



RECEIVED

2011 DEC 23 PM 3: 21

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

December 23, 2011

IDAHO PUBLIC
UTILITIES COMMISSION

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

Jean D. Jewell
Commission Secretary
Idaho Public Utilities Commission
472 W. Washington
Boise, ID 83702

Re: Case No. PAC-E-11-12
In the Matter of the Application of Rocky Mountain Power for Approval of Changes to its Electric Service Schedules and a Price Increase of \$32.7 Million, or Approximately 15.0 Percent

Dear Ms. Jewell:

Please find enclosed an original and seven copies of the executed Electric Service Agreement (ESA) between Rocky Mountain Power and Monsanto. The ESA has been updated to incorporate the curtailment values specified in paragraph 14 of the Stipulation.

If you have any questions regarding this filing, please contact Ted Weston, Idaho Regulatory Manager at (801) 220-2963.

Very truly yours,


Jeffrey K. Larsen
Vice President, Regulation

cc: Service List

CERTIFICATE OF SERVICE

I hereby certify that on this 23rd of December, 2011, I caused to be served, via e-mail and/or US mail, a true and correct copy of the foregoing document in PAC-E-11-12 to the following:

Eric L. Olsen
Racine, Olson, Nye, Budge & Bailey,
Chartered
201 E. Center
P.O. Box 1391
Pocatello, ID 83204-1391
E-Mail: elo@racinelaw.net

Randall C. Budge
Racine, Olson, Nye, Budge & Bailey,
Chartered
201 E. Center
P.O. Box 1391
Pocatello, ID 83204-1391
E-Mail: rcb@racinelaw.net

Tim Buller (E-mail Only)
Agrium, Inc./Nu-West Industries
3010 Conda Road
Soda Springs, ID 83276
E-Mail: tbuller@agrium.com

Brad Purdy
CAPAI
2019 N. 17th St.
Boise, ID. 83702
E-mail: bmpurdy@hotmail.com

Neil Price
Deputy Attorney General
Idaho Public Utilities Commission
472 W. Washington (83702)
PO Box 83720
Boise, ID 83720-0074
E-Mail: neil.price@puc.idaho.gov

Benjamin J. Otto
Idaho Conservation League
710 N. 6th St.
P.O. Box 844
Boise, Idaho 83702
E-mail: botto@idahoconservation.org

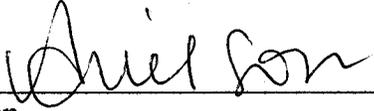
Anthony Yankel
29814 Lake Road
Bay Village, Ohio 44140
E-mail: tony@yankel.net

Brubaker & Associates
16690 Swingley Ridge Rd., #140
Chesterfield, MO 63017
E-Mail: bcollins@consultbai.com

James R. Smith (E-mail Only)
Monsanto Company
P.O. Box 816
Soda Springs, Idaho 83276
E-Mail: jim.r.smith@monsanto.com

Don Schoenbeck
RCS, Inc.
900 Washington St, Suite 780
Vancouver WA, 98660
E-Mail: dws@r-c-s-inc.com

Ronald L. Williams
Williams Bradbury, P.C.
1015 W. Hays St.
Boise ID, 83702
E-mail: ron@williamsbradbury.com



Ariel Son
Coordinator, Regulatory Operations

RECEIVED

2011 DEC 23 PM 3:28

IDAHO PUBLIC
UTILITIES COMMISSION

**ELECTRIC SERVICE AGREEMENT
BETWEEN
ROCKY MOUNTAIN POWER
AND
MONSANTO COMPANY**

THIS ELECTRIC SERVICE AGREEMENT ("Agreement"), effective as of January 1, 2012, by and between PacifiCorp, an Oregon corporation doing business as Rocky Mountain Power that provides electric service in the State of Idaho (hereinafter referred to as "Rocky Mountain Power"), and Monsanto Company, a Delaware corporation that owns and operates an elemental phosphorus plant at a site near Soda Springs City in Caribou County, Idaho (hereinafter referred to as "Monsanto"). Rocky Mountain Power and Monsanto are also referred to herein individually as a "Party" and jointly as "Parties."

WITNESSETH:

WHEREAS, Rocky Mountain Power is currently the provider of retail electric energy and power to Monsanto's elemental phosphorous production facilities located at Soda Springs, Idaho (the "Plant"), and

WHEREAS, PacifiCorp and Monsanto had previously entered into an Interim Electric Service Agreement dated June 1, 2011, which expires on December 31, 2011, and

WHEREAS, Monsanto desires to purchase electric power and electric energy requirements for the Plant under this Agreement, and

WHEREAS, Rocky Mountain Power desires to be the exclusive provider of all electric power and energy to Monsanto's Plant, and

NOW, THEREFORE, the Parties agree as follows:

Section 1: Definitions

As used in this Agreement, the following terms have the meanings specified. Definitions relating to Operating Reserves and System Integrity and Economic Curtailment are contained in Exhibits A and B, and are incorporated in this Agreement by reference.

1.1 **Billing Period** means the period of approximately thirty (30) days intervening between regular successive meter reading dates.

1.2 **Day** means calendar day, Pacific Prevailing Time.

1.3 **Demand** means the rate in kilowatts at which electric energy is delivered by Rocky Mountain Power to Monsanto averaged over a fifteen (15) minute period of time.

1.4 **Electric Service Regulations** means Rocky Mountain Power's currently effective electric service rules and regulations, on file with and approved by the Idaho Public Utilities Commission ("Commission"), as they may be amended or superseded from time to time with the approval of the Commission.

1.5 **Firm Power and Energy** means electric power expressed in kilowatts and associated energy expressed in kilowatt-hours intended to have assured availability to Monsanto to meet that portion of Monsanto's load requirements specified in this paragraph. In this Agreement, Firm Power shall be the total Measured Demand in any Billing Period less the Interruptible Power as measured at the Point of Delivery. Firm Energy during any Billing Period shall be the total energy, in kilowatt-hours, delivered to Monsanto in the Billing Period less the Interruptible Energy and less any Replacement Energy.

1.6 **Interruptible Power and Energy** means electric power expressed in kilowatts and associated energy expressed in kilowatt-hours made available to Monsanto to meet the portion of Monsanto's load requirements subject to interruption of delivery at Rocky Mountain Power's option as set forth in Exhibits A and B of this Agreement. Interruptible Power shall be the first 162 megawatts of Measured Demand in any Billing Period. Interruptible Energy delivered to Monsanto during any Billing Period shall be the amount of energy, in kilowatt-hours, delivered to Monsanto equal to the number of hours in the Billing Period multiplied by the Interruptible Power and less

any Replacement Energy.

1.7 Measured Demand means the Demand in kilowatts supplied by Rocky Mountain Power as shown by or computed from the readings of Rocky Mountain Power's power meter(s) representing Monsanto's greatest use during the Billing Period.

1.8 Monsanto Electrical Facilities means all facilities and equipment within Monsanto's 138 kV substation at its Plant except for Rocky Mountain Power's metering equipment, under-frequency relays, capacitors and any other equipment owned by Rocky Mountain Power and installed in Monsanto's substation under the terms and conditions of this Agreement or any other agreement.

1.9 Point of Delivery for all power and energy delivered to Monsanto means the termination of Rocky Mountain Power's two 138 kV transmission lines at Monsanto's substation located approximately eight miles from Rocky Mountain Power's Soda (Idaho) hydroelectric station in Caribou County, Idaho, or such other point(s) of metering as Rocky Mountain Power and Monsanto shall agree.

1.10 Prudent Electrical Practices means those practices, methods and equipment, as changed from time to time, that are commonly used in prudent electrical engineering and operations to operate electric equipment lawfully and with safety, dependability, efficiency and economy and that are in accordance with the IEEE Standards, the National Electrical Safety Code or the National Electric Code or any other applicable government code in effect during the term of this Agreement.

1.11 Replacement Energy Charge means the charge for Replacement Energy calculated in accordance with Section 4.1.3 of this Agreement.

1.12 Retail Customer means a Rocky Mountain Power customer who purchases electric power and energy for its own consumption (i.e., not for resale).

1.13 Termination Date means the hour ending 2400 on December 31 of the year established in paragraph 2.1.

1.14 Total Contract Demand means the specified Demand in kilowatts that Monsanto contracts with Rocky Mountain Power to supply and that Rocky Mountain Power agrees to have available for delivery to Monsanto. Monsanto may require the delivery of such amounts of Firm and Interruptible Power as Monsanto may require to meet Monsanto's load requirements up to, but not in excess of, the applicable Total

Contract Demand, which shall be 215,000 kW unless otherwise agreed in writing in accordance with the terms of this Agreement.

1.15 WECC means the Western Electricity Coordinating Council or a successor organization which assumes essentially the same functions as the Western Electricity Coordinating Council.

Section 2: Term; Reopeners

2.1 Term. The term of this Agreement shall be for a period commencing January 1, 2012, and ending on the hour ending 2400 on December 31, 2013 (the "Term"). After the Termination Date, Rocky Mountain Power shall continue to provide any electric service to Monsanto as specified in Idaho Electric Service Schedule No. 400 or its successor then in effect until such time as the Commission establishes or approves other terms and conditions and prices.

