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- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

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Application of Rocky)
Mountain Power for Approval)
of an Amendment of a Power)
Purchase Agreement between)
PacifiCorp and Tesoro)
Refining & Marketing)
Company LLC)
) DOCKET NO. 22-035-52
-----)

Public Hearing
Taken Via Google Meets on Thursday, January 5, 2023
At 10:31 a.m. MT

Reported by: Brooke Simms, RPR, CCR, CSR

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A P P E A R A N C E S

The Public Service Commission:
Presiding Officer Michael Hammer

For Division of Public Utilities:

Patrick Grecu
Patricia Schmid
UTAH ATTORNEY GENERAL'S OFFICE

For Rocky Mountain Power:
Zachary Rogala
PACIFICORP

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1 P R O C E E D I N G S

2 -o0o-

3 PRESIDING OFFICER: We should all be here for
4 the noticed hearing in the matter of the application of
5 Rocky Mountain Power for Approval of an Amendment of a
6 Power Purchase Agreement between PacifiCorp and Tesoro
7 Refining & Marketing Company. That's Commission Docket
8 22-035-52. My name is Michael Hammer. I'm the
9 commission's designated presiding officer.

10 Let's go ahead and take appearances, please,
11 beginning with the Company.

12 MR. ROGALA: Good morning, Your Honor.
13 Zachary Rogala, R-o-g-a-l-a, counsel for Rocky Mountain
14 Power, and with me today we have Esteban Lara.

15 MR. LARA: Hi. Good morning. Can you all
16 hear me okay?

17 PRESIDING OFFICER: Yes.

18 MR. LARA: Great. Good morning.

19 PRESIDING OFFICER: And for the Division of
20 Public Utilities?

21 MR. GRECU: Morning. I'm Patrick Grecu,
22 G-r-e-c-u, and also appearing is Patricia Schmid with
23 the Attorney General's Office representing the Division
24 of Public Utilities.

25 PRESIDING OFFICER: Great. Welcome. Any

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1 other parties that would like to enter an appearance on
2 the record?

3 All right. We'll turn back to Mr. Rogala and
4 ask you to call your first witness, please.

5 MR. ROGALA: Thank you, Your Honor. I'd like
6 to call Mr. Lara as our sole and only Company witness
7 this morning.

8 PRESIDING OFFICER: Mr. Lara, do you swear to
9 tell the truth?

10 MR. LARA: Yes.

11 PRESIDING OFFICER: Thank you. Please
12 proceed.

13 MR. ROGALA: Thank you.

14 ESTEBAN LARA

15 was sworn and testified as follows:

16 EXAMINATION

17 BY MR. ROGALA:

18 Q. Mr. Lara, can you please spell your -- state
19 and spell your name for the record?

20 A. Yes. My name is Esteban Lara, E-s-t-e-b-a-n
21 L-a-r-a.

22 Q. Thank you. And who are you employed by, and
23 what's your business address?

24 A. I'm employed by Rocky Mountain Power. We're
25 located at 1407 West North Temple, Suite 310, Salt Lake

1 City, Utah 84116.

2 Q. And what do you do for the Company?

3 A. I am the business development and renewable
4 program director.

5 Q. And in that position, can you please describe
6 your relevant educational and professional experience?

7 A. Sure, yes. I have a bachelor's degree in
8 finance from the University of Utah, and I've held
9 various commercial positions within the energy industry
10 for over 13 years.

11 Q. And in this position with the Company, have
12 you had the opportunity to review Rocky Mountain
13 Power's applications and relevant exhibits in this
14 proceeding?

15 A. Yes. Yes, I have.

16 Q. And have you prepared a statement regarding
17 your review of those materials?

18 A. I have, yes.

19 Q. Please go ahead.

20 A. I present today, for Commission approval, the
21 third amendment to the Non-Firm Qualifying Facility
22 Power Purchase Agreement between Tesoro Refining &
23 Marketing Company and PacifiCorp. The original
24 agreement, which was approved by the Commission on
25 December 18, 2019, in Docket Number 19-035-38 had a

1 term of 12 months from January 2020 through
2 December 31, 2020.

