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IDAHO PUBLIC
UTILITIES COMMISSION

March 9, 2016

Jean D. Jewell, Secretary
Idaho Public Utilities Commission
PO Box 83720
Boise, Idaho 83720-0074

Hand Delivered

Re: IPUC Case No. PAC-E-16-05

Dear Ms. Jewell:

Enclosed you will find the original and seven (7) copies of *Comments of Monsanto Company*. Please file the same with the Commission's records. If you have any questions, please don't hesitate to call.

Thank you.

Sincerely,

A handwritten signature in blue ink that reads 'Randy Budge'.

RANDALL C. BUDGE

RCB:ts
cc: Service List

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Attorneys for Intervenor Monsanto Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION) CASE NO. PAC-E-16-05
OF ROCKY MOUNTAIN POWER)
REQUESTING APPROVAL OF THE \$16.7) COMMENTS OF
MILLION NET POWER COST DEFERRAL) MONSANTO COMPANY
AND AUTHORITY TO DECREASE RATES)
BY \$9.0 MILLION)
)

INTRODUCTION

COMES NOW Intervenor Monsanto Company (“Monsanto”) through counsel and submits these Comments with respect to the February 1, 2016 Application of PacifiCorp, d/b/a Rocky Mountain Power (“Company”) seeking authorization to decrease rates by \$9.0 million to recover deferred net power costs through the Energy Cost Adjustment Mechanism (ECAM). Monsanto’s Comments are in response to the Commission’s Order No. 33467 dated February 10, 2016, giving notice of the Application, that this matter will proceed under Modified Procedure, authorizing interested persons to file written comments in support or opposition, and providing rights or participation by filing a Petition to Intervene. Monsanto’s Petition to Intervene was granted by Order No. 33469.

BACKGROUND

Monsanto owns and operates phosphate mines in Caribou County, Idaho together with a plant in Soda Springs which produces elemental phosphorus utilizing three electric furnaces.

Elemental phosphorus becomes the primary building block for the active ingredient *glyphosate* in Roundup herbicide, the foremost weed-control agent in the world. Monsanto's Soda Springs plant is Idaho's single largest user of electricity and the largest single user on the PacifiCorp system with a load of approximately 180 megawatts (MW) using 1.4 million MW-hours per year. Monsanto has continuously been a special contract customer of PacifiCorp since plant operations began in 1951.

The Company provides electric service to Monsanto pursuant to an Electric Service Agreement effective January 1, 2016 for a 2-year term ("Agreement") and Idaho Electric Service Schedule 400. Pursuant to the Agreement, Monsanto receives firm and interruptible power and energy. Monsanto's interruptible products provide the Company with up to 188 hours of operating reserves interruptions at 95 MW, up to 12 hours of system integrity interruptions at 162 MW and up to 500 hours economic curtailments at 67 MW. Monsanto receives an interruptible credit for these interruptions. While Monsanto's rates are fixed pursuant to the Agreement, they remain subject to annual ECAM adjustments like all other customers.

MONSANTO COMMENTS

Monsanto has reviewed the testimony and exhibits in this case and supports the decrease in rates. In particular, we would like to point out that as a result of the alternative payment structure approved in the previous ECAM, Monsanto's prior deferral balance will be completely paid off by March 31, 2016 as planned. We appreciate the Company's willingness to allow Monsanto to structure its payments on a fixed basis to ensure timely payment of the deferred balance, as well as avoiding any over- or under-payment of the deferred balance.

We also note that the Company has determined the various back-cast adjustments in its Application as single one-time annual events all occurring in November 2015. Since revenues and expenses are incurred throughout the year, it would make sense that the back-cast adjustments would likewise be handled on a monthly basis rather than assuming a single event. This should help alleviate the interest paid by ratepayers for the deferred balance. Monsanto does not have a specific monetary correction to make the back-cast adjustments on a monthly basis, but would support such a recommendation by the Commission to make such correction.

RESPECTFULLY SUBMITTED this 9th day of March, 2016.

RACINE, OLSON, NYE, BUDGE &
BAILEY, CHARTERED

By 
RANDALL C. BUDGE

CERTIFICATE OF MAILING

I HEREBY CERTIFY that on this 9th day of March, 2016, I served a true, correct and complete copy of the foregoing document, to each of the following, via the method so indicated:

Jean D. Jewell, Secretary (original and 7)
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