2.2 Reopeners and Price Adjustments. The charges specified in Section 4.1 of this Agreement shall be adjusted so that the charges equal the Commission-approved rates applicable to Monsanto, including, but not limited to, customer charges, demand charges, energy charges, surcharges, and credits, as specified in Idaho Electric Service Schedule No. 400 or its successor. Adjustments to the charges in Section 4.1 of this Agreement shall become effective on the effective date of any adjustment to Electric Service Schedule No. 400 resulting from any general rate case or other filing by Rocky Mountain Power; provided, however, that no adjustments to Electric Service Schedule No. 400 shall go into effect prior to January 1, 2014, except as provided in the Stipulation dated October 17, 2011 entered into between the parties for the purpose of settling Rocky Mountain Power Case No. PAC-E-11-12.

2.2.1 This Agreement may be reopened and modified by the Commission, upon application of either Rocky Mountain Power or Monsanto, in the following events: (i) direct access to wholesale electricity markets is implemented in the state of Idaho and available to Monsanto; or (ii) the WECC amends the quantity or requirements of either the contingency reserve or frequency response reserve component of Operating Reserves or otherwise modifies Operating Reserves requirements in a manner that

materially affects the availability or valuation of Operating Reserves under this Agreement.

2.2.2 Rocky Mountain Power may apply to the Commission for a modification of this Agreement if Rocky Mountain Power demonstrates that (i) Monsanto has shut down one or more of its furnaces for economic reasons for a period of 9 months or longer, excluding shut-downs for maintenance, repair or capital improvements, and (ii) PacifiCorp is materially financially harmed by reason of such reduction in furnace load, taking into account the price that could be obtained by Rocky Mountain Power in a market sale of the energy available from the reduced load, among other things. Rocky Mountain Power shall bear the burden of satisfying these conditions. The Commission shall determine whether these conditions have been satisfied and whether and in what respects this Agreement may be modified to address the change in Monsanto's furnace operations and the financial harm to Rocky Mountain Power.

Should Monsanto reduce its furnace operations from the existing 3-furnace level by one furnace or more for a period of 60 continuous days or more, Monsanto agrees to provide Rocky Mountain Power with regular status updates and reasonable advance notice before resuming the operation of such furnace or furnaces.

Section 3: Purchase and Sale of Power

3.1 **Scope of Deliveries.** Rocky Mountain Power shall deliver such amounts of power and energy to the Point of Delivery as Monsanto requires to meet its load requirements up to, but not in excess of, Total Contract Demand, subject to the provisions of Exhibits A and B. Subject to the interruption and curtailment provisions of Exhibits A and B. Rocky Mountain Power shall use its reasonable best efforts to supply Monsanto's Interruptible Power and Energy requirements.

3.2 **Delivery Voltage.** Rocky Mountain Power shall deliver power and energy at the Point of Delivery in the form of three-phase, alternating current at a nominal frequency of 60 cycles per second, and at a nominal voltage of 138,000 volts, in accordance with Prudent Electrical Practices. Except during temporary emergency conditions, Rocky Mountain Power shall maintain voltage within the limits of 5 percent

above and 5 percent below a normal operating voltage, such normal voltage to be established by Rocky Mountain Power from time to time upon reasonable notice to Monsanto, between the limits of 120,000 volts and 138,000 volts. Rocky Mountain Power reserves the right to modify the voltage standards in this Section to conform to changes in applicable ANSI standards.

3.3 Reactive Requirements. Monsanto shall control and limit the flow of reactive power between Rocky Mountain Power's and Monsanto's system so as to maintain a Power Factor in accordance with Section 4.1.4.

3.4 Phase Balance. Monsanto shall balance its loads among phases to the extent practicable. If the difference between maximum and minimum phase loads regularly or frequently exceeds 10 percent, based upon a defined place of measurement, Rocky Mountain Power may require that Measured Demands be determined on the basis of three times the load in the maximum phase.

3.5 Wave Form. In the design, selection, and operation of equipment using electric power, Monsanto shall observe due precautions to avoid distortion of wave form that, reacting through the system of Rocky Mountain Power, may result in interference to operation of telephone systems or in other injurious effects to Rocky Mountain Power's electrical system or other Retail Customers. If such adverse effects result at any time from distortion of wave form by causes originating in the Monsanto Electrical Facilities, Monsanto shall remediate such effects in accordance with Section 3.7 of this Agreement.

3.6 Cooperation in Operation.

3.6.1 Monsanto shall endeavor to supply Rocky Mountain Power in advance with information as to conditions affecting Monsanto's power load that may aid Rocky Mountain Power in load dispatching and in planning Rocky Mountain Power's power system operation, such as the probable times and durations of substantial daily load changes. Following an unexpected furnace outage, Monsanto shall notify Rocky Mountain Power's dispatcher as quickly as possible of the expected duration of such outage. Such estimates or advance information shall not be binding on either Party.

3.6.2 Rocky Mountain Power shall hold in reserve sufficient generating capacity to supply Monsanto's anticipated load requirements for a period not to exceed

thirty (30) minutes beyond Monsanto's estimated time of load increase. If Monsanto's load requirements have not begun to increase within such thirty (30) minute period, Rocky Mountain Power may sell or otherwise dispose of such reserve capacity as surplus energy until such time as Monsanto is ready to increase load. However, if such a sale is made, Monsanto may not increase load until such sale can be terminated or Rocky Mountain Power is able to obtain additional capacity through some other means. Such restriction to Monsanto's load shall not be accounted for as curtailment, but shall not extend more than one (1) hour beyond the time Monsanto is ready to increase load.

3.6.3 In order to administer the terms and conditions of this Agreement, Rocky Mountain Power and Monsanto shall each designate from time to time in writing their respective representatives for the purpose of giving and receiving informal communications required under this Agreement.

3.6.4 Rocky Mountain Power acknowledges that Monsanto's electric furnaces require shutdowns for maintenance and overhauling, and it is the intent of the Parties that such shutdowns and consequent reduction of power requirements be predetermined insofar as possible by agreement between the Parties. Except as otherwise provided in Exhibits B, Monsanto shall provide Rocky Mountain Power with notice of all planned shutdowns of the furnaces.

3.7 Remediation. In the event Monsanto's operations fail to comply with technical requirements of this Agreement or the Electric Service Regulations, or adversely affect the operation of Rocky Mountain Power's transmission or distribution system or other Rocky Mountain Power retail customers, Rocky Mountain Power will promptly give Monsanto written notice thereof. Within thirty (30) days after such notice a working team will be formed with members designated by each Party. The working team will then consult and meet as needed to identify and agree upon: (1) the nature and extent of the alleged problem or deficiency; (2) the cause and responsibility for the problem; (3) reasonable alternative solutions together with the costs and implementation time associated with each; and (4) a mutually acceptable remedial action plan. If the Parties fail to agree, either may petition the Commission to resolve any disputes, which determination shall be binding.

Any remedial action agreed upon by the Parties or determined by the Commission shall be promptly undertaken and pursued to completion. Should Monsanto fail to take corrective action within thirty (30) days after the established start date, Rocky Mountain Power may perform the necessary action and Monsanto shall reimburse Rocky Mountain Power the reasonable costs thereof.

Section 4: Payment for Power and Energy

4.1 Determination of Billing Amounts.

4.1.1 The following charges apply each Billing Period to all Firm Power and Energy delivered to Monsanto under this Agreement:

Charges effective January 1, 2012:

Firm Energy Charge:	28.515 mills per kilowatt hours of Firm Energy
Customer Charge:	\$1,465.00 per Billing Period
Firm Demand Charge:	\$14.70 per kW of Firm Power

Charges effective January 1, 2013:

Firm Energy Charge:	30.870 mills per kilowatt hours of Firm Energy
Customer Charge:	\$1,586.00 per Billing Period
Firm Demand Charge:	\$15.91 per kW of Firm Power

4.1.2 The following charges apply each Billing Period to all Interruptible Power and Energy delivered to Monsanto under this Agreement.

Charges effective January 1, 2012:

Interruptible Energy Charge:	28.515 mills per kilowatt hours of Interruptible Energy
Interruptible Demand Charge:	\$5.18 per kW of Interruptible Power, based on Firm Demand Charge of \$14.70 less Interruptible Credit of \$9.52.

Charges effective January 1, 2013:

Interruptible Energy Charge:	30.870 mills per kilowatt hours of Interruptible Energy
------------------------------	---

Interruptible Demand Charge: \$5.62 per kW of Interruptible Power, based on Firm Demand Charge of \$15.91 less Interruptible Credit of \$10.29

4.1.3 Replacement Energy Price: The following Replacement Energy Charges apply for each Economic Curtailment Hour in the Billing Period:

Adjusted Index Price multiplied by Replacement Energy.

Monthly Replacement Energy Charges shall equal the sum of hourly Replacement Energy Charges for the Billing Period. An example showing the calculation of the Adjusted Index Price for certain Economic Curtailment Hours under certain stated assumptions is set forth in Exhibit B.

