each Customer Renewable Resource may vary from the
267 estimated amounts, and the cost for each Customer Renewable Resource
268 may be different from one another and from what was estimated. Those two
269 moving parts affect the weighted-average cost, so the Cost of Renewable
270 Supply must be calculated using actual production and actual costs to be

271 accurate.

272 2. True-Up for Excess Renewable Supply: The Estimated Output as a
273 percentage of the Customer Load Estimate will never exceed 100 percent.
274 There will never be an expectation for billing purposes that there will be
275 Excess Renewable Supply in any given True-up Period. Excess Renewable
276 Supply will occur if the Actual Output exceeds the energy usage at the
277 Enrolled Meters in any given True-up Period. This may occur if the
278 renewable production is greater than expected (it is extra “sunny” one year)
279 or if there is a drop in load at the Enrolled Meters. In the event there is
280 Excess Renewable Supply, it will be netted against the Cost of Renewable
281 Supply at the price per megawatt hour in the Company’s Commission-
282 approved then-applicable Electric Service Schedule No. 37 (“Schedule 37”)
283 prices, and either credited or charged to the Customers. The netting will
284 occur as follows: Excess Renewable Supply x Cost of Renewable Supply
285 less Excess Renewable Supply x Utah loss factor x the-applicable Schedule
286 No. 37 prices.

287 **Q. How is the True-Up calculation performed?**

288 A. Once the two true-up components have been calculated (Cost of Renewable Supply
289 and Excess Renewable Supply Adjustment), the sum of the two true-up components
290 will be divided by the Customer Load Estimate for the following True-Up Period and
291 added to the Renewable Supply Rate for that following True-Up Period.

292 Q. **Why is the Utah loss factor applied to only half of the Excess Renewable Supply**
293 **netting formula?**

294 A. The Utah loss factor is included in part 2) of the Excess Renewable Supply netting
295 formula and not in part 1) because, while Excess Renewable Supply is purchased under
296 the Facility Contract at the point of interconnection with PacifiCorp's system (before
297 system losses are incurred), the amount of Excess Renewable Supply available for
298 credit would necessarily incur the losses represented by the Utah loss factor as it moves
299 beyond the point of interconnection for later crediting. If the Customers do not pay for
300 these losses on the Excess Renewable Supply, then other customers on the system
301 would absorb the cost of the losses.

302 Q. **Is the Utah Loss factor applicable to the Renewable Supply not considered Excess**
303 **Renewable Supply?**

304 A. For the portion of Renewable Supply not considered Excess Renewable Supply, losses
305 are paid in the Customer's otherwise applicable rate schedule.

306 Q. **Have you prepared an exhibit that shows an illustrative example of the billing**
307 **mechanics and the True-Up Adjustment calculation?**

308 A. Yes. Exhibit RMP____(KTM-2) provides illustrative calculations of the various True-
309 Up Adjustments that may take place during the life of the Contracts.

310 Q. **Please explain the estimation of the percentage of load served by renewable**
311 **supply.**

312 A. At the end of each True-up Period, the Company will use the Actual Output of the
313 Renewable Resource divided by the Consumed Energy of the Enrolled Meters to
314 determine the Renewable Percentage. For example, if the renewable generation output

315 was 300,000 kWh and the Enrolled Meters load was 400,000 kWh, the Renewable
316 Percentage for that True-up Period would be 75 percent. The Estimated Output
317 percentage will never exceed 100 percent.

318 **RENEWABLE RESOURCE PROCUREMENT**

319 **Q. Please describe how Customer Renewable Resources will be acquired.**

320 A. As reflected in Section 4 in the Contracts, the Customers may direct the Company to
321 initiate identification of a potential resource. The Customers will provide guidance
322 related to the terms and conditions it seeks, such as the type of renewable resource, the
323 size of the resource, the online date, and the desired location. The Customers may also
324 determine whether to ask the Company to issue a request for proposals or issue its own
325 request, or to instead negotiate bilaterally with counterparties. Once the terms and
326 conditions of a Company solicitation have been agreed, the Company will begin to
327 identify and select the resource. The Contracts contemplate a timeline over which this
328 activity will occur, but the timeline may be revised by mutual consent.

329 **Q. What role will the Customers have in the negotiations with the renewable resource**
330 **counterparty?**

331 A. If the Company issues the request for proposals, it is expected that the Company will
332 lead the negotiations with the renewable resource counterparty. The Customers may
333 provide guidance and may participate directly during the negotiations.

334 **Q. Will the Customers be a party to the contract between the renewable resource**
335 **counterparty and the Company?**

336 A. No, the renewable resource contract will be between the Company and the renewable
337 resource counterparty.

338 **Q. What protections are in place to ensure the renewable resource contract is**
339 **consistent with the terms and conditions included in other renewable contracts**
340 **signed by the Company?**

341 A. The Company has the right to reject unacceptable terms or other conditions associated
342 with the renewable resource contract. The Customers must address the Company's
343 concerns or otherwise mitigate the identified risk to the Company's satisfaction before
344 the Company executes the contract with a facility. Ultimately, the Customers are
345 required by the Contracts to backstop the obligations for each renewable resource.

346 **Q. How does the Company ensure the renewable resource contract is acceptable to**
347 **the Customers?**

348 A. Prior to execution, each of the Customers and the Company will create a Renewable
349 Resource Appendix for the resource where the material terms and conditions will be
350 listed. The Customers must agree in writing to those terms and conditions before the
351 Company executes the contract with the renewable resource counterparty.

352 **Q. Who is responsible for the costs, if any, incurred by the Company when procuring**
353 **a renewable resource under Section 4?**

354 A. The Company will inform the Customers of the expected costs to acquire a renewable
355 resource in advance of the procurement process. Once the Customers each authorize
356 the costs, then each of the Customers will reimburse the Company for the costs.

357 **Q. Who is responsible for the costs associated with the renewable resource contract**
358 **once it is executed under Section 4?**

359 A. The Customers will be responsible for all costs associated with the contract between
360 the Company and the renewable resource counterparty. If any of the Contracts are

361 terminated early, the financial obligation under the renewable resource contract
362 remains with the respective Customers. The Contracts include credit requirements that
363 the Customers must meet in order to protect the Company and other customers if any
364 of the Contracts are terminated early and a financial obligation under the renewable
365 resource contract remains.

366 **Q. Is the Company responsible if the renewable resource counterparty fails to**
367 **perform?**

368 A. No.

369 **Q. What is your recommendation to the Commission?**

370 A. The Contracts comply with Schedule 34, and the potential costs related to the
371 renewable procurements the Contracts enable will be borne by the Customers who will
372 be providing adequate security assurances to back those obligations. For these reasons,
373 the Contracts are in the public interest and also will help the Customers to meet their
374 respective renewable goals and commitments—therefore, I recommend that the
375 Commission approve them.

376 **Q. Does this conclude your direct testimony?**

377 A. Yes.

Rocky Mountain Power
Exhibit RMP__ (KTM-1)
Docket No. 19-035-39
Witness: Kyle T. Moore

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF UTAH

ROCKY MOUNTAIN POWER

Exhibit Accompanying Direct Testimony of Kyle T. Moore

Renewable Energy Service Contract

October 2019

RENEWABLE ENERGY SERVICE CONTRACT (SCHEDULE 34)

between

ROCKY MOUNTAIN POWER

and

[CUSTOMER]

RENEWABLE ENERGY SERVICE CONTRACT (SCHEDULE 34)

This RENEWABLE ENERGY SERVICE CONTRACT (SCHEDULE 34) (this “Agreement”), effective this _day of_, 2019, is entered into between Rocky Mountain Power, an unincorporated division of PacifiCorp, an Oregon corporation (the “Company”), and _____, a _____ (“Customer”), each sometimes referred to herein as a “Party” or collectively as the “Parties.”

RECITALS

WHEREAS, Customer, an existing electric customer of Company, seeks to increase the renewable energy content of its existing energy supply to meet its sustainability goals within Company’s service territory;

WHEREAS, Company is a public electric utility that provides electric power and energy to retail electric customers throughout its certificated service territory in accordance with regulatory governance by the Public Service Commission of Utah;

WHEREAS, the Parties desire to enter into this Agreement for renewable energy in accordance with the provisions of Utah Code § 54-17-806 and Schedule 34.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements hereinafter contained, the receipt and sufficiency of which are hereby acknowledged, Customer and Company hereby agree to the following terms and conditions:

ARTICLE I DEFINITIONS

Section 1.1 Definitions. Whenever used herein, the following terms shall have the respective meanings set forth below, unless a different meaning is plainly required by the context, and when the defined meaning is intended, the term is capitalized:

“Actual Output” means the actual amount of Energy in kWh produced by all Customer Renewable Resources and delivered to Customer during any relevant measurement period.

“Adequate Assurances of Performance” has the meaning set forth in Section 6.5.

“Affiliate” means an entity that is controlled by, under common control with, or has the ability to exercise control over, a Party.

“Agreement” means this Renewable Energy Service Contract and any renewals hereof and any appendix, exhibit or amendment hereto.

“Annual True-Up” means a dollar amount used to reconcile actual and projected costs and usage for all Customer Renewable Resources for a True-Up Period, as determined by Company within thirty (30) days of each True-Up Date and calculated in accordance with the following formula:

((a) – (b)) + (c) + (d), where:

- (a) = Net Renewable Supply Charge (\$) x Actual Output (kWh);
- (b) = Renewable Supply Rate (\$) x Consumed Energy (kWh);

- (c) = True-Up Balance (\$); and
- (d) = Excess Renewable Supply Adjustment (\$), if any.

“Applicable Electric Service Schedule” with respect to each Enrolled Meter means the Company’s Utah electric service schedule pursuant to which Firm Power and Energy is as of the Effective Date, or would in the absence of this Agreement, be delivered by Company to such Enrolled Meter.

“Applicable EBA Surcharge” means a dollar amount determined by Company for all Enrolled Meters and applied to each Enrolled Meter each Billing Period and calculated in accordance with the following formula:

(a) x (b) x (c), where:

- (a) = Power Charge (\$) and Energy Charge (\$) of, and as defined by, the Applicable Electric Service Schedule;
- (b) = The EBA Surcharge (%); and
- (c) = One-hundred percent (100%) - Renewable Percentage (%).

“Billing Period” means the period of approximately thirty (30) days intervening between regular successive meter readings.

“Business Day” means any day except a Saturday, Sunday, or a Federal Reserve Bank holiday. A Business Day shall begin at 8:00 a.m. and end at 5:00 p.m. local time.

