

DECISION MEMORANDUM

**TO: COMMISSIONER KJELLANDER
COMMISSIONER REDFORD
COMMISSIONER SMITH
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL**

**FROM: NEIL PRICE
DEPUTY ATTORNEY GENERAL**

DATE: MARCH 15, 2012

**SUBJECT: ROCKY MOUNTAIN POWER'S APPLICATION FOR APPROVAL OF
ITS ESA WITH MONSANTO PURSUANT TO ORDER NO. 32432, CASE
NO. PAC-E-12-05**

On March 5, 2012, PacifiCorp dba Rocky Mountain Power ("Rocky Mountain Power" or "Company") and Monsanto Company ("Monsanto") submitted a joint request seeking a Commission "Order approving the Electric Service Agreement (the 'ESA') entered into between Rocky Mountain Power and Monsanto." Petition at 1.

THE FILING

The new ESA was required under the provisions of a settlement stipulation accepted by the Commission in Order No. 32432, Case No. PAC-E-11-12. The Commission's Order established new rates for Monsanto in 2012 that included a new interruptibility credit. The ESA also includes the calendar year 2013 rates and credit required by the Commission's Order. The new ESA expires at the end of 2013.

Under the terms of the stipulation as cited in item 6 on page 4 of Order No. 32432, Monsanto's rates are also subject to adjustment by Rocky Mountain Power's Energy Cost Adjustment Mechanism (ECAM). The Company noted that the Order acknowledged the filing of the parties' ESA on December 23, 2011, but did not specifically accept or approve the agreement.

STAFF REVIEW AND RECOMMENDATION

Staff reviewed the confidential ESA and found that it was similar to previous ESAs approved by the Commission. Staff believes that the terms and conditions are reasonable and

that they reasonably protect Rocky Mountain Power's other customers. Staff's review confirmed that the ESA meets the requirements of the settlement stipulation accepted by the Commission in Final Order No. 32432.

Staff recommends Commission approval of the ESA with an effective date of January 10, 2012, as proposed by Rocky Mountain Power and Monsanto.

COMMISSION DECISION

Does the Commission wish to enter an Order approving the ESA between Rocky Mountain Power and Monsanto with an effective date of January 10, 2012?



Neil Price
Deputy Attorney General

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