4.1.4 Power Factor: The prices set forth in this Agreement are predicated upon the electric power supplied to Monsanto being taken at a nominal power factor of 0.95 or higher at all times, corresponding to a kilovar demand of 33 kilovars per 100 kW of Demand. Monsanto shall pay Rocky Mountain Power the following charges per month for each kilovar of Average Kilovar Demand in excess of 33 kilovars per 100 kW of Measured Demand:

Charge effective January 1, 2012: \$0.89 per month

Charge effective January 1, 2013: \$0.96 per month

Average Kilovar Demand shall be the average of the Daily Kilovar Demands for that Billing Period. Daily Kilovar Demand means, as to any day, the kilovar demand measured during the 15-minute interval corresponding to the 15-minute interval during which Monsanto's Measured Demand occurs for the Billing Period which includes that day.

4.1.5 Power and energy delivered under this Agreement shall be recorded by appropriate metering devices as installed and described in Section 7. All billing statements for power and energy shall show the amount due for the type and quantity of power and energy purchased and charged in accordance with this Agreement. Total charges for the Billing Period shall be the sum of the charges for Firm Power and Energy, Interruptible Power and Energy and Replacement Energy, and charges for power factor pursuant to section 4.1.4. The billing statement shall also

include details on all interruptions and curtailments for the Billing Period, including the following information:

- Type of interruption or curtailment
- Date
- Beginning and end time
- Duration
- Megawatts interrupted or curtailed by Monsanto
- Year-to-date total hours of each type of interruption or curtailment
- Replacement Energy purchased, Index Price and Adjusted Index Price

4.1.6 All payments to Rocky Mountain Power under this Agreement shall be delivered by wire transfer as follows within thirty (30) days of the date of the invoice.

4.2 Billing Disputes. In the event that all or a portion of Monsanto's bill, or of any other claim or adjustment arising hereunder, is disputed, Monsanto will pay the undisputed portion of the bill when due. At the time of the payment, Monsanto shall provide Rocky Mountain Power with a written explanation of any disputed portion withheld ("Monsanto Notice of Billing Dispute"). Monsanto and Rocky Mountain Power shall seek to make a determination on any disputed amount within sixty (60) days after issuance of Monsanto's Notice of Billing Dispute. If it is determined that the disputed portion is due Rocky Mountain Power, Monsanto shall pay such to Rocky Mountain Power within 15 days following such determination, together with interest from the date the bill was originally due at the rate then specified in the Electric Service Regulations or, if no rate is specified, the then effective prime rate as established by the Morgan Guaranty Trust Bank of New York.

4.3 Deposits. If at any time either Party becomes aware of information regarding the other Party which it believes will substantially impair the other Party's ability to perform its obligations under this Agreement, such Party may request assurances of performance in writing from the other Party. If such assurances are not satisfactory to the requesting Party, after consultation with the other Party, the requesting Party may petition the Commission for appropriate protections including but not limited to a financial deposit, guarantee or letter of credit.

Section 5. Interruptible or Curtailment Options

Monsanto agrees to provide Rocky Mountain Power with the following three interruptible or curtailment options in the amounts and in accordance with the terms and conditions of Exhibits A and B, Operating Reserves, and System Integrity and Economic Curtailment.

Section 6: Operations and Maintenance

6.1 **Licenses.** Monsanto hereby licenses to Rocky Mountain Power for its use in connection with this Agreement and during the term of this Agreement, reasonably sufficient space in Monsanto's 138 kV substation to be used solely by Rocky Mountain Power's metering equipment, static capacitors, not to exceed 30,000 kilovars, and associated facilities necessary or useful for Rocky Mountain Power's provision of electric service to Monsanto, consistent with Prudent Electrical Practices, which license shall include reasonable rights of ingress and egress necessary for Rocky Mountain Power's exercise of such license. In the exercise of this license and their rights, Rocky Mountain Power shall, acting consistent with Prudent Electrical Practices, not interfere with the operations of Monsanto, shall schedule and coordinate its activities to avoid such interference and shall abide by Monsanto safety requirements.

6.2 **Monsanto's 138 kV Substation.** Monsanto shall be responsible for the operation and maintenance of its own facilities and equipment within Monsanto's 138 kV substation. Any equipment supplied by Rocky Mountain Power shall remain the property of Rocky Mountain Power and shall be maintained by Rocky Mountain Power.

6.3 Operation of Monsanto Electrical Facilities.

6.3.1 In order to minimize the hazards to both Rocky Mountain Power's and Monsanto's electrical systems, protective devices, circuit breakers and other Monsanto Electrical Facilities interconnected with Rocky Mountain Power shall be operated by qualified Monsanto personnel only upon prior notification to, and receipt of permission from, Rocky Mountain Power's SCC Region Dispatcher, except as provided in Paragraph 6.4 hereof. Rocky Mountain Power's Dispatcher shall honor Monsanto's verbal requests for permission to operate Monsanto's protective devices and other Monsanto Electrical Facilities if such operation will not, in the opinion of Rocky Mountain

Power, impair such facilities and the reliable operation of Rocky Mountain Power's electrical system or impair service to other Retail Customers of Rocky Mountain Power; provided, that Monsanto may operate Monsanto's circuit breakers and other Monsanto Electrical Facilities without prior notification when Monsanto deems it necessary to protect persons or property at its Plant. In such event, Monsanto shall assume full and sole liability for injury or damages to persons or property at the Plant resulting from such operation of the circuit breakers or other Monsanto Electrical Facilities.

6.3.2 Monsanto currently provides potential and current transformers for use in connection with its own relaying and metering operations and Rocky Mountain Power may use such transformers to any reasonable extent for Rocky Mountain Power's metering, relaying, and communication requirements. Should Monsanto's potential and current transformers not meet Rocky Mountain Power's requirements, Monsanto shall install any potential and current transformers required by Rocky Mountain Power that are supplied by Rocky Mountain Power.

6.3.3 Rocky Mountain Power may operate the circuit breakers feeding Monsanto's interconnections to accommodate operation of Rocky Mountain Power's and Monsanto's systems in a manner consistent with Prudent Electrical Practices; provided, that, except as provided in Paragraph 6.4, Rocky Mountain Power shall notify Monsanto prior to operating such circuit breakers and shall keep Monsanto informed as to the operating status of such breakers.

6.3.4 Upon notice to Monsanto, Rocky Mountain Power shall have reasonable access to Monsanto's substation control building(s). Rocky Mountain Power personnel shall comply with all health, safety, and confidentiality rules, regulations and practices that Monsanto has provided to Rocky Mountain Power.

6.3.5 Any failure of the Monsanto Electrical Facilities to operate adequately or properly shall not subject Rocky Mountain Power to liability to Monsanto for any resulting loss or damages, or consequential damages of any kind, and Monsanto hereby releases Rocky Mountain Power from any such liability.

6.4 Emergency Conditions. In the event of an emergency resulting in danger to persons or property, or potential danger to Monsanto's and/or Rocky Mountain Power's systems, either Rocky Mountain Power or Monsanto may open their respective

circuit breakers without notice to the other Party. Whenever possible, the Parties shall notify the other Party prior to opening any such device, and notification shall be made as soon as possible after the device has been opened. When corrective actions have been completed, Rocky Mountain Power shall restore service upon receiving notice and being satisfied that all necessary corrections have been made.

6.5 Relays. Rocky Mountain Power may provide and install on Monsanto's relay panel under-frequency relays for the purpose of tripping Monsanto's power circuit breakers at such under-frequencies as may be specified by Rocky Mountain Power in accordance with Prudent Electrical Practices.

6.6 Maintenance of Monsanto Electrical Facilities.

6.6.1 Monsanto shall be solely responsible for the operation and maintenance of the Monsanto Electrical Facilities. Monsanto shall inspect the Monsanto Electrical Facilities on a regularly scheduled basis and maintain them in safe operating condition.

6.6.2 Rocky Mountain Power may, but is not required to, inspect the Monsanto Electrical Facilities during reasonable business hours and if, in the sole judgment of Rocky Mountain Power, the Monsanto Electrical Facilities are not maintained in safe operating condition, thereby creating a hazard to persons or property or to the operation of Rocky Mountain Power's system, Rocky Mountain Power shall notify Monsanto promptly stating the required maintenance, replacement, or repair necessary to put the Monsanto Electrical Facilities in safe operating condition and specifying a reasonable period in which to make repair. Such inspections shall be performed by a person or persons that have been certified as safety trained. Rocky Mountain Power will advise Monsanto of the names and titles of persons to be admitted to the Monsanto site. Monsanto shall make such or equivalent repairs, replacement or maintenance within a reasonable time. In the event specified corrective procedures are not completed as required by the notice, Rocky Mountain Power may, without further notice to Monsanto, discontinue service to Monsanto. In the event Rocky Mountain Power discontinues service under this Section, Rocky Mountain Power shall not be liable to Monsanto for any resulting loss or damage, including, but not limited to, lost profits or consequential damages of any kind, and Monsanto hereby releases Rocky

Mountain Power from any such liability. The provisions of this Section for the restoration of safe operating conditions are not subject to the remediation procedures of Section 3.7 of this Agreement.