“Commission” means the Public Service Commission of Utah.

“Company” has the meaning set forth in the Preamble.

“Confidential Information” means[, subject to 20.3,]¹ any and all non-public, proprietary written information, data, analyses, documents, and materials furnished or made available by a Party or its Representatives to the other Party or its Representatives in connection with this Agreement, and any and all analyses, compilations, studies, documents, or other material prepared by the receiving Party or its Representatives to the extent containing such information, data, analyses, documents, and materials. Confidential Information shall not include any information that: (a) is already in the public domain or which becomes public knowledge absent any violation of the terms of this Agreement; (b) was already in the possession of a Party prior to disclosure by the other Party; (c) a Party obtains from another Person which such Party reasonably believes was not under an obligation of confidentiality; (d) is or becomes generally available to, or is independently known to or has been or is developed by, any Party or any of its Representatives other than materially as a result of any disclosure of proprietary information by the disclosing Party to the receiving Party; or (e) information independently developed by either Party, without reliance on the Confidential Information.

“Consumed Energy” means the total amount of Energy in kWh actually consumed by Customer at all Enrolled Meters during any relevant period.

“Contract Value” has the meaning set forth in Exhibit F.

“Cost of Renewable Supply” has the meaning set forth in Section 4.6.

¹NTD For public entities only

“Customer” has the meaning set forth in the Preamble.

“Customer Load Estimate” means a kWh amount representing a reasonable estimate of projected Consumed Energy to be used at all Enrolled Meters during the next True-Up Period which, shall be based on the Consumed Energy at all Enrolled Meters during the most recent True-Up Period, plus reasonably projected usage for the next True-Up Period at any Retail Points of Delivery added as new Enrolled Meters, minus actual usage at any Retail Points of Delivery removed from Enrolled Meters, or otherwise as agreed to by the Parties.

“Customer Renewable Resource” means all or the percentage as specified in a Renewable Resource Appendix of the Energy and Green Tags produced or created by one or more renewable resource Facilities identified by or on behalf of the Customer to provide electric power and energy for use by Customer consistent with Utah Code § 54-17-806 and Schedule 34. A Customer Renewable Resource may be Company- or Customer-owned, procured through a contract between the Company and a third party, or procured through a separate contract between the Company and the Customer.

“Delivery Schedule” is a schedule provided by Customer pursuant to Section 3.4 specifying the Enrolled Meters, which shall be substantially in the same form as Exhibit A.

“Early Termination Payment” has the meaning set forth in Exhibit F.

“EBA Surcharge” means the Energy Balancing Account surcharge or surcredit percentage as specified in the Company’s Utah electric service schedule 94 or a successor schedule.

“Effective Date” means the date on which the Agreement has been executed by both parties, and, to the extent not granted prior to execution, all required Commission approvals have been granted.

“Electric Service Regulations” means Company’s currently effective and applicable electric service regulations, on file with and approved by the Commission, as they may be amended or superseded from time to time with the approval of the Commission. To the extent of any inconsistency between this Agreement and the Electric Service Regulations, the terms of this Agreement shall prevail.

“Electric Service Requirements” means Company’s currently effective and applicable electric service requirements, as of the Effective Date, specified at <https://www.rockymountainpower.net/working-with-us/builders-contractors/electric-service-requirements.html>. The Electric Service Requirements may be reasonably amended from time to time by Company.

“Electric Service Schedules and Regulations” means Company’s currently effective and applicable electric service schedules and regulations, as of the Effective Date, specified at <https://www.rockymountainpower.net/about/rates-regulation/utah-rates-tariffs.html>. The Electric Service Schedules and Regulations may be amended from time to time by the Company with the approval of the Commission.

“Energy” means electric energy expressed in kWh.

“Enrolled Meters” means the Retail Points of Delivery to which Renewable Supply is to be delivered by Company under this Agreement, as specified by Customer in the Delivery Schedule then in effect.

“Environmental Attributes” means any and all credits, benefits, emissions reductions, offsets, and allowances, howsoever titled, resulting from the avoidance of the emission of any gas, chemical, or other substance to the air, soil or water and attributable to the generation from a renewable energy generating unit, and its avoided emission of pollutants. Environmental Attributes include but are not limited to: (a) any avoided emissions of pollutants to the air, soil, or water such as (subject to the foregoing) sulfur oxides (SO_x), nitrogen oxides (NO_x), carbon monoxide (CO), and other pollutants; and (b) any avoided emissions of carbon dioxide (CO₂), methane (CH₄), and other greenhouse gases (GHGs) that have been determined by the United Nations Intergovernmental Panel on Climate Change or any governmental authority to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere. Environmental Attributes do not include (i) any energy, capacity, reliability, or other power attributes from the generating unit; (ii) production tax credits associated with the construction or operation of the generating unit and other financial incentives in the form of credits, reductions, or allowances associated with the generating unit that are applicable to a state, provincial, or federal income taxation obligation; or (iii) fuel-related subsidies or “tipping fees” that may be paid to the seller to accept certain fuels, or local subsidies received by the generator for the destruction of particular pre-existing pollutants or the promotion of local environmental benefits.

“Estimated Output” means an amount in kWh representing the total projected Energy to be produced by all Customer Renewable Resources during the next True-Up Period which, unless Company has or Customer provides information demonstrating otherwise, shall be based on the energy projections, including effects of any degradation factor, for Customer Renewable Resources as specified in Facility Contracts, or otherwise as agreed to by the Parties.

“Excess Renewable Energy” means an amount representing Renewable Supply in kWh not utilized by Customer over the course of a True-Up Period, as determined by Company for the True-Up Period associated with each Annual True-Up and calculated in accordance with the following formula:

(a) – (b), but not less than zero, where:

- (a) = Actual Output; and
- (b) = Consumed Energy.

“Excess Renewable Supply Adjustment” means a dollar amount to be recovered from Customer in the upcoming True-Up Period for Excess Renewable Supply in the prior True-Up Period, determined by Company for the True-Up Period associated with each Annual True-Up and calculated in accordance with the following formula:

(a) x ((b) - (c)), but not less than zero, where:

- (a) = Excess Renewable Energy (kWh);
- (b) = Total Cost of Renewable Supply (\$/kWh); and
- (c) = Schedule 37 Avoided Cost (\$/kWh), adjusted for losses to the extent a loss adjustment is deemed appropriate by the Commission.

“Facility” means all power generating equipment and all associated devices, appurtenances and equipment owned, controlled, operated or managed by the Facility Owner in connection with, or to facilitate, the production, generation, transmission, delivery, or furnishing of Renewable Supply from a Customer Renewable Resource.

“Facility Contract” means an agreement entered into by Company to acquire Renewable Supply from a Facility for a Customer Renewable Resource.

“Facility Owner” means the developer, owner and operator of a Facility, and all employees, officers, members and agents of any of the same.

“Firm Power and Energy” means Power expressed in kW and associated Energy expressed in kWh intended to have assured availability, as provided in Electric Service Regulation No. 4, entitled “Continuity of Service,” to meet any agreed-upon portion of Customer’s load.

“Force Majeure” has the meaning set forth in Article XI.

"Green Tags" means (a) all Environmental Attributes associated with a Customer Renewable Resource, together with (b) all Green Tag Reporting Rights associated with such Energy and Environmental Attributes, however commercially transferred or traded under any or other product names, such as RECs, "Green-e Certified," or otherwise. One Green Tag represents the Environmental Attributes made available by the generation of one MWh of energy from the Facility.

“Green Tag Price Component” means the value of any Green Tags as set forth in a Facility Contract, which shall be reflected in a Renewable Resource Appendix and shall the Customer’s damages associated with Green Tags if the Facility Owner fails to deliver any Green Tags to Company under the relevant Facility Contract.

“Green Tag Reporting Rights” means the exclusive right of the Customer as the purchaser of Environmental Attributes to report ownership of Environmental Attributes in compliance with federal or state law, if applicable, or to federal or state agencies, or other parties, at Customer’s discretion, including under any present or future domestic, international, foreign emissions trading program or renewable portfolio standard. For the avoidance of doubt, any claims or communications by Company that would be a violation of the applicable rules, laws or regulations adopted by WREGIS or a governmental authority with jurisdiction over Company, including the Federal Trade Commission’s “Green Guides” (*See*, 16 Code of Federal Regulations § 260.15) and related guidance, as the same may change from time to time, related to the Green Tags sold to Customer hereunder will be infringements of Customer’s exclusive Green Tag Reporting Rights.

“Guaranty” means a guaranty in a form substantially similar to the attached Exhibit B, or otherwise acceptable to PacifiCorp.

“kW” means kilowatt.

“kWh” means kilowatt hour.

“Letter of Credit” means an irrevocable standby letter of credit in a form substantially in the same form as the attached Exhibit C, or that is otherwise acceptable to PacifiCorp, naming PacifiCorp as the party entitled to demand payment and present draw requests thereunder and that is issued by a Qualifying Institution, and that shall remain in effect for at least ninety (90) days after the end of the Term.

“Losses” means the then current Utah loss factor calculated as the five year average of annual line losses in Utah. As of the Effective Date the loss factor is the average of annual loss percentages for 2014 through 2018, which is 5.71%.

“Moody’s” means Moody’s Investors Services, Inc.

“MW” means megawatt.

“MWh” means megawatt hour.

“Net Renewable Supply Charge” means an amount in \$/kWh representing the incremental cost to Company of Customer Renewable Resources, calculated for each Customer Renewable Resource and specified in a Renewable Resource Appendix in accordance with the following formula:

(a) – (b), where:

(a) = Cost of Renewable Supply (\$/kWh); and

(b) = Resource Avoided Cost (\$/kWh);

Provided that the Net Renewable Supply Charge may not be less than zero (0), unless otherwise approved by the Commission.

“New Resource True-Up” means a dollar amount used to reconcile actual and projected costs and usage for all Customer Renewable Resources for the True-Up Period associated with the addition of each new Customer Renewable Resource, determined by Company as of each New Resource True-Up Date and calculated in accordance with the following formula:

((a) – (b)) + (c), where:

(a) = Net Renewable Supply Charge (\$) x Actual Output (kWh);

(b) = Renewable Supply Rate (\$) x Consumed Energy (kWh); and

(c) = True-Up Balance (\$), if any.

For the avoidance of doubt, a New Resource True-Up will not include an Excess Renewable Supply Adjustment.

“New Resource True-Up Date” means a date at the end of a Billing Period as close as practicable to the date on which Renewable Supply from a new Customer Renewable Resource is first expected to be available for sale to Company and delivery to Customer.

