

December 29, 2017

## VIA ELECTRONIC FILING

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

Attention: Gary Widerburg

**Commission Secretary** 

RE: Docket No. 17-035-71 – In the Matter of the Application of Rocky Mountain

Power for Approval of Electric Service Agreement Between PacifiCorp and

**US Magnesium LLC** 

Rocky Mountain Power (the "Company") hereby submits for electronic filing an Application for Approval of the Electric Service Agreement in the above referenced matter.

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 daniel.solander@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 R. Steward Vice President, Regulations

**Enclosures** 

Daniel E. Solander Rocky Mountain Power 1407 N. West Temple, Suite 320 Salt Lake City, UT 84116 Telephone: (801) 220-4014 daniel.solander@pacificorp.com

Attorney for Rocky Mountain Power

## BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

Rocky Mountain Power, a division of PacifiCorp (the "Company"), hereby applies for an order approving the Electric Service Agreement and Operating Reserves Agreement ("Agreements") between PacifiCorp and US Magnesium LLC ("US Mag"). In support of its Application, Rocky Mountain Power states as follows:

- 1. Rocky Mountain Power is an electrical corporation and a public utility in the state of Utah and is subject to the jurisdiction of the Commission. Rocky Mountain Power also provides retail electric service in the states of Idaho and Wyoming.
  - 2. Communications regarding this Application should be addressed to:

Jana Saba Rocky Mountain Power 1407 W. North Temple, Suite 330 Salt Lake City, UT 84111 Telephone: (801) 220-2823 jana.saba@PacifiCorp.com Daniel E. Solander

Rocky Mountain Power

1407 W. North Temple, Suite 320

Salt Lake City, UT 84116 Telephone: (801) 220-4014

Email: daniel.solander@pacificorp.com

With a copy to:

By e-mail (preferred): datarequest@pacificorp.com

By fax: (503) 813-6060

By mail: Data Request Response Center

Rocky Mountain Power

825 NE Multnomah St., Suite 800

Portland, OR 97232

3. US Mag is a Delaware corporation having a place of business within the

State of Utah and located within the county of Tooele, in an area where Rocky Mountain

Power provides electrical service.

4. PacifiCorp is currently providing electric service to US Mag pursuant to

an Electric Service Agreement and an Operating Reserves Agreement executed on

November 5, 2014, and approved by the Commission in Docket No. 14-035-143, via

bench order on December 17, 2014, and confirmed by written order issued January 28,

2015. The term of the existing agreements were extended by Commission Order issued

November 15, 2017, through April 30, 2018. As part of the Stipulation and Settlement

Agreement between the Company, the Utah Division of Public Utilities ("DPU"), and the

Utah Office of Consumer Services ("OCS"), the Company committed to filing an

application for approval of the Agreements prior to January 1, 2018.

5. Since the filing of the Stipulation and Settlement Agreement, US Mag and

the Company have reached agreement on the terms of the Agreements, attached hereto as

Confidential Exhibit A. The term of the Agreements will be May 1, 2018, through

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December 31, 2019, with an automatic one-year extension through the end of 2020, unless either party gives 180 days' notice to terminate.

- 6. The new Agreements keep in place the existing rates to US Mag for electric service, which are in line with the current cost of service. The Agreements also keep in place the current day-ahead curtailment structure in the existing agreements. Finally, the Operating Reserves billing credit of \$4.01/kilowatt-month remains the same as the existing agreements.
- 7. The new Agreements also maintain in place the terms of the existing agreements that were recommended for inclusion by the DPU and OCS in the proceeding approving the existing agreements, and were referenced in the Commission's Order Confirming Bench Ruling Approving Electric Service Agreement in Docket No. 14-035-143. Under the Agreements, US Mag will continue to pay a surcharge to fund PacifiCorp's Low Income Residential Lifeline Program in the amount applicable to Schedule 9 customers. Also, US Mag will continue to be subject to the Utah Solar Incentive Program Cost Adjustment through rates paid on Tariff Schedule No. 136.
- 8. The parties desire that no time lapse between the expiration of the existing agreements on April 30, 2018, and the approval of the Agreements. Thus the parties request that the Commission issue a notice of scheduling conference as soon as possible upon the filing of this Application to establish a procedural schedule that will allow for Commission review before April 30, 2018.

WHEREFORE, Rocky Mountain Power respectfully requests that the Commission find the terms and conditions of the Agreements to be just, reasonable and

in the public interest and issue an order approving the Agreements, with an effective date of May 1, 2018.

DATED this 29<sup>th</sup> day of December 2017.

Respectfully submitted,

Daniel E. Solander

Attorney for Rocky Mountain Power

# **Confidential Exhibit A**

# THIS EXHIBIT IS CONFIDENTIAL IN ITS ENTIRETY AND IS PROVIDED UNDER SEPARATE COVER

## **CERTIFICATE OF SERVICE**

Docket No. 17-035-71

I hereby certify that on December 29, 2017, a true and correct copy of the foregoing was served by electronic mail to the following:

# **Utah Office of Consumer Services**

Cheryl Murray <a href="mailto:cmurray@utah.gov">cmurray@utah.gov</a>
Michele Beck <a href="mailto:mbeck@utah.gov">mbeck@utah.gov</a>

**Division of Public Utilities** 

Erika Tedder <u>etedder@utah.gov</u>

**Assistant Attorney General** 

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**Rocky Mountain Power** 

Data Request Response Center

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**US Magnesium LLC** 

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Senior Coordinator, Regulatory Operations