Section 7: Metering

7.1 **Rocky Mountain Power Obligations.** Rocky Mountain Power shall provide, maintain, and test meters and metering equipment required for purposes of settlement hereunder, except any potential transformers and current transformers owned by Monsanto under Section 6.3.2. Meters, metering equipment and measurement shall be located at the Point of Delivery. Maintenance and periodic testing procedures with respect to meters and metering equipment shall be in accordance with generally accepted practices and the rules and standards established by the Commission. In addition to Rocky Mountain Power's periodic tests, special tests shall be made if requested by Monsanto, which special tests shall be conducted at the expense of Monsanto. Monsanto shall furnish without charge reasonable incidental service, such as removal of tapes and charts, and shall communicate to Rocky Mountain Power the meter readings necessary for operation. Rocky Mountain Power's designated agents shall have access to such metering equipment at all reasonable times and shall be permitted to install and operate from time to time any testing equipment needed in connection with operations or settlements hereunder.

7.2 **Obligations.** If either Monsanto or Rocky Mountain Power provides check-metering equipment, information with respect to registrations thereof will be provided.

7.3 **Meter Testing.** Representatives of Rocky Mountain Power and Monsanto may be present at all routine or special tests of meters and metering equipment and upon occasions when any readings are taken for purpose of settlements.

7.4 **Adjustments to Bills.** If, at any test of any meter or metering equipment, an inaccuracy is disclosed exceeding two percent, the account for service theretofore supplied shall be adjusted to correct for such inaccuracy for a period of 90 days prior to the date of such test, or for the period during which such inaccuracy may be determined to have existed, whichever period is the shorter. Should any meter at any time fail to register, or should the registration be so erratic as to be meaningless, the quantities

shall be determined from Rocky Mountain Power's check meters or otherwise from the best available data.

7.5 Telecommunications Facilities. Upon Rocky Mountain Power's request, Monsanto shall maintain a dedicated telephone line for meter reading purposes without charge to Rocky Mountain Power. Monsanto shall pay all recurring charges related to line operation.

Section 8: Force Majeure

Neither Rocky Mountain Power nor Monsanto shall be subject to any liability or damages for inability to provide or receive service to the extent that such failure shall be due to causes beyond the control of either Rocky Mountain Power or Monsanto, including, but not limited to the following: (a) the operation and effect of any rules, regulations and orders promulgated by any commission, municipality, or governmental agency of the United States, or subdivision thereof (so long as the claiming Party has not applied for or assisted in the application for, and has opposed where and to the extent reasonable, such government action); (b) restraining order, injunction or similar decree of any court; (c) war; (d) explosion; (e) fire; (f) major breakage or failure of equipment; (g) flood; (h) earthquake; (i) act of God; (j) sabotage; or (k) strikes or boycotts (such events constituting a "Force Majeure"). Should a Force Majeure occur, the Party claiming Force Majeure shall have no liability for performance during the period of Force Majeure; provided, the Party claiming Force Majeure shall make every reasonable attempt to remedy the cause thereof as diligently and expeditiously as possible.

Section 9: Resale of Power

Electric power and energy delivered to and purchased by Monsanto pursuant to this Agreement may not be resold directly or indirectly by Monsanto to any person or entity.

Section 10: Liability

10.1 **Liability.** Each Party hereto (the "liability causing Party") shall defend, indemnify and hold harmless the other Party from and against any liability, damage, loss, costs and expenses, including but not limited to attorneys' fees, on account of injury to or death of persons including, but not limited to, Monsanto's employees and Rocky Mountain Power's employees, or damage to property to the extent caused by or arising from the negligent acts or omissions of the liability causing Party.

10.2 **Limitation of Liability.** Rocky Mountain Power shall endeavor at all times to provide steady and continuous service to Monsanto and shall make reasonable efforts to prevent irregularities and interruptions. Rocky Mountain Power shall use its best efforts to notify Monsanto prior to or, in any event, immediately after an interruption or irregularity in order that Monsanto may attempt to mitigate its damages resulting therefrom. If due to causes beyond the control of Rocky Mountain Power the supply of electricity is irregular, defective, or fails, Rocky Mountain Power shall not be liable for any physical damages, economic losses, costs or damages resulting therefrom, including but not limited to special, indirect, incidental, consequential, punitive, or exemplary damages.

Section 11: Successors and Assigns

Neither Rocky Mountain Power nor Monsanto shall assign this Agreement without the written consent of the other Party, which consent shall not be unreasonably withheld, except Monsanto may assign this Agreement without any such consent to the acquirer of the majority of the value of the Plant, provided that Monsanto as assignor shall continue to guarantee the performance by the assignee of the Monsanto obligations under this Agreement and further provided that Rocky Mountain Power may assign this Agreement without any such consent to an entity that acquires the majority of the value of Rocky Mountain Power's facilities, in which event Rocky Mountain Power as assignor, shall guarantee the assignee's performance of Rocky Mountain Power's obligations. Any assignee or successor of Monsanto shall remain subject to such assignee's or successor's qualification as a customer under Rocky Mountain Power's policies and Electric Service Regulations, and shall be bound by this Agreement, the

Electric Service Regulations, and assume the obligations of Monsanto from the date of assignment. If assigned with such consent, this Agreement shall inure to the benefit and be binding upon the assignee, its agents and assigns; provided, that nothing herein shall prevent either Party from assigning this Agreement to its parent corporation or to its survivor in connection with a corporate reorganization, provided that such assignee is solvent and is able to meet its obligations hereunder.

Section 12: Jurisdiction of Regulatory Authorities

12.1 **Regulatory Authorities**. This Agreement is subject to the approval of the Commission.

12.2 **Electric Service Regulations**. The Electric Service Regulations are incorporated herein and made a part of the Agreement. Once the Commission approves the Agreement, the provisions of the Agreement shall take precedence over any conflicting provisions of Rocky Mountain Power's Electrical Service Regulations. The Parties acknowledge and agree that they are familiar with such existing regulations and agree to abide by them and all amendments and changes thereto so approved by the Commission. In the event that the Commission or any other state, federal, or municipal authority having jurisdiction issues any rules, regulations, or orders that require Rocky Mountain Power to alter or amend any of the terms and conditions of this Agreement or to terminate or curtail the delivery of power and energy to Monsanto, neither Party shall be liable for damages or losses of any kind whatsoever which the other Party may sustain as a result of such rule, regulation or order, including consequential damages.

Section 13: Remedies

Each 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. 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, 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, the Electric Service Regulations or a waiver of such provision with respect to any subsequent breach, unless expressly provided in writing.

Section 14: Representatives and Notices

For the purposes of this Agreement, any notices required to be given hereunder shall be sent postage prepaid, by registered or certified mail, return receipt requested (or alternately by facsimile or any other method acceptable by both Parties) to the Parties at the respective addresses below and shall be deemed to have been given when received as evidenced by the appropriate receipt verifying delivery:

Representatives of Monsanto:

Plant Manager
Monsanto Company
P.O. Box 816
Soda Springs, Idaho 83276
Tel: (208) 546-4300, ex 201
Fax: (208) 547-3312

Vice President - Procurement
Monsanto Company
800 N. Lindbergh Blvd.
St. Louis, MO 63167
Tel: (314) 694-5756
Fax: (314) 694-2169

Representatives of Rocky Mountain Power:

General Counsel
PacifiCorp
201 S. Main, Suite 2400
Salt Lake City, UT 84111
Fax 801-220-4804

With a copy to:

Director, Contract Administration

PacifiCorp
825 NE Multnomah, Suite 600
Portland, OR 97232
Fax: 503-813-6291

This notice requirement does not apply to regular and ordinary business and operation communications between the Parties' employees.

Section 15: Other Contracts

This Agreement constitutes and contains the entire Agreement of the Parties hereto and supersedes any and all prior negotiations, correspondence, understanding, and agreements between the Parties respecting the subject herein. This Agreement may not be modified, altered, or changed in any manner whatsoever except pursuant to the express provisions of this Agreement or by written agreement between the Parties hereto, subject to Commission approval.

Section 16: 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 Idaho applicable to contracts executed in and to be wholly performed in Idaho by persons domiciled in the State of Idaho. Each Party hereto agrees that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement, the Electric Service Regulations or the transactions contemplated hereby or thereby, may only be brought before the Commission, the Federal courts located within the State of Idaho, or state courts of the State of Idaho, and each Party hereby consents to the exclusive jurisdiction of such forums (and of the appellate courts therefrom) in any such suit, action or proceeding.

Section 17: Attorney's Fees

If any suit or action arising out of or related to this Agreement or the Electric Service Regulations is brought by any Party, the prevailing Party shall be entitled to recover the costs and fees (including, without limitation, reasonable attorneys' fees, the

fees and costs of experts and consultants, copying, courier and telecommunication costs, and deposition costs and all other costs of discovery) incurred by such Party in such suit or action, including, without limitation, any post-trial or appellate proceeding, or in the collection or enforcement of any judgment or award entered or made in such suit or action.

Section 18: Cooperation

18.1 Whenever this Agreement requires that one Party comply with the rules, regulations, standards or requirements of the other Party, the Parties agree to cooperate with each other in requesting and providing such rules, regulations, standards or requirements on a timely basis.

18.2 In order to facilitate the economic management of Rocky Mountain Power's wholesale power transactions necessary to carry out this Agreement, Monsanto agrees to inform Rocky Mountain Power in a timely manner of planned furnace outages and of the expected return of furnaces to service.