“Normal Tariff Rate” means the monthly customer service charge, facilities charge, power charge, energy charge, voltage discount, and power factor adjustment, as applicable, as specified in the Applicable Electric Service Schedule for each of Customer’s Enrolled Meters, but not the EBA Surcharge or the Other Schedule 80 Surcharges.

“Other Schedule 80 Surcharges” means the surcharges or surcredits summarized in Company’s Utah electric service schedule 80, or a successor schedule as approved by the Commission and in effect from time to time, other than the EBA Surcharge.

“Party” and “Parties” have the meanings set forth in the Preamble.

“Person” means any individual, corporation, company, voluntary association, partnership, incorporated organization, trust, limited liability company, or any other entity or organization, including any governmental authority.

“Power” means electric power expressed in kilowatts.

“Power Factor” means the percentage determined by dividing Customer’s average kilowatt-hours (real power) by Customer’s average kilovolt-ampere hours (apparent power) in any given month.

“Power Quality Standards” means Company’s currently effective and applicable power quality standards contained in the Company’s Engineering Handbook as specified at <https://www.rockymountainpower.net/con/pqs.html>. The Power Quality Standards may be amended from time to time by Company.

“Proceeds” has the meaning set forth in Exhibit F.

“Qualifying Institution” means a United States commercial bank or trust company organized under the laws of the United States of America or a political subdivision thereof having assets of at least \$10,000,000,000 (net of reserves) and a credit rating on its long-term senior unsecured debt of at least “A” from S&P and “A2” from Moody’s.

“Qualified Entity” means an entity with a senior, unsecured long term debt rating (or corporate rating if such debt rating is unavailable) of (a) BBB+ or greater from S&P, or (b) Baa1 or greater from Moody’s; provided that if (a) or (b) is not available, an equivalent rating as determined by PacifiCorp through an internal process review and utilizing a proprietary credit scoring model developed in conjunction with a third party.

“Records” has the meaning set forth in Article XIII.

“Renewable Energy Certificate” or “REC” means a document evidencing all Environmental Attributes and Green Tags from one megawatt-hour of electricity generation from a renewable energy generating unit registered with WREGIS or a certificate imported from a compatible registry and tracking system and converted to a WREGIS certificate.

“Renewable Percentage” means a percentage representing the amount of Consumed Energy provided by Customer Renewable Resources to all Enrolled Meters for each True-Up Period, determined by Company with each Annual True-Up and calculated in accordance with the following formula:

(a) ÷ (b), where:

(a) = Actual Output (kWh); and

(b) = Consumed Energy (kWh).

Provided, that the Renewable Percentage for the first True-Up Period beginning when Renewable Supply from any Customer Renewable Resource is sold to Company for delivery to Customer hereunder shall be specified in the Renewable Resource Appendix for such Customer Renewable Resource.

“Renewable Resource Appendix” means an agreement between Company and Customer to be attached as an Appendix hereto to specify the terms and conditions applicable to acquiring a Customer Renewable Resource on behalf of the Customer, substantially in the form of Exhibit D.

“Renewable Supply” means all Energy and Green Tags produced or created by each Customer Renewable Resource pursuant to each Facility Contract.

“Renewable Supply Rate” means a \$/kWh adjustment to be applied to all Consumed Energy during the next True-Up Period to reconcile actual and projected costs and usage for all Customer Renewable Resources for the prior True-Up Period, determined by Company for each New Resource True-Up and Annual True-Up and calculated in accordance with the following formula:

$$((a^{n1}) \times (b^{n1})) + ((a^{n2}) \times (b^{n2})) + ((a^{n3}) \times (b^{n3})) \dots = \text{“Total Estimated Cost”}$$

(Total Estimated Cost) ÷ (c), where:

(a^{n+x}) = Net Renewable Supply Charge (\$/kWh) for each successive Customer Renewable Resource

(b^{n+x}) = Estimated Output (kWh) for each successive Customer Renewable Resource; and

(c) = Customer Load Estimate (kWh).

“Representatives” has the meaning set forth at Section 15.3.

“Resource Avoided Cost” means an amount in \$/kWh based on the Company’s Utah Electric Service Schedule 38 applicable as of the date of determination equivalent to the levelized avoided cost purchase price that would be payable to the owner of a Qualifying Facility (as defined in such Schedule 38) with a size, location and fuel source comparable to that of the relevant Customer Renewable Resource (e.g., tracking solar, wind).

“Retail Point of Delivery” means a point at which Firm Power and Energy is delivered by Company to Customer. Customer’s Retail Points of Delivery may be changed from time to time with the consent of both Parties.

“S&P” means Standard & Poor's Rating Group (a division of S&P Global, Inc.).

“Schedule 34 means Company’s Utah electric service schedule 34, or a successor schedule, as approved by the Commission and in effect from time to time.

“Schedule 37 Avoided Cost” means an amount in \$/kWh based on the Company’s Utah electric service schedule 37, applicable as of the date of determination, equivalent to the avoided cost purchase price that would be payable to the owner of a Qualifying Facility (as defined in such schedule 37) with a fuel source comparable to that of the relevant Customer Renewable Resource (e.g., tracking solar, wind).

“Term” of this Agreement has the meaning set forth in Section 2.1.

“Total Cost of Renewable Supply” means a dollar amount representing the output-weighted average Cost of Renewable Supply for all Customer Renewable Resources over any relevant period.

“Transfer Value” has the meaning set forth in Exhibit F.

“True-Up Balance” means a dollar amount to be worked off during subsequent True-Up Periods to reconcile actual and projected costs and usage for all Customer Renewable Resources for the prior True-Up Period, determined by Company for each New Resource True-Up and Annual True-Up and calculated in accordance with the following formula:

$$(a) - ((b) \times (c)), \text{ where}$$

(a) = New Resource True-Up (\$) or Annual True-Up (\$), as relevant, for the most recent

- True-Up Period;
- (b) = True-Up Rate (\$/kWh); and
- (c) = Consumed Energy (kWh).

“True-Up Rate” means a \$/kWh adjustment to be applied to all Consumed Energy during the next True-Up Period to work off the Annual True-Up or New Resource True-Up, as applicable, for prior True-Up Periods, determined by Company for each New Resource True-Up and Annual True-Up and calculated in accordance with the following formula:

(a) ÷ (b), where:

- (a) = New Resource True-Up (\$) or Annual True-Up (\$), as applicable; and
- (b) = Customer Load Estimate (kWh).

“True-Up Date” means every April 1 during the Term.

“True-Up Period” means a period of up to 12 consecutive Billing Periods beginning on the day that Renewable Supply is first sold to Company for delivery to Customer hereunder for the first True-Up Period, and on the day after the end of the most recent True-Up Period thereafter, and ending on the True-Up Date or the New Resource True-Up Date, as applicable.

“WREGIS” means the Western Renewable Energy Generation Information System or any successor renewable energy tracking and reporting system.

Section 1.2 Interpretation. Unless the context plainly indicates otherwise, words importing the singular number shall be deemed to include the plural number and the masculine includes the feminine and neuter (and vice versa); terms such as “hereof”, “herein”, “hereunder” and other similar compounds of the word “here” mean and refer to the entire Agreement rather than any particular part of the same. The words “includes” and “including” shall be deemed to mean “including, without limitation” or the correlative meaning. All references to any agreement, laws, rules and regulations are references to such agreement, laws, rules or regulations as amended, supplemented or modified from time to time in accordance with its terms or applicable law. All references to a particular entity shall include a reference to such entity’s successors and permitted assigns. The headings of divisions, items or other parts of this Agreement are for convenience of reference only and do not define, limit, construe or otherwise affect the contents thereof. Certain other definitions, as required, appear in the following parts of this Agreement.

ARTICLE II TERM; CONDITIONS PRECEDENT

Section 2.1 Term. The term of this Agreement shall begin on the Effective Date and shall continue for so long as the Company has a financial obligation arising from a Customer Renewable Resource acquired for Customer under this Agreement pursuant to a Facility Contract (“Term”). Provided, however, that the Parties may extend the Term by mutual written agreement, as approved by the Commission.

Section 2.2 Conditions Precedent. Approval of the terms and conditions contained in this Agreement by the Commission is a condition precedent to either Party’s obligation to perform under this Agreement.

ARTICLE III

SERVICE TO BE FURNISHED

Section 3.1 Scope of Service. Subject to the terms and conditions set forth below, and at the rates and charges provided below, Company agrees to supply to Customer and Customer agrees to accept and pay for, Firm Power and Energy, including Renewable Supply, at each Enrolled Meter in amounts required by Customer, as more specifically provided herein and as specified in a Renewable Resource Appendix. Customer shall execute a Renewable Resource Appendix in connection with the Company's execution of a definitive agreement for each Customer Renewable Resource. Customer may, from time to time, request that the Company procure a Customer Renewable Resource to be incorporated into the provision of service by the Company to the Customer under the terms set forth herein.

Section 3.2 Delivery of Renewable Supply. Company shall acquire Renewable Supply from each Customer Renewable Resource under the terms and conditions specified herein and in the applicable Facility Contract, and shall sell and deliver the same to Customer as specified herein and in the then-current Delivery Schedule to the Enrolled Meters.

Section 3.3 Commencement of Deliveries. The Company shall make initial deliveries of Renewable Supply to Customer as soon as Company begins receiving Renewable Supply from a Customer Renewable Resource under a Facility Contract.

Section 3.4 Enrolled Meter List. At least three (3) months prior to the initial date on which Renewable Supply from any Customer Renewable Resource is expected to be available for sale to Company for delivery to Customer hereunder, Customer shall provide Company with a list of all of the Enrolled Meters that will receive Renewable Supply ("Enrolled Meter List") in a form generally consistent with Exhibit C. Thereafter, Customer may amend the Enrolled Meter List in the 30 days up to and including each True-Up Date by delivering to Company a revised Enrolled Meter List, and such revised Enrolled Meter List will be used to calculate the Excess Renewable Supply Adjustment for the True-Up Period ending on that True-Up Date.

Section 3.5 No Resale of Power. Customer shall not resell any Power and Energy delivered under this Agreement to any other Person; provided that use of electric power or energy by a tenant pursuant to the terms of Electrical Service Regulation No. 4, shall not constitute a resale of power hereunder. Aggregation of multiple metered delivery locations by Customer shall not be considered the resale of energy under this Agreement.