3 The original agreement has been substantially
4 extended for two 12-month periods as approved by the
5 Commission in Docket Numbers 20-035-42 and 21-035-68.
6 The amendment provides for a 12-month extension of the
7 Non-Firm Qualifying Facility Power Purchase Agreement
8 for the sale of energy to PacifiCorp by Tesoro.

9 The energy, up to 25 megawatts, will be
10 generated by a gas fire cogeneration facility located
11 in Salt Lake City, Utah, owned and operated by Tesoro.
12 The purchase price for the 12-month existence period as
13 set forth in the amendment were calculated using the
14 methodology approved by the Commission in Docket Number
15 03-035-14. And per the terms of the 2020 protocol
16 approved by the Commission on April 15, 2020, in Docket
17 Number 19-035-42, cost of the Non-Firm Qualifying
18 Facility Power Purchase Agreement will be allocated in
19 accordance with Section 4.2.2 of the 2020 protocol.

20 The Company filed the amendment for approval
21 on November 10, 2022. In comments filed on December
22 13, 2022, the DPU stated their belief that the
23 amendment complies with the Commission's guidelines and
24 recommended approval. In their comments, the Division
25 stated their two original recommendations that the

1 Company continue to file the quarterly hourly purchase
2 power reports and future filings continue to include
3 grade outputs and Excel spreadsheets supporting the
4 price and line loss calculations.

5 In addition, the Company appreciates DPU's
6 efforts in evaluating Company's application and will
7 continue to make necessary changes to improve
8 timeliness of future amendment applications.

9 The Non-Firm Qualifying Facility Power
10 Purchasing Agreement is compliant with relevant
11 Commission orders and with Utah Schedule 38 and should
12 be found to be in the public interest. The Company
13 believes the amendment before the Commission for
14 approval has not had any issues raised by parties in
15 this docket and recommends the Commission approve the
16 agreement. This concludes my statement.

17 MR. ROGALA: Great. Thank you, Mr. Lara.

18 Your Honor, I'd now like to move for admission
19 of the Company's applications and accompanying
20 exhibits.

21 PRESIDING OFFICER: They're admitted.

22 MR. ROGALA: Thank you. With that said, we'd
23 like to tender Mr. Lara for cross-examination and any
24 questions from the hearing officer.

25 PRESIDING OFFICER: Mr. Grecu?

1 MR. GRECU: No questions.

2 PRESIDING OFFICER: And I have none. Thank
3 you, Mr. Lara.

4 MR. LARA: Thank you.

5 PRESIDING OFFICER: You have no other
6 witnesses; correct, Mr. Rogala?

7 MR. ROGALA: We do not.

8 PRESIDING OFFICER: All right. Then we'll
9 turn to Mr. Grecu.

10 MR. GRECU: The Division calls Mr. Jeff
11 Einfeldt. May he please be sworn?

12 PRESIDING OFFICER: Mr. Einfeldt, do you swear
13 to tell the truth?

14 MR. EINFELDT: Yes, I do.

15 JEFFREY SCOTT EINFELDT

16 was sworn and testified as follows:

17 EXAMINATION

18 BY MR. GRECU:

19 Q. Mr. Einfeldt, please state and spell your name
20 for the record.

21 A. My full name is Jeffrey Scott Einfeldt. It's
22 J-e-f-f-r-e-y S-c-o-t-t. My last name is Einfeldt,
23 E-i-n-f-e-l-d-t.

24 Q. Who are -- sorry.

25 A. I'm sorry. I'm employed by the Division of

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1 Public Utilities, and the address is 160 East 300
2 South, Salt Lake City, Utah.