Section 19: Exhibits

The following Exhibits are attached to and incorporated into this Agreement by reference:

Exhibit A: Operating Reserves and System Integrity Interruption Options

Exhibit B: Economic Curtailment Option

Section 20: Headings/References

The descriptive headings contained in this Agreement are included for reference only and shall not affect in any way the meaning or interpretation of this Agreement. References in this Agreement to Sections are to Sections of this Agreement unless otherwise stated or evident from the context.

Section 21: Construction of Agreement

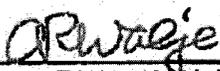
This Agreement was drafted as a joint effort of both Parties and may not be construed against one Party over the other in the event of a controversy over its meaning.

Section 22: Counterparts

This Agreement may be executed as one instrument signed by the Parties or may be executed in separate counterparts. Each separate counterpart is deemed an original.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their authorized officers or representatives as of the date first hereinabove written.

**PACIFICORP
DBA Rocky Mountain Power**

By 
A. Richard Walje
President

MONSANTO COMPANY

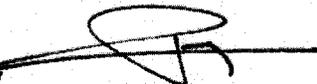
By 
Pierre Courdouroux
Senior VP and CFO

EXHIBIT "A"

OPERATING RESERVE AND SYSTEM INTEGRITY INTERRUPTION OPTIONS

This Operating Reserve and System Integrity Interruption Options, Exhibit A, is a part of the Electric Service Agreement between Rocky Mountain Power and Monsanto Company, effective as of January 1, 2012, (the "Agreement"), and is subject to the terms and conditions of the Agreement.

1. Definitions

Capitalized terms used in this Exhibit A shall have the meanings specified below or as contained in the Agreement:

1.1 **Operating Reserve** means a specific amount of electrical resources that all control areas must have available at all times to ensure the reliable operation of the interconnected electrical system pursuant to WECC guidelines and includes interruptible load as a non-spinning form of contingency Operating Reserves.

1.2 **System Integrity** means the ability of Rocky Mountain Power's electric generation or transmission system to continue to operate at a high degree of reliability and at voltage levels consistent with Prudent Electrical Practices.

2. Operating Reserve Interruptions

Rocky Mountain Power recognizes that each of Monsanto's electric phosphorus furnaces operate at different electrical rates. Upon telephone notification by Rocky Mountain Power for Operating Reserves interruption, Monsanto will interrupt within six minutes its available furnace load as defined below, subject to the terms of this Exhibit A. At the time of the notification, Monsanto's operator shall inform Rocky Mountain Power's dispatcher of the amount of service it will be interrupting.

2.1 Operating Reserve interruptions shall have priority over Economic Curtailment. If any of Monsanto's furnaces are not in operation, in order for Rocky

Mountain Power to retain the ability to call for Operating Reserves, no furnace shall be considered available for Economic Curtailment during that time.

2.2 Curtailments for Operating Reserve will be as follows depending upon furnace availability (i.e., operation) at the time of notification:

2.2.1 If three furnaces are operating , Monsanto will curtail 95 MW.

2.2.2 If two furnaces are operating and the third is not operating due to maintenance or overhaul, Monsanto will curtail a minimum of 95 MW.

2.2.3 If two furnaces are operating and the third is not operating due to Monsanto not buying through during an Economic Curtailment (pursuant to Section 5 of Exhibit B), Monsanto will curtail one furnace. The furnace so curtailed will be the largest operating furnace.

2.2.4 If two furnaces are operating and the third is also operating due to Monsanto buying through during an Economic Curtailment pursuant to Section 5 of Exhibit B, Monsanto will curtail 95 MW.

2.2.5 If only one Monsanto furnace is operating, Monsanto will curtail such furnace.

2.3 The interrupted service shall be restored at the earlier of: (1) notice from Rocky Mountain Power's dispatcher, or, (2) the top of the second hour following the Operating Reserve interruption, provided that no interruption shall exceed one hundred and twenty (120) minutes. For example, if the Operating Reserve interruption begins at 1:45 am, the interrupted service shall be restored no later than 3:00 am. As a second example, if the Operating Reserve interruption begins at 1:00 am, the interrupted service shall be restored no later than 3:00 am. As a third example, if the operating reserve event begins at 1:10 am, the interrupted service shall be restored no later than 3:00 am.

3. System Integrity Interruptions

Rocky Mountain Power may request System Integrity Interruptions of up to 162 MW if the System Integrity Interruption is voltage related and up to 95 MW if the System Integrity Interruption is caused by a Double Contingency Event. A Double Contingency Event shall mean the forced outage of two or more Rocky Mountain Power generating

units totaling 500 MW or more of capacity. To qualify as a Double Contingency Event, two or more forced outages totaling 500 MW or more of capacity must occur within 48 hours of each other and must overlap for at least one hour. Once a Double Contingency Event begins, Rocky Mountain Power may request System Integrity Interruptions at any time during the next 48 hours. After 48 hours after a Double Contingency Event begins, Rocky Mountain Power may no longer request System Integrity Interruptions in response to that specific Double Contingency Event. Monsanto will interrupt its available furnace load accordingly upon telephone notification. Under emergency conditions, such interruption may occur without advance notice to Monsanto. Otherwise, Rocky Mountain Power shall give Monsanto not less than two (2) hours notice of the potential for interruption for System Integrity purposes and advance notice when such interruption will end.

3.1 System Integrity Interruptions shall be available to Rocky Mountain Power all hours of every day, and have priority over any other interruption or curtailment option implemented at that time.

3.2 The interrupted service shall be restored when no longer needed to maintain System Integrity.

3.3 A System Integrity Interruption shall not relieve Monsanto of any hours under any other interruption or curtailment option. (For example, if a two-hour System Integrity Interruption occurs during a five-hour Economic Curtailment, Monsanto will be considered to have been economically curtailed for only three hours, but the Economic Curtailment shall end at the time stated in the Curtailment Notice.)

3.4 A System Integrity Interruption in response to a Double Contingency Event shall last no longer than two consecutive hours in any 48 hour period.

4. Purpose of Interruption

Rocky Mountain Power may direct such interruptions at any time it concludes, in its sole discretion, that Rocky Mountain Power needs to utilize the Operating Reserves or System Integrity Interruption, subject to the terms of the Agreement and this Exhibit A.

5. Number of Interruptions

5.1 The maximum number of Operating Reserve interruptions that Rocky Mountain Power may direct shall be:

- (1) One hundred eighty-eight (188) hours per calendar year
- (2) Twenty-five (25) interruptions for each calendar month
- (3) Four (4) interruptions in any four (4) hour period
- (4) Up to two (2) hours per interruption

5.2 The maximum number of System Integrity interruptions that Rocky Mountain Power may direct shall be twelve (12) hours per calendar year. Duration of any System Integrity interruption can be longer than one hour.

5.3 Any interruption pursuant to this Agreement including all exhibits shall count as a minimum of one (1) hour. Any Operating Reserve interruption that lasts longer than one (1) hour but shorter than two (2) hours shall count as two (2) hours. Any Operating Reserve interruption that lasts two (2) hours shall count as two (2) hours.

6. Operating Reserves Nonperformance.

6.1 If, for any reason other than as defined in Section 8 of this Exhibit A (Communication of Maintenance Scheduling), Monsanto fails to comply with a request from Rocky Mountain Power to interrupt load for Operating Reserves as specified in this Exhibit A, Rocky Mountain Power shall have the following remedies:

6.1.1 Monsanto shall pay Rocky Mountain Power as damages the amount of \$150,000 for each occurrence, which the Parties agree is a reasonable estimate of the damages expected to be incurred by reason of such nonperformance.

6.1.2 Rocky Mountain Power may request that Monsanto provide assurances in writing that Monsanto will in the future comply with requests to interrupt load for Operating Reserves as specified in this Exhibit A, including any actions Monsanto will take to remedy the cause of such failure to comply.

6.1.3 In the event of a second failure by Monsanto to interrupt load for Operating Reserves as specified in this Exhibit A, Rocky Mountain Power may petition the Commission for appropriate relief.

6.2 If, for any reason Rocky Mountain Power requires Monsanto to interrupt load for Operating Reserves under circumstances not permitted in this Exhibit A, and Monsanto complies with such request, Monsanto shall have the following remedies:

6.2.1 Rocky Mountain Power shall pay Monsanto as damages the amount of \$150,000 for each occurrence, which the Parties agree is a reasonable estimate of the damages expected to be incurred by reason of such load interruption.

6.2.2 Monsanto may request that Rocky Mountain Power provide assurances in writing that Rocky Mountain Power will in the future comply with the requirements for interrupting load for Operating Reserves as specified in this Exhibit A, including any actions Rocky Mountain Power will take to remedy the cause of such failure to comply.

6.2.3 In the event of a second failure by Rocky Mountain Power to comply with the requirements for interrupting load for Operating Reserves as specified in this Exhibit A, Monsanto may petition the Commission for appropriate relief.

6.3 The remedies provided in this Section 6 for the specified failures to comply with Operating Reserves requirements of this Exhibit A are the sole and exclusive remedies for such nonperformance.

