

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the
Application of Rocky Mountain Docket No. 14-035-117
Power for Approval of an
Electric Service Agreement
between Rocky Mountain Power
and Kennecott Utah Copper, LLC,

~~~~~  
HEARING PROCEEDINGS  
CONFIDENTIAL PORTIONS PAGE 10 THROUGH 12 AND PAGE  
21 THROUGH 24 ARE REDACTED AND FILED UNDER  
SEPARATE COVER  
~~~~~

TAKEN AT: Public Service Commission
Hearing Room 403
160 East 300 South
Salt Lake City, Utah

DATE: Thursday, November 20, 2014

TIME: 2:02 p.m.

REPORTER: Nancy A. Fullmer, RMR

1 APPEARANCES
 2 PRESIDING OFFICER: JORDAN A. WHITE
 3 FOR DIVISION OF PUBLIC UTILITIES:
 JUSTIN C. JETTER
 4 ASSISTANT ATTORNEY GENERAL
 160 East 300 South, Fifth Floor
 5 Salt Lake City, Utah 84114
 6 FOR OFFICE OF CONSUMER SERVICES:
 REX W. OLSEN
 7 ASSISTANT ATTORNEY GENERAL
 160 East 300 South, Fifth Floor
 8 Salt Lake City, Utah 84114
 9 FOR ROCKY MOUNTAIN POWER:
 DANIEL E. SOLANDER
 10 COUNSEL, ROCKY MOUNTAIN POWER
 201 South Main Street, Suite 2300
 11 Salt Lake City, Utah 84111

12 INDEX OF EXAMINATION

13	WITNESS	PAGE
14	PAUL CLEMENTS	
	EXAMINATION	
	BY-MR. SOLANDER	7
15		
	REDIRECT EXAMINATION	
16	BY-MR. SOLANDER	29
17	WITNESS	
	CHARLES E. PETERSON	
18	EXAMINATION	
	BY-MR. JETTER	14
19		
	WITNESS	
20	CHERYL MURRAY	
	EXAMINATION	
21	BY-MR. OLSEN	19
22	INDEX OF CONFIDENTIAL TESTIMONY	
23		PAGE LINE
	Begin confidential testimony	10 10
24	End confidential testimony	12 8
25	Begin confidential testimony	21 22

1 PROCEEDINGS

2 THE HEARING OFFICER: Good afternoon.
3 This is the time and place noticed for Commission
4 consideration of three separate applications of
5 Rocky Mountain Power. The first application is
6 for approval of an Electric Service Agreement
7 between PacifiCorp and Kennecott Utah Copper, LLC,
8 in Docket No. 14-035-117.

9 The second application is for approval of
10 a Power Purchase Agreement between PacifiCorp and
11 Kennecott concerning Kennecott's refinery facility
12 in Docket No. 14-035-121--sorry. And that's
13 actually the smelter facility. Sorry about that.

14 The third application, the final
15 application, is for approval of a Power Purchase
16 Agreement between PacifiCorp and Kennecott
17 concerning Kennecott's refinery facility. This is
18 Docket No. 14-035-122.

19 My name is Jordan White and I'll be
20 acting as the presiding officer for this hearing.
21 With that, why don't we go ahead and take
22 appearances. We can start over here on the right
23 with Mr. Olsen.

24 MR. OLSEN: Rex Olsen with the Attorney
25 General's Office on behalf of the Office of

1 Consumer Services.

2 MS. MURRAY: Oh, you normally do that.

3 MR. OLSEN: Oh, do I do that?

4 THE HEARING OFFICER: Yeah.

5 MR. OLSEN: Cheryl Murray will be
6 testifying on behalf of the Office.

7 THE HEARING OFFICER: That's fine.
8 That's fine.

9 MR. JETTER: And I'm Justin Jetter. And
10 I represent the Utah Division of Public Utilities.
11 And with me is Charles Peterson, technical
12 consultant for the Division of Public Utilities.

13 MR. SOLANDER: Daniel Solander
14 representing Rocky Mountain Power. I have with me
15 at the table Paul Clements who will be our
16 witness. He's a senior marketer/originator for
17 Rocky Mountain Power PacifiCorp.

18 THE HEARING OFFICER: Okay. Thank you.
19 Is there any other folks who plan to make
20 an appearance or participate?

21 Okay, great. Let me ask you this in
22 terms of just kind of housekeeping procedure. We
23 have three separate applications here. We have
24 one ESA, Electric Service Agreement, two PPAs. Do
25 the parties think it would be--we could proceed

1 with the hearing having the witnesses testify on
2 kind of just each of the applications in
3 succession and then just allowing--or do we want
4 to actually break these up? What makes sense
5 from--

6 MR. SOLANDER: I think from our
7 perspective it would make sense to do the ESA and
8 then the two PPAs.

9 THE HEARING OFFICER: Okay. So actually
10 do--go through--does that make sense--do the ESA
11 first? Any thoughts with that, Mr. Jetter, or--

12 MR. OLSEN: Well, I think since the way
13 it's noticed up, we might have to do that since
14 they were noticed discretely.

