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Attorney for Rocky Mountain Power

**BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH**

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In the Matter of the Application of	)	
Rocky Mountain Power for Approval of	)	
the Power Purchase Agreement between	)	DOCKET NO. 15-035-_____
PacifiCorp and Kennecott Utah Copper	)	
LLC	)	ROCKY MOUNTAIN POWER
	)	

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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 the Power Purchase Agreement (“Agreement”) between PacifiCorp and Kennecott Utah Copper LLC (“Kennecott”) dated September 16, 2015. 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 (the “Commission”) 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, the Company 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 the Company, 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](mailto:datarequest@pacificorp.com)  
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Informal inquiries may be directed to Bob Lively, Utah Regulatory Affairs Manager, at (801) 220-4052.

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 the Company with terms up to 20 years. This methodology was then confirmed by the Commission in an August 16, 2013, Order on

Phase II Issues in Docket No. 12-035-100.<sup>1</sup>

4. The Agreement provides for the sale to the Company 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”). A copy of the Agreement is attached to this Application as Exhibit A. The Agreement is for a term of 12 months beginning January 1, 2016, through December 31, 2016.

5. The purchase prices set forth in the Agreement were calculated using the methodology approved by Commission orders in Docket Nos. 03-035-14 and 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. The Agreement constitutes a “New QF Contract” under the PacifiCorp Interjurisdictional Cost Allocation 2010 Protocol (“Protocol”), previously filed with the Commission pursuant to a stipulation in Docket No. 02-035-04. According to the terms of the Protocol, the costs of the QF provisions would be allocated as a system resource, unless any portion of those costs exceed the cost the Company would have otherwise incurred acquiring comparable resources.

8. The existing QF Power Purchase Agreement, dated September 3, 2014 (the “2015 Agreement”) between PacifiCorp and Kennecott expires on December 31, 2015. Therefore, the parties desire that no time lapse between the expiration of the 2015 Agreement and the approval of the Agreement for which approval is sought in this

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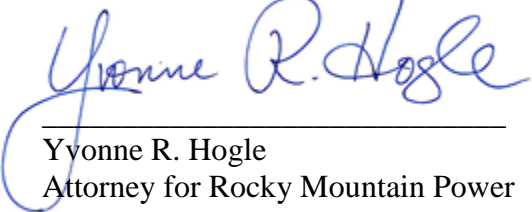
<sup>1</sup> See *In the Matter of the Application of Rocky Mountain Power for Approval of Changes to Renewable Avoided Cost Methodology for Qualifying Facilities Projects Larger than Three Megawatts*, Order on Phase II Issues (August 16, 2013).

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 to be just and reasonable and in the public interest.

DATED this 25<sup>th</sup> day of September, 2015.

Respectfully submitted,



Yvonne R. Hogle  
Attorney for Rocky Mountain Power

## CERTIFICATE OF SERVICE

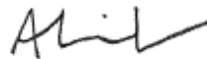
I hereby certify that on this 25<sup>th</sup> day of September, 2015, I caused to be served via electronic mail, a true and correct copy of the foregoing Application of Rocky Mountain

Power to the following:

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Amy Eissler  
Coordinator, Regulatory Operations