7. Maintenance of Dedicated Telephone Line

Monsanto and Rocky Mountain Power shall maintain a dedicated telephone line at their own cost in their respective control rooms. This line shall be solely dedicated for communications between Monsanto furnace operators and Rocky Mountain Power dispatchers. Each party shall have an authorized employee available at all times to immediately respond to telephone notices of interruption or curtailment of operations.

8. Communication of Maintenance Scheduling

8.1 Rocky Mountain Power acknowledges that the electric phosphorus furnaces at Monsanto will be removed from service from time to time during the Term of this Agreement for maintenance and overhauls. As provided for in Section 8 of Exhibit

B, Monsanto will submit to Rocky Mountain Power expected maintenance schedules and delays, as well as inform Rocky Mountain Power dispatchers by telephone with a follow-up fax prior to restoring electrical power to a furnace after such a delay.

8.2 If Monsanto has unavailable furnaces due to maintenance or overhaul, and an interruption is called for either Operating Reserve or System Integrity, Monsanto will not resume operation of the unavailable furnaces until the earlier of: 1) notice from Rocky Mountain Power dispatcher or, 2) sixty (60) minutes after the notification by Monsanto to resume service.

9. Communication

Notwithstanding the minimum notice requirements set forth in this Exhibit, the parties will use best efforts to provide each other with as much notice as possible of interruption or curtailment of operations.

Rocky Mountain Power and Monsanto shall use an agreed-upon written communication script to use during the telephone notice from Rocky Mountain Power's dispatcher requesting such interruption of electrical service for Operating Reserve.

The agreed-upon script may be updated from time to time by written mutual consent by both parties.

10. Contacts

Monsanto operator:

Plant: (direct line)

Fax: 208-547-1197

Rocky Mountain Power dispatch (Real-time desk):

Phone: 503-813- 5374

Fax: 503-813- 5512

EXHIBIT "B"

Economic Curtailment Option

This Economic Curtailment Option, Exhibit B, is a part of the Electric Service Agreement between Rocky Mountain Power and Monsanto Company, effective as of January 1, 2012, (the "Agreement"), and is subject to the terms and conditions of the Agreement.

1. Definitions

Capitalized terms used in this Exhibit B shall have the meanings specified below or as contained in the Agreement:

1.1 **Adjusted Index Price** means the Index Price for a given Day times the applicable hourly shaping factor set forth in Exhibit B-1 for each Economic Curtailment Hour. The hourly scalars shall be reviewed annually and if substantial changes occur, the scalars may be revised and updated per mutual agreement.

1.2 **Economic Curtailment** means an interruption of electric service to Monsanto's Plant made by Rocky Mountain Power in its sole discretion in accordance with this Exhibit B.

1.3 **Economic Curtailment Capacity** means the 67 MW electric load available for Economic Curtailment under this Exhibit B.

1.4 **Economic Curtailment Hours** means the hours chosen by Rocky Mountain Power for Economic Curtailment during each Day.

1.5 **Economic Curtailment Notice** means the notice of curtailment provided to Monsanto by Rocky Mountain Power in accordance with Section 4 of this Exhibit B.

1.6 **Economic Curtailment Response** means Monsanto's response in accordance with Section 5 of this Exhibit B to an Economic Curtailment Notice.

1.7 **Index Price** means the average price for a given Day as specified for the identified Intercontinental Exchange ("ICE") Day-Ahead index. During those hours that more than 67 MW of Rocky Mountain Power merchant's firm transmission rights (North

to South) on Path C go unutilized and are available, as determined on an after-the-fact basis by comparing Rocky Mountain Power's scheduled usage, as of the beginning of each Economic Curtailment Hour, against firm Path C rights available to Rocky Mountain Power's merchant function for that hour, Monsanto will pay Rocky Mountain Power based on the lower of the appropriate (on-peak or off-peak) ICE Mid-Columbia or Palo Verde Index Price for firm power each Monday through Sunday.

For those hours that less than 67 MW of Rocky Mountain Power merchant's firm Path C transmission rights (north to south) on Path C are available, as determined on an after-the-fact basis by comparing Rocky Mountain Power's scheduled usage against firm Path C rights available to Rocky Mountain Power's merchant function for that hour, Monsanto will pay Rocky Mountain Power based on the appropriate (on-peak or off-peak) ICE Palo Verde Index Price for firm power; provided, however, that the Palo Verde Index Price, rather than the lower of the Palo Verde or Mid-Columbia Index Price, shall be paid only to the extent such transmission rights are constrained on a scheduled basis for each Economic Curtailment Hour. For example, if during an hour for which Monsanto has elected to buy through 67 MW, only 30 MW of such transmission rights are available, Monsanto will pay based on the lower of the Palo Verde or Mid-Columbia Index Price for 30 MWhs of the Replacement Energy delivered for that hour, and will pay based on the Palo Verde Index Price for the remaining Replacement Energy for that hour.

If separate on-peak and off-peak ICE indices are not reported for any Day during the Term, the ICE indices for the most recent preceding Day (i.e., Saturday for Sunday) shall be used to set the Index Price for the Day on which separate on-peak and off-peak ICE indices are not reported.

If the ICE indices or any replacement of either the Mid-Columbia or Palo Verde index ceases to be reported during the Term, or ceases to be an accurate and reliable index for the types of transactions currently covered, the Parties shall mutually agree upon a substantially equivalent index that, after any appropriate or necessary adjustments, provides the most reasonable substitute for the index in question. Neither Rocky Mountain Power nor Monsanto shall unreasonably withhold, condition or delay agreement to such an index.

1.8 Path C means the particular high voltage transmission corridor comprised of the Borah-Ben Lomond 345 kV, Brady-Treasureton 230 kV, Goshen-Grace 161 kV and American Falls-Malad 138 kV lines, located in northern Utah and southern Idaho. In accordance with the WECC criteria for rating paths, its transfer capability is based on a simultaneous loss of both the Borah-Ben Lomond 345 kV and the Brady-Treasureton 230 kV lines, which share common right-of-way for approximately 50 miles. The amounts of Path C (North to South) firm and non-firm transfer capability that Rocky Mountain Power's transmission function has available for sale is listed on Rocky Mountain Power's OASIS web site at "<http://www.oasis.Rocky Mountain Power.com>" under the path name of "W//PPW/PATHC-PACE//". The Parties acknowledge that the information supplied on Rocky Mountain Power's OASIS web site may or may not be indicative of Rocky Mountain Power merchant's actual Path C (North to South) firm right schedule at the beginning of any Economic Curtailment Hour, and Rocky Mountain Power shall not be liable in any manner with respect to any curtailment or buy-through decisions of Monsanto hereunder based on such Path C information.

1.9 Replacement Energy means the energy for any Economic Curtailment Hour that Monsanto elects to buy through rather than physically curtailing its 67 MW electric phosphorous furnace load.

During such hours that Monsanto does not physically curtail its electric phosphorous furnace load, Replacement Energy shall be deemed to be 67 MWh per Economic Curtailment Hour. During Economic Curtailment Hours that notice is provided pursuant to Section 5 below that Monsanto intends to physically curtail electric phosphorous furnace load, Replacement Energy shall be deemed to equal 67 MWh per Economic Curtailment Hour less: (a) 67 MWh per Economic Curtailment Hour if furnace #9 is identified for furnace curtailment, or (b) 49 MWh per Economic Curtailment Hour if furnace #8 is identified for furnace curtailment, or (c) 46 MWh per Economic Curtailment Hour if furnace #7 is identified for furnace curtailment.

2. Amount of Economic Curtailment

2.1 Monsanto agrees to supply Rocky Mountain Power 67 MW of Economic Curtailment up to a maximum of 800 hours per calendar year, upon not less than two (2) hours of fax notice, confirmed by telephone notice.

2.2 If any of Monsanto's furnaces are not in operation, in order for Rocky Mountain Power to retain the ability to call for Operating Reserves, no furnace shall be considered available for Economic Curtailment during that time.

3. Purpose of Curtailment

Rocky Mountain Power may direct an Economic Curtailment at any time, subject to the terms of Exhibit A and this Exhibit B.

4. Curtailment of Monsanto

4.1 Rocky Mountain Power may exercise its right to Economic Curtailment, upon not less than two (2) hours of fax notice from Rocky Mountain Power's dispatcher to Monsanto's control operator at (208) 547-1197, with prompt confirmation by telephone notice through Monsanto's direct line, requesting curtailment of electric service for economic purposes and providing the amount and duration, start and end time. Such fax notice shall utilize the form of curtailment notice attached hereto as Exhibit B-2. If at the time of the telephone notice Monsanto has not received the fax notice, the notice of curtailment shall be deemed given by telephone. With such notice, Rocky Mountain Power will provide to Monsanto information regarding Rocky Mountain Power's estimate of what Dow Jones may publish for the Index Price, prior to any adjustments as provided for herein, for the day associated with such period of curtailment. Such information will be based on market information reasonably known by Rocky Mountain Power's dispatchers at the time with respect to the Index Price, but Rocky Mountain Power shall not be bound by such information and will not be liable in any manner for the accuracy of such information or any differences between such estimates and the actual Index Price.