15 THE HEARING OFFICER: Okay. All right.
16 We'll do that then. And, also, any other--in
17 terms of housekeeping matters, recognizing these
18 applications and the agreements that are the
19 subject of these applications contain confidential
20 information, are there--do parties anticipate or
21 their witnesses delving into confidential matters?

22 MR. SOLANDER: Part of Mr. Clements'
23 summary will be--I don't know if you're streaming,
24 if we can--we can just stop and then we'll stop
25 the stream at that point.

1 THE HEARING OFFICER: Okay, yeah. We are
2 actually not streaming today. But the one, I
3 guess, question I have is that we do have folks in
4 the gallery. I know that we have folks from the
5 Division and the Office. We have other people
6 who, you know, may or may not have signed a
7 nondisclosure agreement with the Company. Do
8 we--I guess what I'm trying to say is do I need to
9 rely on, you know, the Company or Kennecott or
10 whomever to let me know when we're getting into
11 that area? Because we're going to get into
12 confidential information, we'll have to ask--

13 MR. SOLANDER: We'll let you know.

14 THE HEARING OFFICER: --wait outside.
15 Does that make sense? Okay.

16 Okay. With that, since this is
17 PacifiCorp's application, why don't we begin with
18 the Electric Service Agreement. This is Docket
19 14-035-117. I'll go ahead and turn it over to
20 Mr. Solander.

21 MR. SOLANDER: Thank you. As you noted,
22 this is Rocky Mountain Power's approval of the ESA
23 between the Company and Kennecott for backup and
24 supplemental electric service to be supplied by
25 Rocky Mountain Power on and after January 1, 2015

1 through November 30, 2016. And we have
2 Mr. Clements here who has--who participated in the
3 negotiation agreement and he'll be our witness
4 today.

5 THE HEARING OFFICER: Why don't you go
6 ahead and raise your right hand, Mr. Clements. Do
7 you solemnly swear to tell the whole truth and
8 nothing but the truth?

9 MR. CLEMENTS: Yes.

10 THE HEARING OFFICER: Thank you.

11 PAUL CLEMENTS,
12 having been first duly sworn, was
13 examined and testified as follows:

14 EXAMINATION

15 BY-MR.SOLANDER:

16 Q. Could you please state and spell your
17 name for the record.

18 A. Yes. My name is Paul Clements,
19 C-L-E-M-E-N-T-S.

20 Q. And by whom are you employed and in what
21 capacity?

22 A. I'm employed by PacifiCorp as a senior
23 power marketer/originator responsible for large QF
24 contracts and large industrial contracts.

25 Q. And did your responsibilities include

1 negotiating this agreement between Rocky Mountain
2 Power and Kennecott?

3 A. Yes.

4 Q. And can you--have you prepared a summary
5 today of that agreement?

6 A. Yes, I have.

7 MR. SOLANDER: Please proceed.

8 MR. CLEMENTS: Thank you. I present
9 today for Commission approval of Electric Service
10 Agreement between Rocky Mountain Power or
11 PacifiCorp and Kennecott Utah Pow--Kennecott Utah
12 Copper.

13 The Company currently provides backup and
14 supplemental service to Kennecott through an
15 Electric Service Agreement that's dated
16 September 14, 2012. That ESA was approved by the
17 Commission in a report and order dated December 4,
18 2012 in Docket No. 12-035-94. That ESA is
19 scheduled to expire on December 31, 2014.

20 In an application dated September 8,
21 2014, Rocky Mountain Power filed for approval of
22 an Electric Service Agreement with Kennecott Utah
23 Copper, LLC. The effective date of this new
24 agreement is January 1, 2015. This particular ESA
25 will continue for 23 months to November 30, 2016.

1 This proposed contract between PacifiCorp
2 and Kennecott outlines the terms, pricing, and
3 conditions under which PacifiCorp will continue to
4 provide backup maintenance and supplementary power
5 to the Kennecott facilities. The ESA is generally
6 based upon Rocky Mountain Power Electric Service
7 Schedules No. 9 and No. 31.

8 The terms of the ESA state that Kennecott
9 is subject to certain tariff riders and rate
10 adjustments that affect Schedule 9 and Schedule 31
11 customers, such as the Company's Energy Balancing
12 Account, or EBA, and Schedule 98, which is the
13 renewable energy credit rider. Other changes to
14 this ESA when compared to prior Electric Service
15 Agreements between the parties are relatively
16 minor in nature.

17 On October 30, 2014, the Division of
18 Public Utilities filed comments recommending
19 approval of this ESA with no conditions. On
20 October 31st, the Office of Consumer Services
21 filed comments recommending approval, but also
22 making certain additional recommendations.
23 Subsequently, Kennecott and Rocky Mountain Power
24 have agreed to certain new terms and conditions to
25 address the recommendations made by the Office.