ARTICLE IV PROCUREMENT OF CUSTOMER RENEWABLE RESOURCE

Section 4.1 Customer Procurement Request. Customer may, from time to time, direct that the Company procure a Customer Renewable Resource on its behalf by giving written notice to Company. Customer may also identify a Customer Renewable Resource to supply renewable energy to the Customer, but the identified Customer Renewable Resource must contract directly with the Company prior to becoming a Customer Renewable Resource as defined by this Agreement. The Customer Renewable Resource must meet all of the requirements for renewable resources in accordance with Utah Code § 54-17-601 and Schedule 34.

Section 4.2 Terms of Procurement. As needed from time to time when a Customer Renewable Resource is sought, the Parties shall establish in writing the terms and conditions under which the Company is requested to procure such resource, including but not limited to:

- (a) the type(s) of resource being sought (e.g., solar, wind, geothermal, etc.);
- (b) the desired size in MW or MWh;
- (c) if the desire is for one or multiple resources;
- (d) the percentage of Renewable Supply from the resource to be acquired that Customer expects to utilize in the event the procurement anticipates a Facility Contract for supply to multiple entities;
- (e) the identities and expected percentages of Renewable Supply of other customers expected to participate the resource;
- (f) acceptable location(s) for the resource;
- (g) the desired online date; and
- (h) whether the Company is asked to issue and administer a request for proposal.

Section 4.3 Company's Obligation to Procure Customer Renewable Resource.

(a) Upon Customer's written direction under Section 4.1, Company and Customer will identify and evaluate potential Customer Renewable Resources. Company and Customer will work collaboratively and in good faith using commercially reasonable efforts to complete the following actions after the Customer's written direction under Section 4.1. The time periods set forth below may be revised by mutual agreement of the Parties:

(i) within sixty (60) days, identify and establish the terms of procuring a Customer Renewable Resource in accordance with Section 4.2;

(ii) within ninety (90) days, develop a request for proposals or other appropriate process for selecting a Customer Renewable Resource, which time period will be extended as necessary to accommodate any required Commission approval of the solicitation process; and

(iii) within one hundred and eighty (180) days (unless delayed by the Commission or the Facility Owner other than the Company, in which case the time for performance shall be extended on a day-for-day basis), enter into and complete negotiations to procure the Customer Renewable Resource and submit applications for any regulatory approvals required for the procurement, on terms reasonably acceptable to the Customer and Company.

(b) In the event Customer identifies a potential Customer Renewable Resource on its own, Customer shall provide Company a detailed term sheet or proposed definitive agreement with a Facility Owner. Company shall review such term sheet or agreement and provide a detailed explanation of any unacceptable terms or other concerns with the proposed material terms and conditions within fifteen (15) Business Days following receipt, and thereafter work with Customer and the Facility Owner in a good-faith attempt to address and mitigate such unacceptable terms and concerns.

(c) The Customer, or at Customer's direction, the Facility Owner, shall pay all internal and external costs, if any, reasonably incurred by Company and directly related to the Company's acquisition of the Customer Renewable Resource. Upon receipt of Customer's notice under Section 4.1, Company shall provide Customer with a good faith estimate of Company's costs for Customer's approval prior to Company commencing work to acquire the Customer Renewable Resource. The Company shall seek prior authorization from Customer prior to incurring any costs for which the Company intends to seek reimbursement from Customer.

- (d) Each Facility Contract entered into by Company shall:
 - (i) Indicate that Renewable Supply purchased by Company thereunder is intended to be utilized by Customer to the extent of the Customer Renewable Resource;

- (ii) State that Customer is an intended beneficiary of such Facility Contract;
- (iii) Include liquidated damages for failure to deliver Renewable Supply that includes a Green Tags Price Component;
- (iv) Require the Facility Owner to grant Green Tag Reporting Rights to Company that are comparable to or greater than those granted to Customer in this Agreement; and
- (v) Require Facility Owner to comply with all requirements and execute all documents and instruments reasonably requested by Customer in order to document and effect the transfer of Green Tags to or on behalf of Customer through WREGIS.

(e) Material Terms and Conditions of Facility Contract. Prior to entering into any proposed Facility Contract, the Company shall secure Customer's advance written consent to all material terms and conditions of the same. The Company shall not require any terms or conditions in a Facility Contract that (i) cannot reasonably be considered market terms or conditions in the renewable energy industry, (ii) unreasonably impair the ability to finance the Customer Renewable Resource, or (iii) address or mitigate risks otherwise addressed or mitigated by Customer pursuant to Section 4.3(b) or assumed by Customer. Company is not obligated to enter into a Facility Contract with any Facility Owner if the proposed agreement includes any terms unacceptable to the Company or if entering into such agreement raises other concerns for the Company, each only to the extent it is reasonably expected to materially adversely affect the Company. If a proposed Facility Contract is, to the Company's reasonable satisfaction, acceptable, then Company shall enter into a definitive Facility Contract with the Facility Owner. If the Company has identified unacceptable terms or other concerns that Company has determined are reasonably likely to have a materially adverse effect on it; (i) it shall provide Customer prompt notice detailing the unacceptable terms or other concerns, and (ii) if Customer is able, to the Company's reasonable satisfaction, to mitigate the effects of such unacceptable terms or other concerns, then Company shall enter into a definitive Facility Contract after the mitigation proposed by Customer is agreed to in writing by the Parties.

Section 4.4 No Liability for Performance of Customer Renewable Resource. The Company shall not be liable to the Customer for any partial or total failure to perform by a Facility Owner of a Customer Renewable Resource, nor shall the Company be obligated to locate or secure a replacement Customer Renewable Resource.

Section 4.5 Enforcement of Contract and Remittance of Damages. The Company shall use commercially reasonable efforts to enforce the terms of each Facility Contract, consistent with the Company's enforcement of the terms of other contracts between Company and renewable energy providers. All amounts collected by Company for any output shortfall, delay damages, liquidated damages or other damages from the Facility Owner of a Customer Renewable Resource in excess of Company's quantifiable costs and damages shall promptly be remitted to Customer, except to the extent provided otherwise in the relevant Renewable Resource Appendix.

Section 4.6 Cost of Renewable Supply. The Customer shall be responsible for all costs incurred by Company under the Facility Contract for a Customer Renewable Resource, excluding any costs incurred by the Company to the extent caused by the Company's failure to comply with the terms of any such contract ("Cost of Renewable Supply"). The Cost of Renewable Supply shall be specified in each Renewable Resource Contract and the associated Renewable Resource Appendix.

Section 4.7 Ownership and Transfer of Environmental Attributes. As described herein and in a Renewable Resource Appendix, Customer is purchasing and Company shall transfer to Customer all Green Tags associated with Renewable Supply actually generated during a Billing Period from Customer Renewable Resources within ninety (90) days after Customer has paid Company's invoice

for such Renewable Supply. Company shall transfer all Renewable Energy Certificates acquired to Customer's WREGIS account in accordance with applicable WREGIS rules and requirements. Upon written request by Customer, Company shall retain the Renewable Energy Certificates in the Company's WREGIS account and retire them on Customer's behalf. Customer, or at Customer's direction, the Facility Owner, shall pay all costs incurred by Company in transferring the Renewable Energy Certificate(s) to Customer and/or retiring them on Customer's behalf.

ARTICLE V
SERVICE RATES AND CHARGES

Section 5.1 Rates for Power and Energy Delivered to Customer. Beginning with the Billing Period in which Renewable Supply from any Customer Renewable Resource is first sold to Company for delivery to Customer hereunder, the charges for all Power, Energy and Renewable Supply delivered to each of Customer's Enrolled Meters and all Green Tags acquired on behalf of Customer under this Agreement shall be made up of the following components, as applicable:

- (a) Normal Tariff Rates – applied to all kW and kWh delivered by Company to each Enrolled Meter;
- (b) Renewable Supply Rate – applied to all kWh delivered by Company to each Enrolled Meter;
- (c) True-Up Rate – applied to all kWh delivered after the first True-Up Date to each Enrolled Meter;
- (d) Administrative Fees of \$_____ - single charge applied to one customer invoice each month;
- (e) Applicable EBA Surcharge – applied to all kW and kWh charges at each Enrolled Meter;
- (f) Unbundled REC Charges, if any – single charge applied to one customer invoice each month;
- (g) Other Schedule 80 Surcharges – applied to each Enrolled Meter; and
- (h) Other charges, fees, exemptions and credits associated with Firm Power and Energy and Renewable Supply delivered by Company to Customer to each Enrolled Meter hereunder, as determined by the Commission from time to time, including possible future carbon taxes, charges or exemptions.

Section 5.2 Final True-Up. At the of the term of the last active Customer Renewable Resource, PacifiCorp will calculate a final Annual True-Up and apply that amount proportionally to each Enrolled Meter based on the total usage over the final True-Up Period at each Enrolled Meter, which amount shall be billed in twelve equal installments in Billing Periods following the final Annual True-Up.

Section 5.3 REC Procurement. The Customer may direct the Company to acquire unbundled RECs on behalf of the Customer by providing written notice to the Company. If so directed, Company will acquire Renewable Energy Certificates on a least-cost basis. Company shall transfer all Renewable Energy Certificates acquired to Customer's WREGIS account in accordance with applicable WREGIS rules and requirements. Upon written request by Customer, Company shall retain the Renewable Energy Certificates in the Company's WREGIS account and retire them on Customer's behalf. Any cost associated with the acquisition of the Renewable Energy Certificates will be direct assigned to the Customer.

ARTICLE VI
BILLING & PAYMENT

Section 6.1 Calculation of the Total Amount Due. The total amount due from Customer to Company each month shall be calculated using the applicable components outlined in Section 5.1 for the previous Billing Period.

Section 6.2 Billing Statements. Company will present Customer with an aggregated bill that contains all applicable rates, charges, taxes and fees under this Agreement, and Customer shall make a single monthly payment to Company². All billing statements for service under this Agreement shall show the amount due for the type and quantity of power and energy delivered and all the associated charges. Each bill shall be transmitted to Customer both electronically and by U.S. Mail.

Section 6.3 Payments. All bills shall be paid within thirty (30) days of receipt by Customer. Customer may make payments by check, EDI or wire transfer to an account designated by Company. The Customer account number must be included with each payment. If Customer disputes any portion of Customer's bill, Customer shall give prompt notice to Company of and the basis for the dispute and shall pay the undisputed portion. Each of the Parties agrees to work in good faith to promptly rectify any disputed amounts. Late payments and any disputed amounts determined to be due to Company shall bear interest at the rate then specified by the Commission or, if no rate is specified, at the then-effective prime rate as specified in The Wall Street Journal.

