- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -In the Matter of the Application of Rocky) Mountain Power for Approval of a Power) Purchase Agreement between PacifiCorp) and Kennecott Utah Copper LLC) PURCHASE AGREEMENT

ISSUED: November 10, 2009

By The Commission:

This matter is before the Commission on the Application of Rocky Mountain Power (Company) for Approval of a Power Purchase Agreement (Agreement) between PacifiCorp and Kennecott Utah Copper, LLC (Kennecott). The Administrative Law Judge of the Commission held a duly-notice scheduling conference on Wednesday, November 4, 2009. Daniel Solander was counsel for the Company. Paul Clements testified on behalf of the company. Robert Reeder was counsel for Kennecott. Michael Ginsberg, assistant attorney general, was counsel for the Division of Public Utilities (Division). Charles Peterson testified on behalf of the Division. Paul Proctor, assistant attorney general, was counsel for the Office of Consumer Services (OCS). Cheryl Murray testified on behalf of the OCS.

The Company submitted its Application together with a copy of the underlying Agreement on September 14, 2009. The Division filed its Recommendation on October 29, 2009. The OCS did not submit a written recommendation.

Kennecott owns, operates, and maintains a waste-heat fired steam cogeneration facility for the generation of electric power located in Utah. The facility is operated as a qualifying facility (QF) as defined by 18 C.F.R Part 292, with a Nameplate Capacity Rating of

DOCKET NO. 09-035-62

-2-

31.8 megawatts (MW). All interconnection requirements have been met and Kennecott's facility is fully integrated with the Company's system. The average net monthly output of the facility will be about 14,000 megawatt-hours (MWh) to the Company or about 18.5 MW per hour on average. The Agreement will run for 12 months—from January 1, 2010 through December 31, 2010. The current Agreement expires December 31, 2009. Kennecott will sell all of its electric generation to the Company.

The specifics of the Agreement are detailed in the Application, attached Agreement, and summarized in the Division's Recommendation.

The Division recommended approval of the Application and Agreement and the OCS did not oppose the approval.

ORDER

Based on the Application, Agreement submitted by the Company, the Recommendation of the Division and testimony presented by the parties at the hearing, the Commission finds the approval of the Application to be in the public interest and therefore approves the Agreement between the Company and Kennecott.

Pursuant to Sections 63G-4-301 and 54-7-15 of the Utah Code, an aggrieved party may request agency review or rehearing of this Order by filing a written request with the Commission within 30 days after the issuance of this Order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the Commission does not grant a request for review or rehearing within 20 days after the filing of the request, it is deemed denied. Judicial review of the Commission's final

DOCKET NO. 09-035-62

-3-

agency action may be obtained by filing a petition for review with the Utah Supreme Court within 30 days after final agency action. Any petition for review must comply with the requirements of Sections 63G-4-401 and 63G-4-403 of the Utah Code and the Utah Rules of Appellate Procedure.

DATED at Salt Lake City, Utah this 10th day of November, 2009.

<u>/s/ Ruben H. Arredondo</u> Administrative Law Judge

Approved and confirmed this 10th day of November, 2009 as the Order Approving

Power Purchase Agreement of the Public Service Commission of Utah.

/s/ Ted Boyer, Chairman

/s/ Ric Campbell, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Julie Orchard Commission Secretary G#64287