1 And the Company believes the new agreed to
2 additional terms will satisfy the concerns raised
3 by the Office. These terms are considered
4 confidential, so I request that we begin the
5 confidential session now.

6 THE HEARING OFFICER: Okay. Let's just
7 go ahead and go off the record just for one
8 second.

9 (Discussion off the record.)

10 ***BEGIN CONFIDENTIAL TESTIMONY***

11 //

12

13

14

15

16

17

18

19

20

21

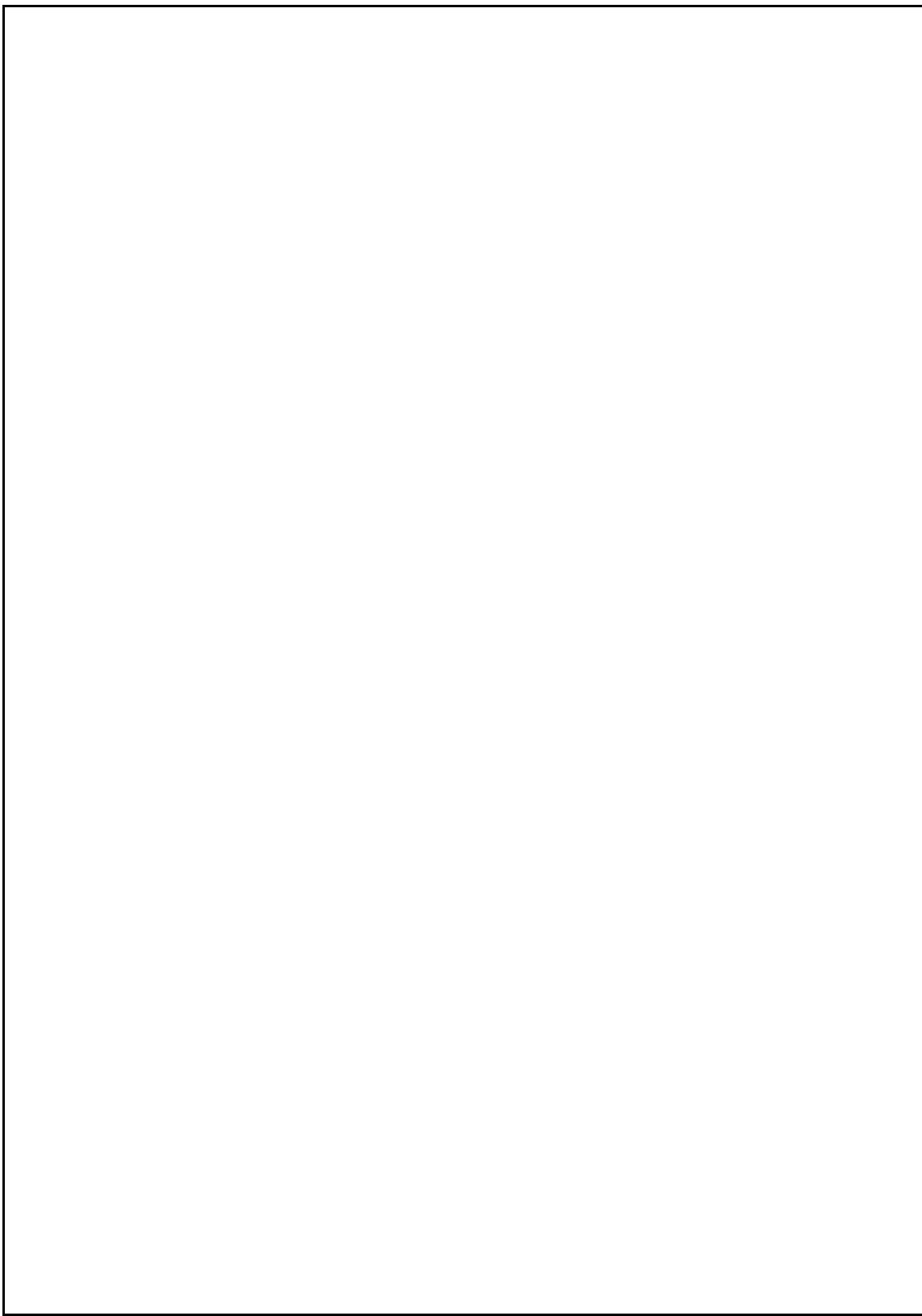
22

23

24

25

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25



50 West Broadway, Suite 900, Salt Lake City, UT 84101
801-983-2180

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

//

END CONFIDENTIAL TESTIMONY

THE HEARING OFFICER: We just concluded the confidential portion of Rocky Mountain Power's witness Paul Clements' testimony. And now I'm going to ask if the Division has any questions or cross for--

MR. SOLANDER: I think Mr. Clements still has a little bit--

THE HEARING OFFICER: Oh, sorry. There's confidential and in addition. Okay. I apologize. We're continuing on. He's not concluded yet.

Please continue. Thank you.