Section 6.4 No Duplication. Customer shall not be liable under this Agreement to make any payment of amounts due (or for which Customer has paid in advance) if and to the extent that Company has otherwise actually received payment for such amounts under any insurance policy, contract, agreement or otherwise.

Section 6.5 Credit Requirements. Unless Customer is a Qualified Entity, upon request by Company, or as specified in a Renewable Resource Appendix, Customer shall deliver to Company either a Guaranty from a Qualified Entity or a Letter of Credit in an amount reasonably determined by Company, to secure the payment and performance when due of Customer's obligations related to a Customer Renewable Resource, including but not limited to its obligations under Section 10.3. A guaranty shall be in a form reasonably acceptable to Company and shall be issued by a Qualified Entity that wholly owns or controls Customer, directly or indirectly.

Section 6.6 Adequate Assurances. If Customer has failed to make a timely payment hereunder, and PacifiCorp has reasonable grounds for insecurity regarding the performance of any obligation of Customer hereunder (whether or not then due), PacifiCorp may demand Adequate Assurances of Performance. "Adequate Assurances of Performance" means a sufficient deposit or other security in the form, amount, and for the term reasonably acceptable to PacifiCorp, including, but not limited to, cash, a standby irrevocable Letter of Credit, a prepayment, an asset, a performance bond, or a Guaranty from a Qualified Entity other than Customer, and taking into consideration any security already held by Company. Such Adequate Assurances of Performance shall be provided within [ten]³ [five]⁴ business days after a written demand is made by PacifiCorp.

ARTICLE VII
[Reserved]

ARTICLE VIII
OPERATIONAL CONSTRAINTS

² PAC NTD – this section may need to be customized for each customer's situation

³ For public entities.

⁴ For private entities.

Section 8.1 Applicable Requirements. Customer shall comply with all Electric Service Regulations, and all applicable Electric Service Schedules and Regulations.

Section 8.2 Conflict with Interconnection Agreement. To the extent terms and conditions in this Agreement conflict with terms and conditions of any interconnection agreement between Customer and PacifiCorp, the terms of the interconnection agreements shall control.

ARTICLE IX REPRESENTATIONS AND WARRANTIES

Section 9.1 Mutual Representations and Warranties. On the Effective Date, each Party represents, warrants and covenants to the other Party that:

(a) It is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;

(b) Except for the approval of the Commission, it has, or to its knowledge expects to timely acquire, all regulatory authorizations necessary for it to legally perform its obligations under this Agreement;

(c) The execution, delivery and performance of this Agreement are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it;

(d) This Agreement constitutes a legally valid and binding obligation enforceable against it in accordance with its terms, subject to any equitable defenses;

(e) There is not pending, or to its knowledge, threatened against it or any of its Affiliates, any legal proceedings that could materially adversely affect its ability to perform under this Agreement;

(f) It is acting for its own account and its decision to enter into this Agreement is based upon its own judgment, not in reliance upon the advice or recommendations of the other Party, and it is capable of assessing the merits of and understanding, and understands and accepts the terms, conditions and risks of this Agreement; and

(g) It has not relied upon any promises, representations, statements or information of any kind whatsoever that are not contained in this Agreement in deciding to enter into this Agreement.

ARTICLE X TERMINATION

Section 10.1 Termination. This Agreement may be terminated by Customer on sixty (60) days' written notice to Company, or as otherwise permitted under this Article, subject to payment of an Early Termination Payment pursuant to Section 10.3. If this Agreement is terminated for any reason in this Article, service to Customer at each Enrolled Meter shall be in accordance with the Company's Commission-approved Applicable Rate Schedule.

Section 10.2 Material Adverse Conditions. If any subsequent change in the law applicable to this Agreement contains any condition or otherwise modifies the provisions of this Agreement in a

manner that is materially adverse to either Party, the Party adversely impacted by the condition or modification may terminate this Agreement by providing the other Party notice within ninety (90) days of the entry of the effective date of the change in law; provided, however, that the other Party may avoid termination under this provision by electing in its sole discretion to make the adversely impacted Party whole.

Section 10.3 Early Termination. If, after the satisfaction of the condition precedent in Section 2.2, this Agreement is terminated or caused to be terminated for any reason other than the fault of Company before the end of the Term, then Customer shall pay to Company the Early Termination Payment as determined by the methodology set forth in Exhibit F. Customer shall pay Company the Early Termination Payment in full within thirty (30) days after Customer receives notice from Company of the amount of the Early Termination Payment. In the event the Early Termination Payment is due from Company to Customer, then Company shall pay the Early Termination Payment over the remaining life of the obligation to the Customer Renewable Resource as those revenues are realized by Company.

ARTICLE XI FORCE MAJEURE

Neither Party shall be under obligation or subject to any liability or damages for any act or event that delays or prevents Company or Customer from timely performing its obligations under this Agreement or from complying with this Agreement if such act or event is beyond the reasonable control of, and could not have been prevented or mitigated with the exercise of reasonable due diligence by, the Party relying thereon as justification for such delay, nonperformance or noncompliance (such act or event, a “Force Majeure”). Force Majeure includes without limitation, (a) an act of God or the elements, explosion, fire, epidemic, landslide, mudslide, sabotage, lightning, earthquake, flood or similar cataclysmic event, an act of public enemy, war, terrorism, blockade, civil insurrection, riot, civil disturbance, boycott, strike or other labor difficulty caused or suffered by third parties beyond the reasonable control of Customer or Company (whether such cause is similar or dissimilar to the foregoing or is foreseen, unforeseen, or foreseeable), (b) the operation and effect of any law, rule, regulation, or other acts of governmental authorities, whether federal, state or local, not initiated or supported by the Party claiming the event of Force Majeure, or (c) failure, breakdown of or damage to the Company’s or third-party’s facilities (not including a Customer Renewable Resource). Force Majeure does not include changes in economic or market conditions that affect the cost of fuel or fuel transportation, the cost of transmission, the demand for products manufactured by Customer, the price of energy, or that otherwise render this Agreement uneconomic or unprofitable for a Party. Should an event of Force Majeure occur, and (1) Customer claims Force Majeure, then Customer shall have no liability for service until service is restored, except for any minimum monthly payments or termination charges designed to cover special facilities extension costs, or (2) the Company claims Force Majeure, then Customer shall have no liability for service until service is restored. The Party claiming Force Majeure shall make commercially reasonable efforts to remedy the cause thereof. Time periods for performance obligations of Parties herein shall be extended for the period during which Force Majeure was in effect. Notwithstanding this Article XI, Company’s obligations to provide electric service under this Agreement shall be governed by the section of Electric Service Regulation No. 4, entitled “Continuity of Service.”

ARTICLE XII LIABILITY

Subject to the limitations of liability contained herein and in Company’s Electric Service Regulations, each Party will defend and indemnify and hold harmless the other Party from and

against any liability, damage, loss, costs and expenses, including, but not limited to, employees, occurring on or occasioned by facilities owned or controlled by such Party, to the extent such injury or damage resulted from the negligence or willful misconduct of such Party.

ARTICLE XIII RECORDS: AUDIT

Company shall create and keep accurate accounts of calculations, costs, expenses and liabilities substantiating amounts due from Customer to Company under this Agreement, including accounts of Company costs under contracts entered into with Facility Owners (“Records”). Company shall maintain the Records in a format sufficient to allow verification that same are complete, accurate, and up-to-date. Company shall keep and maintain the Records for a period of at least five (5) years after the respective records are created, and Customer may inspect and audit those records during normal business hours upon reasonable advance notice and with as little impact to Company’s business as reasonably possible. At Customer’s request, Company shall use commercially reasonable efforts to obtain similar records from its counterparties under any contracts entered into with Facility Owners. The Parties shall bear their respective costs of such audits and inspections.

ARTICLE XIV ASSIGNMENT

Section 14.1 Assignment by Customer. Customer may not assign all or any portion of its rights and obligations under this Agreement without Company’s consent, which shall not be unreasonably withheld, conditioned or delayed. Any assignment is subject to (1) such successor’s qualification as a customer under Company’s policies and the Electric Service Regulations, and (2) the written agreement of such successor to be bound by this Agreement and the Electric Service Regulations and to assume the obligation of Customer from the date of assignment. If Company consents to any such sale, assignment, lease or transfer, Customer shall remain liable for any liabilities and obligation under this Agreement and the Electric Service Regulations through the date of assignment. Commission approval shall not be required for any assignment by Customer as permitted hereunder

Section 14.2 Assignment by Company. Company may at any time assign its rights and delegate its obligations under this Agreement, in whole or in part, including, without limitation, transferring its rights and obligations under this Agreement to any: (i) Affiliate; (ii) successor in interest, or (iii) corporation or any other business entity in conjunction with a merger, consolidation or other business reorganization to which Company is a party, upon approval of the same by the Commission.

ARTICLE XV INFORMATION

Section 15.1 Furnishing Information. Upon Company’s request, Customer shall submit its year-end financial statements to Company, certified to be true and correct and in accordance with Generally Accepted Accounting Principles or Government Auditing Standards, as applicable; provided that public filings by Customer shall be deemed to satisfy this requirement. Company will keep non-public financial information confidential.

Section 15.2 Accuracy of Information. Each Party represents that all information it has furnished or will furnish to the other Party in connection with this Agreement will be accurate and complete in all material respects. Each Party also represents that it has not omitted and will not knowingly omit any fact in connection with the information to be furnished under this Agreement, which materially

and adversely affects the business, operations, property or condition of the Customer or the obligations of the other Party under this Agreement.

Section 15.3 Confidentiality.

(a) [Subject to Section 20.3]⁵ Except as expressly provided in this Agreement or as agreed in writing by the other Party, each receiving Party will (a) keep strictly confidential and take reasonable precautions to protect against the disclosure of (i) the terms and conditions and other facts with respect to this Agreement and (ii) all Confidential Information, and (b) not knowingly use Confidential Information for any purposes other than performing its obligations under this Agreement; provided, a Party may disclose facts, terms and conditions referred to in clause (a) above and Confidential Information to those of its or its Affiliates' directors, officers, members, employees, representatives, agents, consultants, attorneys or auditors (collectively, "Representatives") who need to know such information for the purposes of performing the receiving Party's obligations under this Agreement if, prior to being told of such matters or being given access to Confidential Information, such Representatives are informed of the confidentiality thereof and the requirements of this Agreement and are directed to comply with the requirements of this Agreement. Each Party will be responsible for any breach of this Agreement by its Representatives.

(b) Either Party may disclose the substance or terms of this Agreement as required by law, order, rule or regulation of any duly constituted governmental body or official authority having jurisdiction, subject to the condition that the disclosing Party give prompt notice to the other Party, so that a protective order or other protective arrangements may be sought by such other Party.

