

Yvonne R. Hogle (7550)
Rocky Mountain Power
1407 W North Temple, Suite 320
Salt Lake City, UT 84116
Telephone: (801) 220-4050
Facsimile: (801) 220-4615

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)	
the Power Purchase Agreement between)	DOCKET NO. 16-035-___
PacifiCorp and Kennecott Utah Copper)	
LLC - Refinery)	ROCKY MOUNTAIN POWER
)	

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 20, 2016. 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
Yvonne.Hogle@pacificorp.com
Bob.Lively@pacificorp.com

By mail:

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

Bob Lively
Rocky Mountain Power
1407 W North Temple, Suite 320
Salt Lake City, UT 84116
Telephone: (801) 220-4052
Facsimile: (801) 220-4615

Yvonne R. Hogle
1407 W North Temple, Suite 320
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Telephone: (801) 220-4050
Facsimile: (801) 220-4615

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 PacifiCorp with terms up to 20 years. This

methodology was then confirmed by the Commission in a August 16, 2013, Order on Phase II Issues in Docket No. 12-035-100.¹

4. The Agreement provides for the sale to PacifiCorp of energy to be generated by Kennecott up to 7.54 MW, 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: January 1, 2017 through December 31, 2017.

5. The purchase prices set forth in the Agreement 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, UT 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 2017 Protocol, approved by the Commission on June 23, 2016, in Docket No. 15-035-86, the costs of the QF provisions would be allocated as a system resource, unless any portion of those costs exceed the cost PacifiCorp would have otherwise incurred acquiring comparable resources.

8. The existing QF Power Purchase Agreement, dated September 9, 2015 (the “2016 Agreement”) between PacifiCorp and Kennecott expires on December 31, 2016. Therefore, the parties desire that no time lapse between the expiration of the 2016

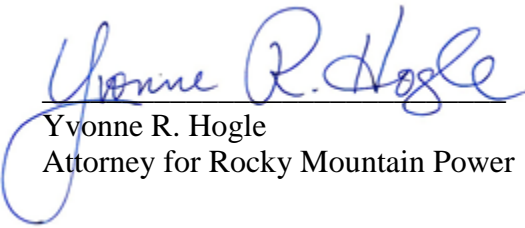
¹ See *In the Matter of the Application of Rocky Mountain Power for Approval of Changes to Renewable Avoided Cost Methodology for Qualifying Facilities Projects Larger than Three Megawatts*, Order on Phase II Issues (August 16, 2013).

Agreement and the approval of the Agreement 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 to be just and reasonable and in the public interest.

DATED this 21st day of September, 2016.

Respectfully submitted,



Yvonne R. Hogle
Attorney for Rocky Mountain Power

CERTIFICATE OF SERVICE

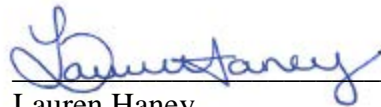
I hereby certify that on this 21st day of September, 2016, I caused to be served via electronic mail, a true and correct copy of the foregoing Application of Rocky Mountain

Power to the following:

Patricia Schmid
Assistant Attorney General
Division of Public Utilities
500 Heber M. Wells Building
160 East 300 South
Salt Lake City, UT 84111
pschmid@utah.gov

Brent Coleman
Assistant Attorney General
Office of Consumer Services
500 Heber M. Wells Building
160 East 300 South
Salt Lake City, UT 84111
brentcoleman@utah.gov

F. Robert Reeder
Parsons Behle &, Latimer
201 South Main Street, Suite 1800
Salt Lake City, Utah 84111
bobreeder@parsonsbehle.com



Lauren Haney
Coordinator, Regulatory Operations