

November 9, 2021

VIA ELECTRONIC FILING

Utah Public Service Commission
Heber M. Wells Building, 4th Floor
160 East 300 South
Salt Lake City, UT 84114

Attention: Gary Widerburg
Commission Administrator

RE: **Docket No. 21-035-61 – In the Matter of the Application of Rocky Mountain Power for Approval of an Amendment to the Power Purchase Agreement between PacifiCorp and Kennecott Utah Copper LLC – Smelter**

Rocky Mountain Power (the “Company”) hereby submits for filing its application for approval of an Amendment to the Power Purchase Agreement between PacifiCorp and Kennecott Utah Copper LLC (“Kennecott”) for sales from its smelter.

The Company respectfully requests that all formal correspondence and requests for additional information regarding this filing be addressed to the following:

By E-mail (preferred): datarequest@pacificorp.com
utahdockets@pacificorp.com
jana.saba@pacificorp.com
emily.wegener@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, OR 97232

Informal inquiries may be directed to Jana Saba at (801) 220-2823.

Sincerely,



Joelle Steward
Vice President, Regulations

Enclosures

CC: Service List

Emily Wegener (12275)
Rocky Mountain Power
1407 W North Temple, Suite 320
Salt Lake City, UT 84116
Telephone: (801) 220-4526
Facsimile: (801) 220-4615
emily.wegener@pacificorp.com

Attorney for Rocky Mountain Power

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of Rocky Mountain Power for Approval of an Amendment to the Power Purchase Agreement between PacifiCorp and Kennecott Utah Copper LLC - Smelter)	DOCKET NO. 21-035-61
	ROCKY MOUNTAIN POWER'S APPLICATION

Pursuant to Utah Code Ann. § 54-12-2, PacifiCorp, doing business in Utah as Rocky Mountain Power (“Rocky Mountain Power” or “Company”) hereby applies for an order approving a Second Amendment dated October 26, 2021 (“Amendment”) to the Power Purchase Agreement dated October 9, 2019 and First Amendment dated October 12, 2020 (“Agreement”) between PacifiCorp and Kennecott Utah Copper LLC (“Kennecott”). In support of its Application, Rocky Mountain Power states as follows:

1. Rocky Mountain Power is a public utility in the state of Utah and is subject to the jurisdiction of the Public Service Commission of Utah with regard to its rates and service. Rocky Mountain Power also provides retail electric service in the states of Idaho and Wyoming. As a “purchasing utility,” as that term is used in Utah Code Ann. §54-12-2, PacifiCorp is obligated to purchase power from qualifying facilities pursuant to the Public Utility Regulatory Policies Act of 1978, Utah Code Ann. §54-12-1, *et seq.*, and the

Commission's orders. Under the Agreement, Kennecott represents itself to be a qualifying facility, and agrees to provide PacifiCorp, upon request, with evidence to show its qualifying facility status.

2. Communications regarding this Application should be addressed to:

By e-mail (preferred): datarequest@pacificorp.com
jana.saba@pacificorp.com
utahdockets@pacificorp.com
emily.wegener@pacificorp.com

By mail: Data Request Response Center
Rocky Mountain Power
825 NE Multnomah St., Suite 2000
Portland, OR 97232

Jana Saba
Rocky Mountain Power
1407 W. North Temple, Suite 330
Salt Lake City, UT 84116
Telephone: (801) 220-2823
Facsimile: (801) 220-3299

3. In Docket No. 03-035-14, *In the Matter of the Application of PacifiCorp for Approval of an IRP-Based Avoided Cost Methodology for QF Projects larger than One Megawatt*, the Commission issued a series of Orders, which established avoided capacity and energy cost payments for purchases from QF projects larger than one megawatt, such as Kennecott's, under contracts with PacifiCorp. This methodology was then confirmed by the Commission in an August 16, 2013, Order on Phase II Issues in Docket No. 12-035-100.¹

4. The Amendment modifies the Agreement, which was approved by the Commission in Docket No. 19-035-36 on December 20, 2019 and Docket No. 20-035-43

¹ See *In the Matter of the Application of Rocky Mountain Power for Approval of Changes to Renewable Avoided Cost Methodology for Qualifying Facilities Projects Larger than Three Megawatts*, Order on Phase II Issues (August 16, 2013).

on December 18, 2020. The Agreement provides for the sale to PacifiCorp of energy to be generated by Kennecott up to 31.8 megawatts, from a waste heat-fired cogeneration facility constructed by Kennecott and located in Salt Lake City, Utah (the “Facility”). The Amendment, attached to this Application as Confidential Exhibit A, extends the term of the Agreement, establishes the pricing for the extension period and updates the Line Loss Factor for the period that the Amendment extends the Agreement. The Amendment extends the Agreement for 12 months: January 1, 2022 to December 31, 2022.

5. The purchase prices set forth in the Agreement include a “lesser of” provision to account for Kennecott’s ability to purchase market blocks of power under the Energy Services Agreement approved by the Commission in Docket No. 16-035-33, whereby the Company will pay the lesser of the price for such market blocks or prices that were calculated using the methodology approved by the Commission orders in Docket No. 03-035-14 and Docket No. 12-035-100.

6. The Facility is located near Magna, Utah in an area served by Rocky Mountain Power. All interconnection requirements have been met and the Facility is fully integrated with the Rocky Mountain Power system.

7. According to the terms of the 2020 Protocol, approved by the Commission on April 15, 2020, in Docket No. 19-035-42, costs of the qualifying facility power purchase agreement will be allocated in accordance with section 4.4.2 of the 2020 Protocol.

8. The existing Agreement between PacifiCorp and Kennecott expires on December 31, 2021. Therefore, the parties desire that there be no time lapse between the expiration of the Agreement and the approval of the Amendment for which approval is sought in this Application.

WHEREFORE, Rocky Mountain Power respectfully requests that the Commission issue an order approving the Agreement and find the terms and conditions of the Agreement as modified by the Amendment to be just, reasonable and in the public interest.

DATED this 9th day of November, 2021.

Respectfully submitted,

A handwritten signature in blue ink that reads "Emily Wegener". The signature is written in a cursive style and is positioned above a solid horizontal line.

Emily Wegener
Attorney for Rocky Mountain Power

CERTIFICATE OF SERVICE

Docket No. 21-035-61

I hereby certify that on November 9, 2021, a true and correct copy of the foregoing was served by electronic mail to the following:

Utah Office of Consumer Services

Michele Beck mbeck@utah.gov
ocs@utah.gov

Division of Public Utilities

dpudatarequest@utah.gov

Assistant Attorney General

Patricia Schmid pschmid@agutah.gov
Justin Jetter jjetter@agutah.gov
Robert Moore rmoore@agutah.gov

Rocky Mountain Power

Data Request Response Center datarequest@pacificorp.com
Jana Saba jana.saba@pacificorp.com
utahdockets@pacificorp.com
Emily Wegener Emily.wegener@pacificorp.com



Mary Penfield
Adviser, Regulatory Operations