3 Q. Have you participated in this docket on behalf
4 of the Division?

5 A. Yes, I have.

6 Q. Did you prepare and cause to be filed or
7 participate in the preparation and filing of the
8 Division's action request response filed on
9 December 13th, 2022, in this docket?

10 A. Yes.

11 Q. Do you have any changes or corrections to that
12 filing?

13 A. No.

14 Q. Do you adopt the contents of that action
15 request response as part of your testimony today?

16 A. Yes, I do.

17 MR. GRECU: The Division moves for the
18 admission of its action request response on -- written
19 on this docket that was filed with the Commission on
20 December 13th, 2022.

21 PRESIDING OFFICER: It's admitted.

22 Q. (BY MR. GRECU) Mr. Einfeldt, do you have a
23 summary to share today?

24 A. Yes, I do.

25 Q. Please proceed. Thanks.

1 A. Okay. Thank you, Mr. Hammer. The Division
2 recommends the Commission approve this third amendment
3 to the Non-Firm Power Purchase Agreement between
4 PacifiCorp and Tesoro Refining & Marketing Company
5 regarding its natural gas cogeneration facility
6 associated with its Salt Lake City refinery, the
7 subject of Docket Number 22-035-52.

8 The Division finds the current agreement as
9 similar to contracts in prior years and the amendments
10 from the two prior years. The agreement complies with
11 Commission guidelines established in prior orders. The
12 Division finds the proposed contract amendment to be
13 just, reasonable, and in the public interest. And this
14 concludes my comments.

15 MR. GRECU: The witness is now available for
16 cross-examination or any questions from the hearing
17 officer.

18 PRESIDING OFFICER: Mr. Rogala?

19 MR. ROGALA: No, Your Honor. No questions
20 from the Company.

21 PRESIDING OFFICER: And none from me. Thank
22 you, Mr. Einfeldt.

23 MR. EINFELDT: Thanks.

24 PRESIDING OFFICER: No other witnesses,
25 Mr. Grecu?

1 MR. GRECU: Nothing further. Thanks.

2 PRESIDING OFFICER: All right. Before we
3 adjourn, let me ask the Company -- obviously under an
4 ideal circumstance, we would have gotten to this before
5 the end of the calendar year, but is -- was -- is there
6 a particular parameter that the parties need an order
7 on this by? I mean, shorter than 30 days?

8 MR. ROGALA: You know, Your Honor, the Tesoro
9 docket is a little different from the Kennecott
10 dockets. We didn't ask for a approval of this one by
11 the end of the year. So we have a little bit more
12 leniency here. I'd assume 30 days is fine. If you
13 give me two seconds, I'm going to get a message here
14 and confirm that.

15 PRESIDING OFFICER: It is quite all right. I
16 just wondered if there was an exigent circumstance we
17 should be aware of.

18 MR. ROGALA: There is not, Your Honor.

19 PRESIDING OFFICER: All right. Is there
20 anything else before we adjourn?

21 MR. ROGALA: Nothing from me.

22 PRESIDING OFFICER: Thank you, everyone. Have
23 a wonderful afternoon. We're adjourned.

24 (Conclusion of hearing at 10:41 a.m. MT.)

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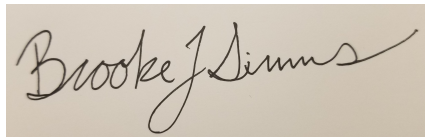
REPORTER'S CERTIFICATE

STATE OF UTAH)
)
COUNTY OF UTAH)

I, BROOKE SIMMS, a State Certified Court Reporter and Registered Professional Reporter, hereby certify:

THAT the foregoing proceedings were taken before me at the time and place set forth in the caption hereof; that the proceedings were taken down by me in shorthand and thereafter my notes were transcribed through computer-aided transcription; and the foregoing transcript constitutes a full, true, and accurate record of such oral proceedings had, and of the whole thereof.

I have subscribed my name on this 5th day of January, 2023.



Brooke Simms, RPR, CCR, CSR

[& - certificate]

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