

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

Rocky Mountain Power's Petition for
Declaratory Ruling re Kennecott Utah
Copper LLC's 2015 EBA Recovery Charges

DOCKET NO. 17-035-54
ORDER MEMORIALIZING BENCH
RULING APPROVING
SETTLEMENT STIPULATION

ISSUED: March 16, 2018

BACKGROUND

On October 4, 2017, PacifiCorp dba Rocky Mountain Power ("PacifiCorp") filed a Request for Agency Action and Petition for Declaratory Ruling ("Request") in this docket, requesting the Public Service Commission ("PSC") establish the rights and obligations of PacifiCorp and Kennecott Utah Copper LLC ("Kennecott") with regard to charges under Electric Service Schedule No. 94, Energy Balancing Account Pilot Program. On February 6, 2018, PacifiCorp filed a Settlement Stipulation ("Stipulation"), requesting the PSC approve the Stipulation and dismiss, with prejudice, PacifiCorp's Request. PacifiCorp, Kennecott, and the Division of Public Utilities ("DPU") are signatories to the Stipulation. While the Office of Consumer Services ("OCS") is not a party to the Stipulation, PacifiCorp represents the OCS does not oppose the Stipulation.

The PSC held a hearing on March 14, 2018 to consider the Stipulation, during which PacifiCorp and the DPU provided testimony in support of its approval. At the conclusion of the hearing, PacifiCorp requested a bench ruling, which the Presiding Officer granted thereby approving the Stipulation and dismissing the Request with prejudice. This Order memorializes that bench ruling.

Based on the terms of the Stipulation, Kennecott will pay \$114,290.36 to PacifiCorp. The Stipulation acknowledges PacifiCorp calculates a remaining balance of \$147,929.94 in its energy balancing account and that PacifiCorp will include this sum as a component to be collected from customers in its 2018 filing pertaining to its energy balancing account. The signing parties agree the Stipulation “as a whole is just and reasonable in result and in the public interest” and recommend the PSC approve it.

FINDINGS, CONCLUSIONS AND ORDER

Resolution by agreement of the parties is encouraged as a means to minimize the time and expense associated with resolving disputes, enhance administrative efficiency and improve the regulatory process by allowing the PSC to concentrate on those issues that adverse parties cannot otherwise resolve. Utah Code Ann. § 54-7-1(1). Accordingly, the PSC “may approve any agreement after considering the interests of the public and other affected persons to use a settlement proposal to resolve a disputed matter.” *Id.* at § 54-7-1(2) (emphasis added). To approve a settlement proposal, the PSC must find (i) it “is just and reasonable in result” and (ii) “the evidence, contained in the record, supports a finding that the settlement proposal is just and reasonable in result.” Utah Code Ann. § 54-7-1(3)(d).

At hearing, PacifiCorp testified the Stipulation is in the public interest because it resolves the contested issues in this case and precludes further costly litigation and because it offers a reasonable resolution of responsibility for prudently-incurred costs. The DPU likewise testified the Stipulation resolves a dispute that could have adverse effects on PacifiCorp’s ratepayers. The DPU testified that the Stipulation is just and reasonable and is in the public interest.

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Based on the Stipulation, the evidence offered in support thereof at hearing, and there being no opposition, the PSC finds the Stipulation is just and reasonable in result, and it is in the public interest to resolve this dispute by settlement. Accordingly, the Stipulation is approved, and the Request is dismissed with prejudice.

DATED at Salt Lake City, Utah, March 16, 2018.

/s/ Michael J. Hammer
Presiding Officer

Approved and Confirmed March 16, 2018, as the Order of the Public Service Commission of Utah.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Jordan A. White, Commissioner

Attest:

/s/ Gary L. Widerburg
Commission Secretary
DW#300797

CERTIFICATE OF SERVICE

I CERTIFY that on March 16, 2018, a true and correct copy of the foregoing was served upon the following as indicated below:

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