Section 15.4 Publicity.

(a) No announcement or press release regarding the arrangement contemplated under this Agreement, including the existence hereof, shall be made by the Company without the prior written approval of the Customer. In addition, without obtaining the Customer's prior written consent, Company shall not, and shall cause its agents not to, engage in advertising, promotion or publicity containing non-public information concerning this Agreement, or make public use of the Customer's name, trade names, trademarks, service marks, insignias, symbols, logos or any other product, service or organization designation, or specifications or drawings.

(b) Company shall not infringe upon Customer's Green Tag Reporting Rights. Among other things, Company shall not to claim any renewable energy credits or certificates, Environmental Attributes, or other "renewable energy," "green energy," "clean energy" or similar attributes of the Renewable Supply as belonging to Company.

(c) Other than as required for utility regulatory purposes or by law, order, rule or regulation of any duly constituted governmental body or official authority having jurisdiction, Customer shall have the exclusive, unilateral right to determine the timing of any press release and initial public disclosure with respect to the execution of this Agreement and any Customer Renewable Resource. The Parties must mutually agree upon the content of any press release or other initial public disclosure with respect to the existence or execution of this Agreement or any Customer Renewable Resource, or the terms, conditions or other content herein or therein. No Party will unreasonably withhold, delay or condition its consent and agreement to the content of such press releases or public disclosures.

(d) Other than as required for utility regulatory purposes or by law, order, rule or regulation of any duly constituted governmental body or official authority having jurisdiction,

⁵ For public entities

Customer shall have the exclusive, unilateral right to determine the timing of any press release and initial public disclosure with respect to the execution of this Agreement and any Customer Renewable Resource. The Parties must mutually agree upon the content of any press release or other initial public disclosure with respect to the existence or execution of this Agreement or any Customer Renewable Resource, or the terms, conditions or other content herein or therein. Neither Party will unreasonably withhold, delay or condition its consent and agreement to the content of such press releases or public disclosures.

ARTICLE XVI
DISPUTE RESOLUTION

Section 16.1 Administrative Remedies. Alternative Dispute Resolution. In the event of a dispute arising under this Agreement regarding any matter for which the Commission has jurisdiction, the Party seeking a claim of breach shall first exhaust its administrative remedies in accordance with the Commission’s administrative rules. In the event of any other dispute arising under this Agreement, for which the Commission does not have jurisdiction, the Parties shall first attempt to resolve the matter through direct negotiation between the representatives of the Parties. If the representatives are unable to resolve the issue within a reasonable period of time after presentation of the dispute, then the Parties agree to participate in non-binding mediation in good faith, using a mediator mutually agreeable to the Parties, prior to engaging in any arbitration or court proceeding or other legal action in connection with such dispute. The costs of mediation, including the costs of the mediator, if any, shall be shared equally between the Parties.

Section 16.2 Governing Law; Jurisdiction; Venue. All provisions of this Agreement and the rights and obligations of the Parties shall in all cases be governed by and construed in accordance with the laws of the state of Utah applicable to contracts executed in and to be wholly performed in Utah by Persons domiciled in the state of Utah. Subject to the provisions of Section 16.1, each Party agrees that any dispute relating to this Agreement, the Electric Service Regulations or the transactions contemplated hereby or thereby shall be brought before the Federal courts located within the state of Utah, or state courts of the state of Utah, and each Party consents to the exclusive jurisdiction of such fora (and of the appellate courts therefrom) in any such suit, action or proceeding. Furthermore, each Party waives, to the extent permitted by law, any objection which it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such forum or that any such suit, action or proceeding which is brought in any such forum has been brought in any inconvenient forum. If for any reason service of process cannot be found in the state of Utah, process in any such suit, action or proceeding may be served on a Party anywhere in the world, whether within or without the jurisdiction of any such forum.

Section 16.3 Waiver of Jury Trial. To the fullest extent permitted by law, each of the Parties hereto waives any right it may have to a trial by jury in respect of any litigation directly or indirectly arising out of, under or in connection with this Agreement. Each Party further waives any right to consolidate any action in which a jury trial has been waived with any other action in which a jury trial cannot be or has not been waived.

ARTICLE XVII
DEFAULT; REMEDIES; WAIVER

Subject to the provisions of Article XVI, either Party may exercise any or all of its rights and remedies under this Agreement, the applicable Electric Service Regulations and under any applicable laws, rules and regulations. Company’s liability for any action arising out of its activities relating to this Agreement or Company’s electric utility service shall be as specified by applicable Utah laws or regulations. Under no circumstances shall either party be liable for any special,

indirect, incidental, consequential, punitive, or exemplary damages. No provision of this Agreement or the Electric Service Regulations shall be deemed to have been waived unless such waiver is in writing signed by the waiving Party. No failure by any Party to insist upon the strict performance of any provision of this Agreement or the Electric Service Regulations or to exercise any right or remedy consequent upon a breach thereof, shall constitute a waiver of any such breach of such provision or of any other provision. No waiver of any provision of this Agreement or the Electric Service Regulations shall be deemed a waiver of any other provision of this Agreement or the Electric Service Regulations or a waiver of such provision with respect to any subsequent breach, unless expressly provided in writing.

ARTICLE XVIII
COMMUNICATIONS AND NOTICE

Any notice require or desired to be given hereunder by one Party to the other Party shall be sent by hand-delivery, by courier service, electronic mail or by registered or certified mail, return receipt requested, to the other Party at the address set forth below:

If to Company:

To PacifiCorp:

PacifiCorp
825 NE Multnomah, Suite 600
Portland, Oregon 97232- 2315
Attn: Sr. Vice President, Commercial & Trading
Telefacsimile (503) 813-6260
E-mail: _____

With a copy to:

PacifiCorp
825 NE Multnomah, Suite 600
Portland, Oregon 97232- 2315
Attn: Manager, Marketing & Trading
Contracts, C&T
Telefacsimile (503) 813-6291
E-mail: cntadmin@pacificorp.com

with copies to:

PacifiCorp Energy Legal Department
825 NE Multnomah, Suite 600
Portland, Oregon 97232- 2315
Attn: Assistant General Counsel
Telefacsimile (503) 813-6761
E-mail: _____

and termination notices to PacifiCorp:

PacifiCorp
1407 West North Temple, Suite 320
Salt Lake City, Utah 84116
Attn: President
E-mail: _____

and to:

PacifiCorp
1407 West North Temple, Suite 320
Salt Lake City, Utah 84116
Attn: General Counsel
E-mail: _____

If to Customer:

With a copy to:

With a copy to:

ARTICLE XIX REGULATORY APPROVAL; INTENT

Section 19.1 No Modification Request. This Agreement is subject to approval by the Commission as a condition precedent to performance. Both Parties agree that, during the term of this Agreement, they will not petition the Commission for or otherwise seek or support provisions in any order of the Commission that would cancel, terminate or modify the specific provisions of this Agreement or prejudice the other Party in the performance of this Agreement in any way without the prior written consent of the other Party.

Section 19.2 Regulatory Approval. If the Commission order approving this Agreement includes any condition that is materially adverse to either Party, the Party adversely impacted by the condition may terminate this Agreement by providing the other Party written notice within thirty (30) days of the entry of the Commission order, in which case the Parties will negotiate in good faith in an effort to reach agreement on revisions or an amendment to this Agreement with mutually acceptable rates, terms and conditions for service to Customer, which amendment or revised agreement shall be subject to Commission approval.

ARTICLE XX MISCELLANEOUS

Section 20.1 Sole Purpose Agreement. This Agreement and the rates and provisions contained herein are based upon the specific load, operating and cost characteristics of the Customer, and on specific Utah laws, and are thus applicable only to the Customer.

Section 20.2 Jurisdiction of Regulatory Authorities. Company's currently applicable and effective Electric Service Regulations are incorporated herein and by reference made a part hereof. Customer

acknowledges that it is familiar with the Electric Service Regulations and agrees to abide by them and all applicable amendments and changes thereto as approved by the Commission.

Section 20.3 [Customer as a Governmental Entity of the State of Utah. Company acknowledges that Customer is a political subdivision and a governmental entity of the State of Utah covered by the Governmental Immunity Act of Utah, Utah Code Ann., Section 63G-7-101 et seq., as amended (the “Act”), nothing in this Agreement shall be construed as a waiver by Customer of any protections, rights, remedies, or defenses applicable to Customer under the Act, including without limitation, the provisions of Section 63G-7-604 regarding limitation of judgments, or other applicable law. It is not the intent of Customer to incur by contract any liability for the operations, acts, or omissions of Company or any third party and nothing in this Agreement shall be so interpreted or construed. Without limiting the generality of the foregoing, and notwithstanding any provisions to the contrary in this Agreement, the obligations of Customer in this Agreement to defend, indemnify, and hold harmless are subject to the Act, are limited to the amounts established in Section 63G-7-604 of the Act, and are further limited only to claims that arise directly and solely from the negligent acts or omissions of Customer. If Customer carries insurance through the State Risk Manager of the State of Utah up to the limits required by the State Risk Manager of the State of Utah and under applicable law, nothing in this Agreement shall require Customer to carry different or additional insurance, any obligations of Customer contained in this Agreement to name a party as additional insured shall be limited to naming such party as additional insured with respect to the Customer’s negligent acts or omissions, and no rights of subrogation are waived by Customer. Company acknowledges that: a governmental entity is subject to the Utah Government Records Access and Management Act, Utah Code Ann., Section 63G-2-101 et seq., as amended (“GRAMA”); that certain records within the possession or control of a governmental entity may be subject to public disclosure; and that confidentiality obligations of a governmental entity in this Agreement shall be subject in all respects to compliance with GRAMA. Pursuant to Section 63G-2-309 of GRAMA, any confidential information provided to a governmental entity that Company believes should be protected from disclosure must be accompanied by a written claim of confidentiality and a concise statement of reasons supporting such claim. Non-specific statements of confidentiality (such as, but not limited to, designating or marking a document confidential or proprietary in a cover letter, header, footer or watermark) are insufficient to claim confidentiality under GRAMA. Amounts paid or received by a governmental entity are generally not protected from disclosure under GRAMA. Notwithstanding any provision in this Agreement, Customer may disclose any information or records (including any Confidential Information) to the extent required by GRAMA or as otherwise required by law, provided Customer takes reasonable steps to give Company sufficient prior notice to contest such disclosure. In the event of any conflict between the provisions of this Section and any other section of this Agreement, the provisions of this Section shall prevail.]⁶

Section 20.4 Integration; Amendment. All effective electric service agreements previously or hereafter entered into by Company and Customer with respect to all Enrolled Meters shall remain in full force and effect, except to the extent inconsistent with or superseded by this Agreement. All terms and conditions with respect to Renewable Supply under this Agreement are merged into this Agreement, and no previous or contemporary representation or agreement made by any officer, agent or employee of Company or Customer relating to Renewable Supply shall be binding upon either Party unless contained herein. Except as otherwise expressly provided, this Agreement may be modified only by a subsequent written amendment or agreement executed by both Parties.