MR. CLEMENTS: Thank you. The Company represents the terms and conditions in the Kennecott ESA. And these additional terms agreed to by Kennecott and Rocky Mountain Power described today are just and reasonable and in the public interest.

1 Of note for housekeeping purposes, the
2 Company and Rocky Mountain Power--the Company and
3 Kennecott do not intend to enter into any
4 additional agreement to memorialize the terms
5 we've discussed today that are in response to the
6 Office's recommendations. However, the parties,
7 meaning Kennecott and Rocky Mountain Power, have
8 agreed that if those items are included in a
9 Commission order, both parties will comply as I
10 stated today. Therefore, the Company believes and
11 represents that the additional terms satisfy the
12 recommendations of the Office. And, therefore,
13 the Company recommends and requests the Commission
14 approve the Electric Service Agreement. That
15 concludes my testimony.

16 MR. SOLANDER: Mr. Clements is available
17 for questions from parties or the Commission.

18 THE HEARING OFFICER: I appreciate it. I
19 apologize for jumping the gun.

20 With that, I'll turn to Mr. Jetter. Any
21 questions?

22 MR. JETTER: No questions from the
23 Division. Thank you.

24 THE HEARING OFFICER: And, Mr. Olsen?

25 MR. OLSEN: I don't think we have any

1 right now.

2 THE HEARING OFFICER: You have no
3 questions for Mr. Clements? Okay.

4 MR. OLSEN: Correct. No.

5 THE HEARING OFFICER: Okay. We can--I
6 mean, if you want to maybe potentially address the
7 redirect--

8 MR. OLSEN: Yeah, that would be fine. I
9 think perhaps the testimony took care of that.

10 THE HEARING OFFICER: All right.
11 Perfect. With that, I'll turn to Mr. Jetter, the
12 presentation of his witness.

13 MR. JETTER: Thank you. The Division
14 would like to call our witness, Charles Peterson.

15 THE HEARING OFFICER: Do you solemnly
16 swear to tell the whole truth and nothing but the
17 truth?

18 MR. PETERSON: Yes.

19 THE HEARING OFFICER: Thank you.

20 CHARLES E. PETERSON,
21 having been first duly sworn, was
22 examined and testified as follows:

23 EXAMINATION

24 BY-MR.JETTER:

25 Q. Mr. Peterson, would you please state your

1 name, occupation, and place of business for the
2 record.

3 A. Charles E. Peterson. I'm a technical
4 consultant at the Division of Public Utilities.
5 And I'm located here in the Heber Wells Building.

6 Q. Thank you. And as a course of employment
7 with the Division of Public Utilities, have you
8 had an opportunity to review the application filed
9 by Rocky Mountain Power in this docket as well as
10 the confidential Energy Service Agreement that is
11 being requested to be approved today between Rocky
12 Mountain Power and Kennecott Utah Copper?

13 A. Yes.

14 Q. And did you prepare a filing titled
15 Memorandum from the Division of Public Utilities
16 dated October 30, 2014?

17 A. Yes.

18 Q. And does that memorandum remain the--let
19 me back up just to rephrase this question.

20 Is there anything you would like to edit
21 or change about that memorandum?

22 A. No, there isn't.

23 Q. And does that accurately reflect your
24 opinion on the approval of this Energy Service
25 Agreement?

1 A. Yes, it does.

2 Q. And were you in the room a few minutes
3 ago when the Company discussed a few changes to
4 this Energy Service Agreement that they would like
5 to include?

6 A. Yes, I was.

7 Q. And do you object to any of those?

8 A. No, I don't.

9 Q. And do any of those change your opinion
10 on approval of this Energy Service Agreement?

11 A. They do not.

12 Q. And so, finally, do you recommend on
13 behalf of the Division that the Commission approve
14 this Energy Service Agreement?

15 A. Yes. The Division continues to recommend
16 that the Commission approve the Electric Service
17 Agreement between PacifiCorp and Kennecott.

18 Q. And do you believe that approval is just,
19 reasonable, and in the public interest?

20 A. Yes, I do.

21 Q. And, finally, are you aware of any
22 opposition to approval of this?

23 A. No, I'm not.

24 MR. JETTER: Thank you. I have no
25 further questions for Mr. Peterson. He's

1 available for cross.

2 THE HEARING OFFICER: Okay. Thank you.

3 Mr. Solander, did you have any questions

4 for Mr. Peterson?

5 MR. SOLANDER: No questions. Thank you.

6 THE HEARING OFFICER: Mr. Olsen?

7 MR. OLSEN: No questions.

8 THE HEARING OFFICER: One thing I was
9 reminded of is--we can deal with this upfront, but
10 in terms of receipt into evidence of--maybe we can
11 address your--

12 MR. JETTER: Yeah. If I could just--I'll
13 make a motion that the memo filed by the Division
14 be entered into the record.