4.2 If Rocky Mountain Power has not received notice from Monsanto in accordance with Section 5 below in response to an Economic Curtailment Notice,

Rocky Mountain Power will use reasonable efforts to contact Monsanto by telephone, not less than one hour prior to the time the designated Economic Curtailment is to commence; provided, however, that in no event shall failure by Rocky Mountain Power to make such contact relieve Monsanto of its obligation to pay Replacement Energy Charges for the Economic Curtailment Hours designated in Rocky Mountain Power's Economic Curtailment Notice. Further, if notwithstanding Rocky Mountain Power's attempts to provide notice to Monsanto pursuant to Section 4.1 above, and through no fault of Rocky Mountain Power, Monsanto does not receive an Economic Curtailment Notice, Monsanto shall nevertheless pay Replacement Energy Charges for the Economic Curtailment Hours designated in such notice.

4.3 Monsanto shall take action as needed to curtail the electrical supply to up to 67 MW of its electric phosphorus furnace load at the designated curtailment time. The curtailed service shall be restored at the end of the duration of the Economic Curtailment.

5. Buy-Through Replacement Energy

5.1 Monsanto shall have the option to buy-through Economic Curtailment by paying Rocky Mountain Power for Replacement Energy costs at the Adjusted Index Price.

5.2 Monsanto may exercise its right to buy-through an Economic Curtailment, in whole or part, by fax notice to Rocky Mountain Power's dispatcher at (503) 813-5512, with prompt confirmation by telephone notice at (503) 813-5374 (or alternatively, 503-813-5389), requesting such buy-through at any time up to one (1) hour prior to the time the designated Economic Curtailment is to commence. Regardless of whether Monsanto elects to buy through, it shall provide Rocky Mountain Power an Economic Curtailment Response by fax and telephone to Rocky Mountain Power's dispatcher, no later than one (1) hour prior to the time the designated Economic Curtailment is to commence, stating the amounts that Monsanto will curtail, the electric phosphorous furnace that Monsanto plans to curtail (if any), and the amount of Replacement Energy that Monsanto elects to buy through.

If Monsanto has curtailed load in accordance with an Economic Curtailment Notice, it may thereafter elect to buy-through a portion of the Economic Curtailment period by providing fax notice not less than one (1) hour prior to the hour it desires to commence the buy-through. Monsanto shall pay for Replacement Energy for any amounts not curtailed pursuant to an Economic Curtailment Notice from Rocky Mountain Power. If Monsanto curtails load in accordance with an Economic Curtailment Notice from Rocky Mountain Power, but fails to provide an Economic Curtailment Response as required herein, Monsanto shall pay Rocky Mountain Power an amount equivalent to what would be due for Replacement Energy as though it had elected to buy through the Curtailment Hours for the entire 67 MW, but only for those Curtailment Hours for which Monsanto had not provided an Economic Curtailment Response at least one hour in advance.

5.3 At all times, all furnaces shall remain subject to System Integrity interruption, and Monsanto shall not be obligated to pay for, nor entitled to receive, Replacement Energy during a period of System Integrity interruption, all of the foregoing in accordance with applicable IPUC Orders.

5.4 All Economic Curtailment Notices and Economic Curtailment Responses to be provided under this Section 5 shall utilize the form of notice attached hereto as Exhibit B-2.

6. Economic Curtailment Nonperformance

If Monsanto does not fully comply with an Economic Curtailment Notice in accordance with this Exhibit B, Monsanto shall pay for Replacement Energy for those Curtailment Hours of noncompliance as specified in Section 4.1.3 of the Agreement and this Exhibit B.

7. Maintenance of Dedicated Telephone Line and Fax Facilities

7.1 Monsanto and Rocky Mountain Power shall maintain a dedicated telephone line at their own cost in their respective control rooms. This line shall be solely dedicated for communications between Monsanto furnace operators and Rocky Mountain Power dispatchers. Each party shall have an authorized employee available

at all times to immediately respond to curtailment notices or curtailment of operations. Each party shall also maintain at their own cost fax facilities, with a telephone line dedicated for the fax facilities, necessary for transmitting and receiving fax notices as required herein. While Rocky Mountain Power acknowledges that as of the date of this agreement Monsanto does not have in place a telephone line dedicated for such fax facilities, Monsanto shall with due diligence obtain the installation of such a line and proper operation of the fax facilities as soon as possible. If such fax facilities cannot be made to function properly within three months, the parties will work in good faith to achieve an alternative means of notice.

7.2 The fax requirements under this agreement shall begin once the fax line to be installed by Monsanto is functioning properly.

8. Communication of Schedules

8.1 Rocky Mountain Power acknowledges that the electric phosphorus furnaces at Monsanto will be removed from service from time to time during the term of this Agreement for maintenance and overhauls. Monsanto will submit to Rocky Mountain Power on the first business day of the month or as soon thereafter as practicable, by fax, expected maintenance schedules and delays, if any, expected during the following calendar month, including scheduled time of curtailment, duration, and electrical load of corresponding furnace. Monsanto shall provide such schedules using the best information reasonably available, but it is understood that they will reflect only an estimate and, therefore, shall not be binding on Monsanto. Further, the failure to provide such scheduling information shall not preclude Monsanto from taking furnaces out of service for maintenance. Monsanto will also inform Rocky Mountain Power by telephone or fax prior to restoring electrical power to a furnace after such a delay.

8.2 In order to enable Monsanto to anticipate possible curtailment, to plan furnace operations and make buy-through decisions in accordance herewith, Rocky Mountain Power shall submit to Monsanto on the first day of each calendar month, or as soon thereafter as practicable, by fax, a schedule showing the estimated times, durations and total hours of economic curtailments, if any, expected during the following

calendar month. Rocky Mountain Power shall prepare such schedule using the best information reasonably available, but it is understood that it shall reflect only an estimate of expected conditions and, therefore, shall not be binding upon Rocky Mountain Power. Further, the failure to provide such scheduling information shall not preclude Rocky Mountain Power from implementing Economic Curtailment.

9. Reporting

Simultaneous with Rocky Mountain Power's monthly invoice to Monsanto for power and energy purchased, Rocky Mountain Power shall provide Monsanto with a report detailing all interruptions and curtailments during the previous month, including the following information:

- 1) Type of interruption or curtailment (system emergency or integrity, operating reserves, or Economic Curtailment)
- 2) Date
- 3) Beginning and end time
- 4) Duration
- 5) Megawatts interrupted or curtailed
- 6) Year-to-date total hours of each type of interruption or curtailment
- 7) Buy through charges, rate, source and energy purchased

10. Audit

Monsanto reserves the right to perform audits of records of Rocky Mountain Power related to the Replacement Energy prices and volume charged to Monsanto hereunder, including records regarding constraints on Path C affecting such prices. Rocky Mountain Power will allow Monsanto reasonable access to such records at mutually agreed upon times. Neither party shall be responsible for any expenses incurred by the other party associated with such audits.

Exhibit B-1

Hourly Shaping Factors

Monday - Friday

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
HR0100	0.90	0.90	0.90	0.94	0.92	0.88	0.95	0.93	0.92	0.96	0.90	0.88
HR0200	0.88	0.86	0.85	0.84	0.87	0.77	0.86	0.87	0.86	0.88	0.87	0.82
HR0300	0.85	0.87	0.84	0.82	0.83	0.75	0.77	0.83	0.81	0.85	0.84	0.81
HR0400	0.89	0.88	0.84	0.83	0.80	0.70	0.75	0.82	0.79	0.85	0.87	0.85
HR0500	1.02	0.99	0.89	0.89	0.83	0.73	0.80	0.84	0.83	0.89	1.01	0.93
HR0600	1.23	1.18	1.07	1.06	0.95	0.80	0.88	0.94	0.98	1.03	1.25	1.16
HR0700	1.11	1.06	0.97	0.91	0.73	0.55	0.62	0.71	0.75	0.83	0.95	1.01
HR0800	1.09	1.06	1.00	0.99	0.87	0.71	0.72	0.79	0.81	0.92	0.97	1.03
HR0900	1.06	1.03	0.97	0.98	0.89	0.77	0.77	0.84	0.85	0.93	0.98	0.98
HR1000	1.01	0.99	0.98	0.99	0.93	0.84	0.83	0.89	0.91	0.95	0.95	0.95
HR1100	0.98	0.98	0.99	1.00	0.98	0.94	0.93	0.94	0.95	0.97	0.92	0.93
HR1200	0.96	0.97	0.98	1.00	1.05	0.98	0.98	0.99	0.98	1.00	0.95	0.90
HR1300	0.93	0.95	0.96	1.03	1.10	1.12	1.09	1.06	1.03	1.04	0.97	0.85
HR1400	0.90	0.94	0.99	1.03	1.14	1.15	1.18	1.12	1.09	1.06	0.98	0.86
HR1500	0.89	0.92	0.99	1.02	1.13	1.19	1.23	1.16	1.13	1.06	0.96	0.84
HR1600	0.90	0.90	0.96	1.02	1.13	1.26	1.25	1.19	1.17	1.05	1.00	0.87
HR1700	0.97	0.94	0.96	1.01	1.10	1.26	1.26	1.20	1.16	1.05	1.10	1.05
HR1800	1.14	1.07	0.99	1.01	1.07	1.17	1.20	1.16	1.13	1.05	1.18	1.21
HR1900	1.13	1.15	1.08	1.01	1.01	1.09	1.14	1.09	1.08	1.09	1.17	1.19
HR2000	1.09	1.10	1.11	1.08	1.01	1.06	1.07	1.04	1.05	1.07	1.07	1.13
HR2100	1.02	1.05	1.05	1.08	1.05	1.02	1.01	1.01	1.00	1.01	1.02	1.07
HR2200	0.95	0.97	0.95	0.98	0.97	0.97	0.96	0.93	0.93	0.95	0.94	1.01
HR2300	1.14	1.14	1.19	1.22	1.41	1.48	1.29	1.25	1.19	1.26	1.20	1.21
HR2400	1.00	0.98	1.05	1.06	1.18	1.23	1.12	1.15	1.09	1.14	1.03	1.06