Section 20.5 Conflicts with Electric Service Agreements. To the extent terms and conditions in this Agreement conflict with terms and conditions of any other electric service agreements between Customer and PacifiCorp, the terms of this Agreement shall control.

⁶ For public entities only

Section 20.6 Survival. The provisions of this Agreement that by their nature are intended to survive the termination, cancellation, completion, or expiration of this Agreement shall continue as a valid and enforceable obligation of the Party notwithstanding any such termination, cancellation, completion, or expiration.

Section 20.7 Good Faith Efforts. Company and Customer each agree that each Party shall, in good faith, take all reasonable actions necessary to permit each Party to fulfill its obligations under this Agreement. Where the consent, agreement or approval of either Party must be obtained hereunder, such consent, agreement or approval shall not be unreasonably withheld, conditioned or delayed. Where either Party is required or permitted to act or omit to act based on its opinion or judgment, such opinion or judgment shall not be unreasonably exercised.

Section 20.8 Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original, but all such counterparts will together constitute but one and the same instrument. Company and Customer may retain a duplicate copy of this Agreement, which will be considered an equivalent to this original.

Section 20.9 Independent Contractor Relationship. The Parties intend that an independent relationship will be created by this Agreement. No agent, employee, or representative of the Company shall be deemed to be an employee, agent, or representative of the Customer for any purpose, and the employees of the Company are not entitled to any of the benefits the Customer provides for its employees. No agent, employee, or representative of the Customer shall be deemed to be an employee, agent, or representative of the Company for any purpose, and the employees of the Customer are not entitled to any of the benefits the Company provides for its employees. Each Party will be solely and entirely responsible for its acts and for the acts of its agents, employees, subcontractors or representatives during the performance of this Agreement.

Section 20.10 Severability. If, for any reason, any part, term, or provision of this Agreement is held by a court of competent jurisdiction to be illegal, void or unenforceable, and the removal of such term does not change the relative benefits or liabilities between the Parties, then the validity of the remaining provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if the Agreement did not contain the particular provision held to be invalid. However, to the extent that any part, term, or provision of this Agreement is held by a court of competent jurisdiction to be illegal, void or unenforceable, and the removal of such term would change the relative benefits and liabilities between the Parties, then the Parties shall negotiate in good faith to attempt to draft an amendment to this Agreement that preserves or restores the relative benefits and liabilities as they existed between the Parties at the time the Agreement was executed.

[Execution Page Follows]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by persons duly authorized as of the date first set forth above.

CUSTOMER:

By: _____

Name: _____

Title: _____

COMPANY:

ROCKY MOUNTAIN POWER

By: _____

Name: _____

Title: _____

EXHIBIT B

[FORM OF GUARANTY]

EXHIBIT C

[FORM OF LETTER OF CREDIT]

EXHIBIT D

[FORM OF RENEWABLE RESOURCE APPENDIX]

This Renewable Resource Appendix confirms the terms of the agreement made between Rocky Mountain Power, an unincorporated division of PacifiCorp, an Oregon corporation (“Rocky Mountain Power” or the “Company”), and _____, a _____ (“Customer”) as of the effective date referenced below concerning the acquisition of the Customer Renewable Resource pursuant to a Facility Contract as referenced below.

This Renewable Resource Appendix supplements, forms a part of, and is subject to, the terms of the Renewable Energy Service Contract, dated as of _____, 2019, between Company and Customer (as modified from time to time, the “Renewable Energy Service Contract” or “RESC”). This Renewable Resource Appendix shall constitute a “Renewable Resource Appendix” within the meaning of the Renewable Energy Service Contract. In the event of any inconsistency between a provision of the Renewable Energy Service Contract and a provision of this Renewable Resource Appendix, the provision of this Renewable Resource Appendix shall control for purposes of acquiring the Customer Renewable Resource referenced below. Capitalized terms used in this Renewable Resource Appendix and not otherwise defined will have the respective meanings assigned in the Renewable Energy Service Contract. The terms of this Renewable Resource Appendix are as follows:

Facility Contract:	[Name of Facility Contract -PPA]
Effective date of Facility Contract:	[DATE]
Seller/Facility Owner:	[TBD]
Buyer:	Company
Resource Type:	[Wind, Solar, Geothermal, etc.]
Facility Name:	[TBD] (“Facility”)
Facility Size:	[●] MW AC
Customer’s Share of kWh and Green Tags:	[●] % [Estimated [____] MWh during first 12 months]
Product:	Renewable Energy and Green Tags
Expected COD:	[SCOD DATE]
Latest COD	[GCOD DATE]
Termination Date	[DATE]
Options	[Describe]
Price after COD:	\$\$[●] per MWh
Test Energy Price:	\$\$[●] per MWh

Point of Delivery:	[TBD]
Estimated Annual Production:	See Attachment 1
Scheduling and Curtailment Provisions:	[TBD]
Net Renewable Supply Charge:	[\$●] per MWh
System Facilities Capital Charge:	[\$●] per MWh
Timing and Performance Guarantees Provided by Seller and Associated Damages:	[TBD]
Credit Support:	[TBD]
Facility Contract Rights, Notices, Events of Default, Remedies, Termination	<p>[TBD]</p> <p>[Edit/Adapt depending upon circumstances]</p> <ol style="list-style-type: none"> 1. The Company shall use commercially reasonable efforts to enforce the terms of the Facility Contract for the benefit of Customer in a manner consistent with the Company's enforcement of the terms of other contracts between Company and other renewable energy providers. 2. Company shall use commercially reasonable efforts to collect or draw upon security for any damages owed by Facility Owner, including the Green Tags Price Component for any of Customer's share of Green Tags that are not delivered to Company by Facility, and shall pay 100% of the collected amount to Customer within 30 days of receipt, net of any internal and external costs, if any, reasonably incurred by Company. 3. As soon as practicable, but in any event within seven (7) days of receipt, Company shall provide Customer with copies of any notice or information received by it or delivered to it under the Facility Contract regarding any of the following:; final completion (Section ____); damages (Sections ____); non-compensable curtailment (Section ____); Green Tags (Section ____); compensable curtailment (Section ____)

	<p>____; litigation (Section ____); security and credit support (Sections ____); invoices (Section ____); disputes (Section ____); transfer, assignment or change of control (Sections ____), default (Section ____), termination (Sections ____); force majeure (Section ____); and [others].</p> <p>4. As soon as practicable, but in any event within seven (7) days of its receipt of a request from Customer, Company shall (a) deliver to Customer any reports, records or other information received from Seller under the Facility Contract, or (b) request from Seller and deliver to Customer any documents or information that Company has a right to receive or request under the Facility Contract. Seller shall compensate Company for any incremental costs incurred by Company under the Facility Contract as a result of such requests by all Customers, prorated among requesting Customers.</p> <p>5. So long as the RESC remains in effect, without the advance written consent of Customer Company shall not do any of the following with respect to the Facility, the Facility Contract or the Facility Owner: consent to any transfer or assignment of the Facility Contract or the membership interests in Facility Owner, enter into a lender's consent or estoppel certificate, extend the Guaranteed Commercial Operation Date, terminate the Facility Contract, consent to any amendment or material modification to the Facility Contract, release any security, or agree to a material modification of the equipment comprising the Facility as of the Effective Date</p> <p>6. Customer may, in its sole discretion, elect to cure any payment default by Company under the Facility Contract. So that Customer may exercise this right, Company shall give written notice to Customer as soon as practicable after Company receives notice of such a default, but in no case later than the end of the cure period applicable to such default.</p> <p>7. [Others, to be Negotiated]</p>
Green Tags:	<p>Company's monthly statement to Customer under the RESC will include the number of Green Tags generated during the Billing Period, including Green Tags associated with Test Energy prior to the Commercial Operation Date. Within ninety (90) days after Customer has paid Company's monthly statement relating to such Billing Period, or within the thirty (30) days following any Green Tags being made available in the WREGIS system, whichever is later, Company shall transfer to Customer WREGIS Certificates for all Green Tags associated with Customer's share of Green Tags from the Facility relating to such Billing Period. Company shall transfer all such Green Tags to Customer's WREGIS account in accordance with instructions from Customer and applicable WREGIS rules and requirements, as the same may be amended from time to time. Upon written request by Customer, Company shall retain the Green Tags in the Company's WREGIS account and retire them on Customer's behalf. Customer</p>

	shall pay all costs incurred by Company in transferring Green Tags to Customer and/or retiring them on Customer's behalf.
Green Tag Price Component:	\$_____ per Green Tag (as stated in the Facility Contract).
Early Termination Payment	If the Customer no longer requires the supply provided by this Customer Renewable Resource, Customer may elect to terminate this Renewable Resource Appendix, subject to payment of the associated Contract Value, less any applicable Proceeds and Transfer Value, as those terms are defined in Exhibit [X] to the Renewable Energy Service Contract.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Renewable Resource Appendix on the respective dates specified below with effect as of the date set forth above.

ROCKY MOUNTAIN POWER

By: _____
Name:
Title:
Date:

By: _____
Name:
Title:
Date:

Attachment 1
TO RENEWABLE RESOURCE APPENDIX

Estimated Annual Production and Cost of Renewable Supply

Year	Estimated Annual Production (MWh)	Cost of Renewable Supply (\$/kWh)
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		

EXHIBIT E

[BILLING EXAMPLES]

EXHIBIT F

[CALCULATION OF EARLY TERMINATION PAYMENT]

The Early Termination Payment payable to one Party (the “Payee”) by the other Party (the “Payer”) shall be equal to the sum of the Contract Values less any Proceeds and Transfer Values, each as determined at the time of termination, for every Customer Renewable Resource then in effect (“Early Termination Payment”). If the resulting amount is a positive number, Customer shall pay the amount to Company. If the resulting amount is a negative number, Company shall pay the absolute value of the amount to Customer. For the avoidance of doubt, the Parties intend that the Early Termination Payment should make the Company whole in the event of early termination.