15 THE HEARING OFFICER: Any objection?

16 MR. SOLANDER: No objection.

17 MR. OLSEN: No objection.

18 THE HEARING OFFICER: Okay. They're
19 received.

20 And, Mr. Solander, I guess we could do
21 the same for you on your--

22 MR. SOLANDER: Right. We would ask and
23 move that the application and the contract be
24 entered into the record.

25 THE HEARING OFFICER: Any objection?

1 MR. OLSEN: No objection.

2 THE HEARING OFFICER: Those are received.

3 Thank you.

4 Okay. So we've concluded with the
5 Division's presentation. We'll go ahead and turn
6 to the Office now. Recognizing the Office--I've
7 been informed they may have a portion of their
8 testimony that may be confidential.

9 MR. OLSEN: That's correct.

10 THE HEARING OFFICER: Does it make sense,
11 Mr. Olsen and Ms. Murray, to just--I mean, is this
12 going to be confidential in toto or do you want to
13 let us know at a certain point when you're going
14 to begin confidential so we can know at the
15 appropriate time or--

16 MS. MURRAY: The majority will be
17 confidential, but I will let you know when I start
18 that.

19 THE HEARING OFFICER: Okay. I would
20 appreciate that. So we'll just begin. We'll do
21 the--like we did before. I appreciate it. Okay.
22 Go ahead, Mr. Olsen.

23 MR. OLSEN: Thank you.

24 EXAMINATION

25 BY-MR.OLSEN:

1 Q. Ms. Murray, would you state your name and
2 occupation, please, for the record.

3 THE HEARING OFFICER: Let's go ahead and
4 swear her in. That's okay. That's my fault.

5 Do you solemnly swear to tell the whole
6 truth and nothing but the truth?

7 MS. MURRAY: Yes, I do.

8 THE HEARING OFFICER: Okay. Thank you.

9 CHERYL MURRAY,
10 having been first duly sworn, was
11 examined and testified as follows:

12 EXAMINATION

13 BY-MR.OLSEN:

14 Q. Ms. Murray, could you state your name for
15 the record.

16 A. Cheryl Murray.

17 Q. And what is your employment?

18 A. I am a utility analyst with the Office of
19 Consumer Services.

20 Q. As part of that employment, did you have
21 occasion to review the application and contract
22 that's the subject matter of this docket?

23 A. Yes, I did.

24 Q. Did you prepare written comments
25 regarding this? Did the Office--did you prepare

1 on behalf of the Office written comments in regard
2 to this matter?

3 A. Yes, I did.

4 Q. Having heard the--well, is that--do you
5 have any reason to change your position regarding
6 this matter?

7 A. No, I don't.

8 MR. OLSEN: We would ask at this time
9 that the comments submitted on October 31st be
10 made part of the record.

11 THE HEARING OFFICER: Any objection?

12 MR. SOLANDER: No objection.

13 THE HEARING OFFICER: Okay. Those are
14 received. Thank you.

15 BY MR. OLSEN:

16 Q. As part of your work on this, have you
17 prepared a statement for the hearing officer?

18 A. Yes, I have.

19 Q. Would you please read that now?

20 A. Yes. The Office prepared and submitted
21 an eight-page memo in this docket, including
22 confidential and redacted versions, which, as
23 Mr. Olsen said, we submitted on October 31st,
24 2014.

25 The Office of Consumer Services is

1 responsible for assessing the impact of utility
2 rate changes and regulatory actions upon
3 residential and small commercial customers. In
4 reviewing the proposed Kennecott ESA, the Office's
5 primary concern was that the ESA did not result in
6 cost shifts from Kennecott to other retail
7 customers of Rocky Mountain Power.

8 In our memo the Office recommended
9 approval of the proposed Kennecott ESA. The ESA
10 is entirely confidential and the rest of my
11 summary will include material deemed confidential
12 by the Company.

13 THE HEARING OFFICER: Okay. We're
14 beginning the confidential portion of the
15 transcript and--and we'll just wait just a moment
16 here so we have folks who are in the room who have
17 either signed a NDA or you are exempt from that
18 statutorily.