Saturday

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
HR0100	0.94	1.00	1.01	0.92	0.93	0.82	0.87	0.94	0.94	1.03	0.96	1.04
HR0200	0.88	0.90	0.96	0.90	0.84	0.79	0.80	0.90	0.91	0.98	0.90	0.93
HR0300	0.91	0.90	0.91	0.81	0.86	0.77	0.75	0.88	0.87	0.94	0.84	0.92
HR0400	0.88	0.85	0.93	0.80	0.82	0.73	0.73	0.90	0.82	0.90	0.87	0.88
HR0500	0.92	0.93	0.92	0.79	0.79	0.68	0.75	0.85	0.79	0.92	0.91	0.95
HR0600	0.95	0.98	0.99	0.84	0.83	0.73	0.78	0.83	0.78	0.94	0.98	1.01
HR0700	0.87	0.87	0.82	0.77	0.67	0.53	0.51	0.57	0.62	0.77	0.84	0.93
HR0800	0.94	0.95	0.91	0.84	0.81	0.55	0.61	0.66	0.66	0.80	0.86	1.01
HR0900	0.96	1.00	0.97	0.92	0.83	0.70	0.74	0.76	0.72	0.87	0.93	1.02
HR1000	0.92	0.99	1.02	0.93	0.92	0.78	0.80	0.82	0.84	0.92	0.95	1.04
HR1100	0.96	0.97	1.03	0.97	0.88	0.94	0.84	0.93	0.95	0.99	0.95	0.98
HR1200	0.94	0.94	1.00	0.96	0.93	1.00	0.92	0.99	0.99	0.98	0.90	0.99
HR1300	0.91	0.93	1.01	0.98	0.96	1.12	0.97	1.03	1.08	1.04	0.89	0.96
HR1400	0.89	0.89	1.01	0.95	0.99	1.11	1.03	1.04	1.16	1.03	0.90	0.92
HR1500	0.84	0.86	1.02	0.94	0.97	1.16	1.07	1.10	1.14	1.07	0.92	0.91
HR1600	0.87	0.89	1.02	0.92	1.00	1.19	1.15	1.11	1.16	1.06	0.92	0.93
HR1700	1.01	0.95	1.03	0.92	1.03	1.24	1.19	1.13	1.16	1.12	1.03	1.09
HR1800	1.08	1.08	1.07	0.96	1.05	1.18	1.09	1.07	1.13	1.01	1.16	1.13
HR1900	1.12	1.11	1.13	0.98	1.00	1.13	1.03	1.03	1.11	1.12	1.11	1.19
HR2000	1.08	1.07	1.17	1.05	1.01	1.09	0.97	1.00	1.10	1.04	1.05	1.13
HR2100	1.01	1.05	1.13	1.12	1.05	1.01	0.92	1.00	1.06	0.99	1.00	1.11
HR2200	0.95	0.99	1.04	1.04	1.03	0.95	0.88	0.96	1.00	0.95	0.97	1.07
HR2300	1.02	1.09	1.17	1.10	1.32	1.26	1.17	1.15	1.13	1.10	1.10	1.23
HR2400	1.02	1.00	1.03	0.90	1.10	1.15	1.12	1.01	1.06	0.99	1.03	1.09

Sunday

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
HR0100	0.86	0.98	0.95	0.92	0.78	0.82	0.86	0.92	0.89	0.92	0.89	0.89
HR0200	0.85	0.91	0.87	0.86	0.71	0.83	0.84	0.87	0.85	0.91	0.78	0.86
HR0300	0.81	0.88	0.84	0.84	0.74	0.75	0.81	0.83	0.80	0.88	0.77	0.83
HR0400	0.79	0.88	0.88	0.82	0.69	0.75	0.76	0.80	0.77	0.82	0.78	0.88
HR0500	0.82	0.93	0.87	0.84	0.72	0.71	0.75	0.80	0.74	0.85	0.81	0.92
HR0600	0.88	1.01	0.93	0.87	0.77	0.63	0.78	0.80	0.76	0.86	0.90	0.90
HR0700	0.91	1.06	0.91	0.87	0.73	0.62	0.67	0.72	0.77	0.87	0.89	0.93
HR0800	0.97	1.04	0.97	0.91	0.79	0.78	0.75	0.78	0.83	0.87	0.93	0.96
HR0900	1.05	1.07	0.98	0.93	0.92	0.86	0.90	0.93	0.87	0.95	1.00	1.01
HR1000	1.04	1.10	1.07	1.05	1.05	1.04	1.04	1.06	1.06	0.99	1.05	1.05
HR1100	1.07	1.08	1.12	1.09	1.08	1.20	1.08	1.18	1.17	1.05	1.05	1.04
HR1200	1.06	1.07	1.16	1.18	1.20	1.25	1.23	1.25	1.19	1.08	1.06	1.02
HR1300	0.99	1.04	1.13	1.16	1.17	1.45	1.34	1.30	1.24	1.11	1.05	0.98
HR1400	0.94	1.04	1.12	1.13	1.23	1.58	1.41	1.32	1.31	1.14	1.03	0.94
HR1500	0.96	1.00	1.09	1.16	1.22	1.62	1.45	1.41	1.36	1.10	1.05	0.93
HR1600	0.96	0.99	1.11	1.23	1.28	1.71	1.51	1.40	1.43	1.14	1.07	0.97
HR1700	1.17	1.05	1.16	1.25	1.32	1.72	1.52	1.46	1.42	1.20	1.19	1.16
HR1800	1.32	1.24	1.22	1.24	1.35	1.75	1.52	1.42	1.36	1.21	1.35	1.39
HR1900	1.37	1.32	1.40	1.34	1.31	1.67	1.44	1.41	1.35	1.30	1.34	1.40
HR2000	1.28	1.29	1.50	1.49	1.33	1.59	1.35	1.36	1.38	1.30	1.25	1.37
HR2100	1.30	1.24	1.41	1.53	1.47	1.66	1.35	1.32	1.31	1.23	1.19	1.28
HR2200	1.23	1.18	1.29	1.35	1.35	1.48	1.26	1.26	1.21	1.16	1.13	1.21
HR2300	1.05	1.04	1.19	1.13	1.16	1.31	1.09	1.10	1.18	1.08	1.00	1.08
HR2400	0.95	0.92	0.96	0.98	0.97	1.04	0.99	0.96	1.05	1.06	0.88	0.93

**Exhibit B-2
Economic Curtailment Notice and Response**

ROCKY MOUNTAIN POWER NOTICE:

To: Monsanto Fax 208-547-1197
813-5512
Voice: Direct Line

Date: _____
(Month/Day/Year)

Time: _____
(Mountain Prevailing Time)

MONSANTO RESPONSE:

To: Rocky Mountain Power Fax 503-
503-813-5374
Voice: 503-813-5374
(alternatively, 503-813-5389)

Date: _____
(Month/Day/Year)

Time: _____
(Mountain Prevailing Time)

Economic Curtailment Notice: Rocky Mountain Power notice must be given no later than two (2) hours prior to the Curtailment Hour(s) during the Day.

Economic Curtailment Response: Monsanto response must be provided no later than one (1) hour from the time stamp on the Notice.

	Month	Day	Year
Day:			

Each Curtailment Hour is one (1) hour in duration.

Rocky Mountain Power's Economic Curtailment Notice			Monsanto's Economic Curtailment Response			
Start of Economic Curtailment	Curtailment Hour		Replacement Energy MW	Physical Curtailment MW		Total MW
Mountain Prevailing Time (Monsanto)	Indicate "X" for Curtailment Hour	Estimated Hourly Price \$/MWH				
1:30 AM				+	=	67
2:30 AM				+	=	67
3:30 AM				+	=	67
4:30 AM				+	=	67
5:30 AM				+	=	67
6:30 AM				+	=	67
7:30 AM				+	=	67
8:30 AM				+	=	67
9:30 AM				+	=	67
10:30 AM				+	=	67
11:30 AM				+	=	67
12:30 PM				+	=	67
1:30 PM				+	=	67
2:30 PM				+	=	67
3:30 PM				+	=	67
4:30 PM				+	=	67
5:30 PM				+	=	67
6:30 PM				+	=	67
7:30 PM				+	=	67

8:30 PM				+		=	67
9:30 PM				+		=	67
10:30 PM				+		=	67
11:30 PM				+		=	67
12:30 AM				+		=	67