The Company will calculate in good faith the Early Termination Payment in a commercially reasonable manner and will provide to Customer a statement (1) showing, in reasonable detail, such calculations (including any quotations, market data or information from internal sources used in making such calculations), (2) specifying any Early Termination Payment payable and (3) giving details of the relevant account to which any amount payable to it is to be paid.

“**Contract Value**” means the following, as applicable: (1) If the Company elects not to terminate the Facility Contract or if the Facility Contract does not allow the Company to terminate it if this Agreement upon an early termination by the Customer, then the present values of the product, for each year (or portion thereof) in the then remaining term (determined without reference to the early termination), of (A) the quantity of Renewable Energy and Green Tags expected to be produced during such year (or portion thereof) from the Customer Renewable Resource times (B) the Total Cost of Renewable Supply for such energy and Green Tags for such year; or (2) If the Facility Contract gives the Company the right to terminate it upon an early termination of this Agreement by Customer and the Company elects to exercise that right, then the Customer’s share of the early termination payment that Company must pay to the Seller pursuant to the Facility Contract; or (3) If the Company is the Facility Owner, then the amount paid by Company to acquire ownership of a renewable energy facility that was the subject of a Renewable Energy Procurement. The present values of the monthly payments from their payment dates in the foregoing calculations shall be determined using a discount factor equal to the current yield for direct obligations of the United States Treasury with a maturity that is closest to, but not less than, the remaining Term of the Renewable Energy Service Contract.

“**Proceeds**” means payments and other benefits received by or credited to Company, including as a result of damages payments and insurance payments, in connection with the early termination of any power purchase agreement with the Facility Owner.

“**Transfer Value**” means: the Market Value of the Renewable Energy and Green Tags procured by Company under the power purchase agreement.

“**Market Value**” means the present values of the product, for each year (or portion thereof) in the then remaining term of the Facility Contract (determined without reference to the early termination of the Renewable Energy Service Contract), of (A) the quantity of Renewable Energy and Green Tags expected to be produced by the Customer Renewable Resource during such year (or portion thereof) times (B) the price at which Company, by its commercially reasonable efforts, is able to resell such Renewable Energy and Green Tags for such year. The present values of the monthly payments from their payment dates in the foregoing calculations shall be determined using a discount factor equal to the current yield for direct obligations of the United States Treasury with a maturity that is closest to, but not less than, the remaining Term of the Renewable Energy Service Contract.

Rocky Mountain Power
Exhibit RMP__ (KTM-2)
Docket No. 19-035-39
Witness: Kyle T. Moore

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF UTAH

ROCKY MOUNTAIN POWER

Exhibit Accompanying Direct Testimony of Kyle T. Moore

RESC Billing Formula

October 2019

Exhibit RMP___ (KTM-2)

RESC Billing Formula

Cost of Renewable Supply	\$0.0290	<i>a</i>
Resource Avoided Cost	\$0.0284	<i>b</i>
Net Renewable Supply Charge	\$0.0006	<i>c</i>
Schedule 37 Avoided Cost Adjusted for Losses	\$0.0141	<i>d</i>
Cost of Renewable Supply less Schedule 37 Avoided Cost	\$0.0149	<i>e (a - d)</i>

\$0.0290	<i>a</i>
\$0.0284	<i>b</i>
\$0.0006	<i>c</i>
\$0.0141	<i>d</i>
\$0.0149	<i>e (a - d)</i>

	<i>f</i>	<i>g</i>	<i>h</i>	<i>i</i>	<i>h - i</i> if <i>h > i</i> , then 0	<i>h * c</i>	<i>i * s</i>	<i>k - l</i>	<i>j * e</i>	<i>m+n+o-q</i> <i>o from the prior year</i>	<i>o / g</i>	<i>i + p</i>	<i>o - q</i> <i>o of prior year</i>	<i>(f * c + o) / g</i> <i>o of prior year</i>	<i>i * t</i>	
Defined Terms:	Estimated Output kWh	Customer Load Estimate kWh	Actual Output kWh	Consumed Energy kWh	Excess Renewable Supply kWh	Net Renewable Supply Charge x Actual Output	Renewable Supply Rate x Consumed Energy	Difference of Net Cost from Net Billed	Excess Renewable Supply Adjustment	Annual True- Up, or New Resource True-Up	True-Up Rate \$/kWh	True-Up Billed	True-Up Balance	Renewable Supply Rate \$/kWh	Total Rate \$/kWh	Total Charged
Explanation:	[Estimated annual output of all Customer Renewable Resources]	[Estimated Customer load at all Enrolled Meter]	[Measured output of all Customer Renewable Resources]	[Measured Customer energy usage at all Enrolled Meters]	[Excess of Actual Output over Consumed Energy]	[Renewable Supply Charge based on Actual Output]	[Renewable Supply Rate billed based on prior period projections]	[Under / (Over) Collected]	[Net Company Cost for Excess Renewable Supply]	[Prior-period \$ to be worked off next period]	[\$/kWh applied to next period's Custgmer Load Estimate to work off prior true- up]	[Prior period true-up \$ actually collected; True- Up Rate x Consumed	[Net remaining uncollected balance of [ropr true-up]	[\$/kWh Net Renewable Supply Charge applied to Customer Load Estimate]	[Total \$/kWh charge next period; Net Renewable Supply Charge + true-up]	[Total Net Renewable Supply Charge \$ colected in prior year]
Base Estimate	100,000															
True-Up Period 1	100,000	100,000	100,000	100,000	0	\$ 58	\$ 58	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.00058	\$ 0.00058	\$ 58
True-Up Period 2	99,600	100,000	95,000	90,000	5,000	\$ 55	\$ 52	\$ 3	\$ 74	\$ 77	\$ -	\$ -	\$ -	\$ 0.00058	\$ 0.00058	\$ 52
True-Up Period 3	99,202	100,000	95,000	95,000	0	\$ 55	\$ 55	\$ 0	\$ -	\$ 4	\$ 0.00077	\$ 74	\$ 3.87	\$ 0.00058	\$ 0.00135	\$ 128
True-Up Period 4	98,805	100,000	95,000	105,000	0	\$ 55	\$ 60	\$ (5)	\$ -	\$ (5)	\$ 0.00004	\$ 5	\$ (0.22)	\$ 0.00057	\$ 0.00062	\$ 65
True-Up Period 5	98,410	100,000	105,000	100,000	5,000	\$ 61	\$ 57	\$ 4	\$ 74	\$ 78	\$ (0.00005)	\$ (5)	\$ -	\$ 0.00057	\$ 0.00052	\$ 52
True-Up Period 6	98,016	100,000	105,000	95,000	10,000	\$ 61	\$ 54	\$ 7	\$ 149	\$ 159	\$ 0.00078	\$ 74	\$ 3.91	\$ 0.00057	\$ 0.00135	\$ 128
True-Up Period 7	97,624	100,000	105,000	105,000	0	\$ 61	\$ 59	\$ 1	\$ -	\$ (7)	\$ 0.00159	\$ 167	\$ (7.97)	\$ 0.00057	\$ 0.00216	\$ 227
True-Up Period 8	97,233	100,000	97,233	100,000	0	\$ 56	\$ 56	\$ -	\$ -	\$ 0	\$ (0.00007)	\$ (7)	\$ -	\$ 0.00056	\$ 0.00050	\$ 50
True-Up Period 9	96,844	100,000	96,844	95,000	1,844	\$ 56	\$ 53	\$ 3	\$ 27	\$ 30	\$ 0.00000	\$ 0	\$ 0.00	\$ 0.00056	\$ 0.00056	\$ 53
True-Up Period 10	96,457	96,457	96,457	100,000	0	\$ 56	\$ 58	\$ (2)	\$ -	\$ (3)	\$ 0.00031	\$ 31	\$ (1.11)	\$ 0.00058	\$ 0.00089	\$ 89
True-Up Period 11	96,071	96,071	110,000	120,000	0	\$ 64	\$ 70	\$ (6)	\$ -	\$ (5)	\$ (0.00003)	\$ (4)	\$ 0.79	\$ 0.00058	\$ 0.00055	\$ 66
True-Up Period 12	95,687	150,000	110,000	150,000	0	\$ 64	\$ 55	\$ 8	\$ -	\$ 8	\$ (0.00003)	\$ (5)	\$ -	\$ 0.00037	\$ 0.00034	\$ 50
True-Up Period 13 ¹	95,304	150,000	50,000	75,000	0	\$ 29	\$ 28	\$ 1	\$ -	\$ 6	\$ 0.00006	\$ 4	\$ 4.15	\$ 0.00037	\$ 0.00042	\$ 32
Mid-Year True-up ²	75,000	75,000	74,750	74,450		\$ 43	\$ 43	\$ 0	\$ -	\$ 0	\$ 0.00007	\$ 5	\$ 0.04	\$ 0.00058	\$ 0.00065	\$ 49
True-Up Period 14 ³	149,703	150,000	74,451	74,500	251	\$ 43	\$ 43	\$ 0	\$ 4	\$ 4	\$ 0.00000	\$ 0	\$ 0.11	\$ 0.00058	\$ 0.00058	\$ 43
True-Up Period 15	149,104	148,000	74,153	148,000	0	\$ 43	\$ 86	\$ (43)	\$ -	\$ (43)	\$ 0.00003	\$ 4	\$ -	\$ 0.00058	\$ 0.00061	\$ 90
True-Up Period 16		100,000		100,000	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (0.00043)	\$ (43)	\$ -	\$ -	\$ (0.00043)	\$ (43)
Totals					22,095	\$ 861	\$ 889	\$ (28)	\$ 328	\$ 304	\$	\$ 300	\$ 3.57		\$	\$ 1,189

CERTIFICATE OF SERVICE

Docket No. 19-035-39

I hereby certify that on October 16th, 2019, a true and correct copy of the foregoing was served by electronic mail to the following:

Utah Office of Consumer Services

Cheryl Murray cmurray@utah.gov

Michele Beck mbeck@utah.gov

Division of Public Utilities

dpudatarequest@utah.gov

Assistant Attorney General

Patricia Schmid pschmid@agutah.gov

Justin Jetter jjetter@agutah.gov

Robert Moore rmoore@agutah.gov

Steven Snarr stevensnarr@agutah.gov

Rocky Mountain Power

Data Request Response Center datarequest@pacificorp.com

Yvonne Hogle yvonne.hogle@pacificorp.com

Jana Saba jana.saba@pacificorp.com;
utahdockets@pacificorp.com

Jacob McDermott jacob.mcdermott@pacificorp.com



Mary Penfield
Adviser, Regulatory Operations