19 So with that, we'll go ahead and begin
20 the confidential portion of Ms. Murray's testimony
21 for the Office.

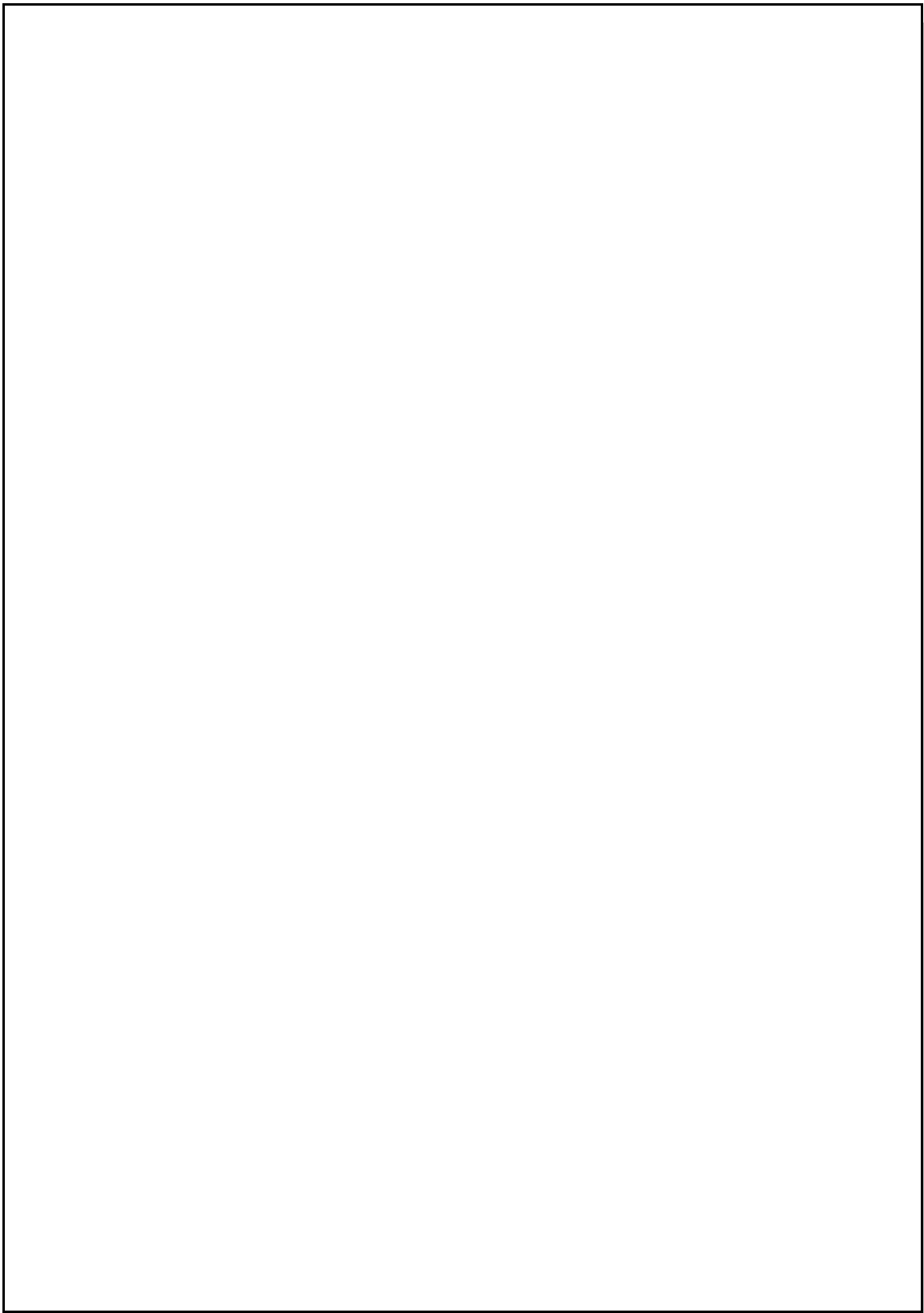
22 ***BEGIN CONFIDENTIAL TESTIMONY***

23 //

24

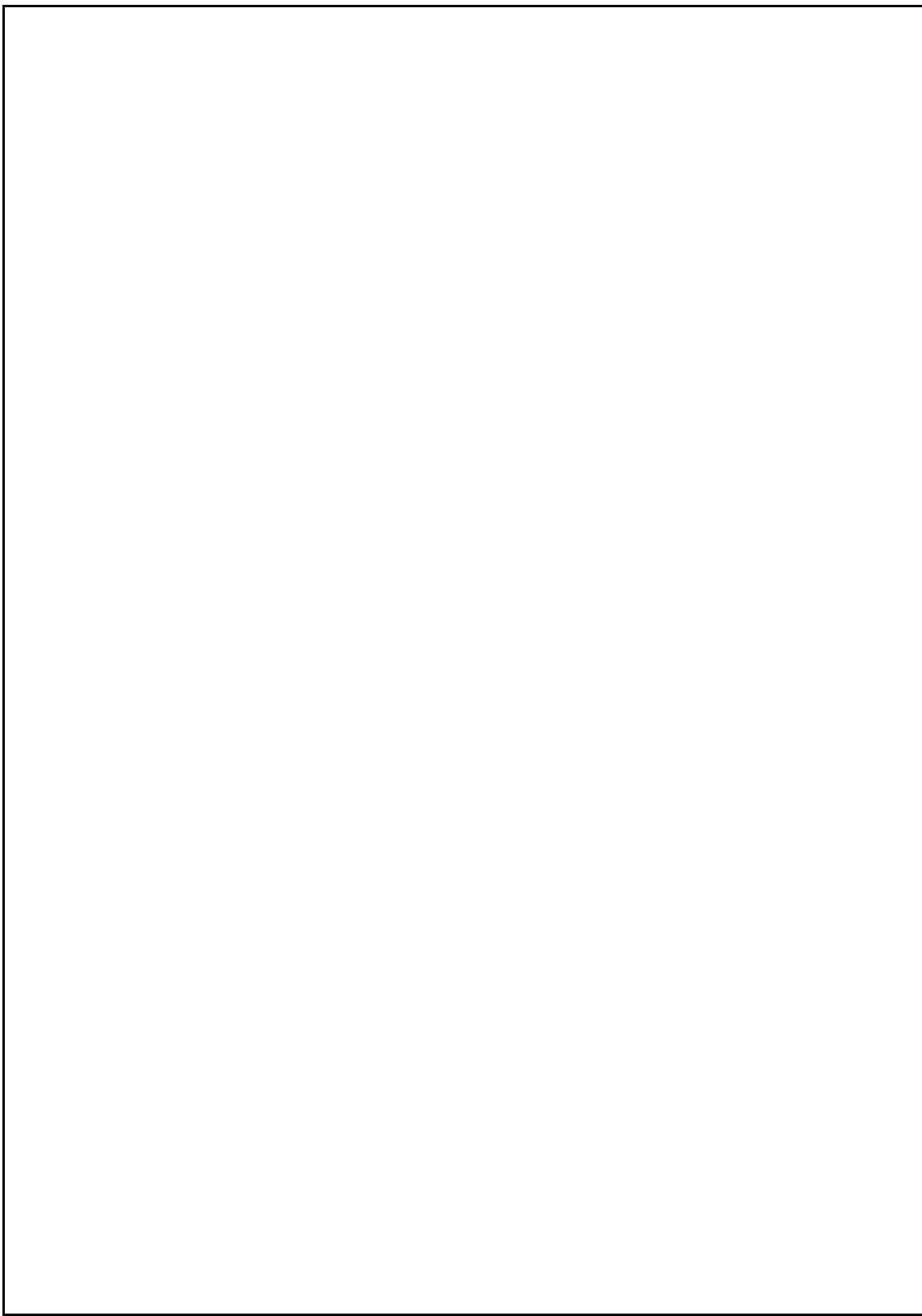
25

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25



50 West Broadway, Suite 900, Salt Lake City, UT 84101
801-983-2180

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25



50 West Broadway, Suite 900, Salt Lake City, UT 84101
801-983-2180

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

//

END CONFIDENTIAL TESTIMONY

1 THE HEARING OFFICER: We concluded the
2 confidential portion of the--of Ms. Murray's
3 testimony. And with that, I'll turn to the
4 Division if they have any cross questions.

5 MR. JETTER: No questions from the
6 Division. Thank you.

7 THE HEARING OFFICER: And to
8 Mr. Solander.

9 MR. SOLANDER: No questions. Thank you.

10 THE HEARING OFFICER: Thank you. I guess
11 the question I have is maybe the question's
12 been--how it's formatted. So if I understand it,
13 these are agreements among Kennecott and the
14 Company that would be essentially almost--and I
15 don't want to mischaracterize these, but it would
16 be kind of like compliance filing commitments in
17 terms of it would be memorializing an order?

18 I'm just trying to understand how we
19 could best--because I understand these are not
20 within the agreement, but they're going to be
21 somehow memorialized or--maybe Mr. Clements can--

22 MR. CLEMENTS: Certainly. And you're
23 correct in that assumption. It's not the intent
24 of the parties, Kennecott or the Company, to alter
25 the ESA in any manner. We don't intend to

1 incorporate these additional terms in a written
2 document that would be executed by the parties.
3 It's our intent they would be included in any
4 Commission order approving this agreement. And
5 then that order would then be the document that
6 would bind parties to perform, assuming, of
7 course, that the conditions are approved by the
8 Commission.

9 THE HEARING OFFICER: And so it sounds
10 like in terms of these commitments that if
11 approved by the Commission, it would be included
12 in an order with all parties in agreement, no
13 dispute or opposition to the current? Is that
14 your understanding, Ms. Murray?

15 MS. MURRAY: That's correct.

16 THE HEARING OFFICER: Okay.

17 MS. MURRAY: From our perspective.

18 THE HEARING OFFICER: Okay. All right.
19 Sorry, go ahead.

20 Let's go off the record.

21 (Discussion off the record.)

22 THE HEARING OFFICER: I'm sorry, do you
23 want to go back on the record?

24 MR. JETTER: Yeah.

25 THE HEARING OFFICER: Okay, great.

1 MR. JETTER: I think we had a--we have a
2 question regarding how this would work. Was the
3 intent that these--the parts that might be filed
4 or information that would be given to the parties,
5 would that be filed with the Commission and then
6 would the Division do some sort of a compliance
7 review or do we anticipate it just being provided?

8 THE HEARING OFFICER: That's a good
9 question. And let me just before you answer, if
10 we--and I--you know, let's just try to stay away
11 from confidential, but if we can't avoid that,
12 then if we can, we'll just try to--I apologize,
13 but we'll try to keep you in the room as long as
14 we can. We'll let Mr. Clements answer that
15 question for Mr. Jetter.

16 MR. CLEMENTS: Certainly. And where we
17 speak of reports that will be filed, I believe
18 there are two reports. The intent is that those
19 would be provided. We said filed, but I think the
20 intent is that they would be provided to the
21 Division and the Office, but not necessarily filed
22 officially with the Commission.

23 THE HEARING OFFICER: Do you have
24 anything further?

25 MS. MURRAY: That was our understanding.

1 THE HEARING OFFICER: Okay.

2 MR. JETTER: And then I guess we have
3 another question. I don't know if this goes in
4 the order, but just to verify that the other item
5 was completed, I don't know if we need a process
6 to do that or we could probably get something from
7 the Company to verify that.

8 MR. CLEMENTS: Certainly. The Company
9 could provide notice to the Division and the
10 Office when the invoice is provided and payment is
11 made.

12 MR. JETTER: Okay. I think that would
13 satisfy questions of--

14 MR. OLSEN: That's acceptable.

15 THE HEARING OFFICER: Okay. Before we
16 conclude this--the hearing on this ESA, I would
17 like to take just a--I mean, let's take a brief
18 recess just if I could just because I--just to
19 process a few things and then we can come back and
20 start with that. So why don't we go ahead and--

21 MR. SOLANDER: Can I have one redirect
22 question?

23 THE HEARING OFFICER: Yeah, absolutely.
24 Do you want to go ahead?

25 EXAMINATION

1 BY-MR.SOLANDER:

2 Q. Mr. Clements, just to clarify, is there
3 any difference in what you laid in your summary
4 regarding the additional conditions the Company
5 and Kennecott have agreed to compared to what
6 Ms. Murray laid out in her testimony?

7 A. Yes. There are a couple of differences.
8 And to assist the hearing officer in reconciling
9 those things, one of the things Ms. Murray stated
10 in her summary is that the request is that--I'll
11 make every attempt to avoid confidential--

12 THE HEARING OFFICER: I appreciate that.

13 MR. CLEMENTS: To the extent that things
14 need to be filed with the Energy Balancing
15 Account, that was something that I did not mention
16 that is a commitment between Kennecott and Rocky
17 Mountain Power. However, the Company and
18 Kennecott, since it's the Company's filing, the
19 Company would agree to highlight those items in an
20 EBA filing to make sure that they are wholly
21 identifiable as requested by Ms. Murray.

22 The other item that she suggested
23 regarded any future Electric Service Agreements
24 and commitments the Company would have regarding
25 its application for those future Electric Service

1 Agreements. The Company would agree to that
2 condition, as well.

3 MR. SOLANDER: Thank you. I have no
4 further questions of Mr. Clements.

5 THE HEARING OFFICER: Thank you. Why
6 don't we go ahead and go off the record, take a
7 quick recess here. I'll just allow all the
8 witnesses to remain sworn in.

9 (Recess taken.)

10 THE HEARING OFFICER: Why don't we go
11 ahead and go back on the record. I appreciate
12 your patience. So what we're going to do is
13 rather than, you know, addressing them--the
14 separate applications, let's go ahead and address
15 the application Docket No. 14-035-17 [sic]. And
16 this is the application for approval of the
17 Electric Service Agreement between Kennecott Utah
18 Copper and PacifiCorp.

19 Having considered PacifiCorp's
20 application in that docket and the comments filed
21 in that docket, testimony presented today, and the
22 fact that the application is unopposed, the
23 Commission finds approval of the application and
24 the agreement addressed therein, including the
25 regulatory and compliance commitments addressed

1 here today, and agree to them on the parties that
2 will be memorialized by a written order are just
3 and reasonable, in the public interest. And the
4 Commission concludes that such approval is
5 consistent with relevant statutes, rules, and
6 Commission orders and, therefore, approves the
7 application in Docket 14-035-117. This bench rule
8 will be--has been approved and confirmed by the
9 Commission and will be memorialized by a written
10 order on file with the Commission.

11 With that, that portion of the docket is
12 now concluded and so we can go ahead and move on
13 to--unless other parties have anything else to
14 address within that docket, the ESA docket? Okay.
15 Okay. And with that docket, I think it's
16 understood that the application looks to an
17 effective date of the agreement so when we--the
18 application that means the effective date
19 requested is also approved. Okay.
20 (Hearing concluded at 2:46 p.m.)

21
22
23
24
25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATE

This is to certify that the foregoing proceedings were taken before me, NANCY A. FULLMER, a Registered Merit Reporter and Notary Public in and for the State of Utah;

That the proceeding was reported by me in stenotype and thereafter caused by me to be transcribed into typewriting, and that a full, true, and correct transcription of said testimony so taken and transcribed is set forth in the foregoing pages;

I further certify that I am not of kin or otherwise associated with any of the parties to said cause of action, and that I am not interested in the event thereof.



Nancy A Fullmer

Nancy Fullmer, RMR