

Application of US Magnesium, LLC for Determination of Long-Term Rates, Terms, and Conditions of Interruptible/DSM Electric Service between it and Rocky Mountain Power	<u>DOCKET NO. 21-035-53</u> <u>ORDER</u>
--	---

ISSUED: December 1, 2021

PROCEDURAL HISTORY

On September 21, 2021, US Magnesium, LLC (“US Mag”) filed an application (“Application”) requesting the Public Service Commission (PSC) determine just and reasonable long-term rates, terms, and conditions for interruptible/DSM electric service for US Mag and PacifiCorp dba Rocky Mountain Power (“RMP”). RMP provides electric service to US Mag under an Electric Service Agreement (ESA) and associated Operating Reserve Interruption Agreement (ORIA), each of which expire on December 31, 2021.¹ US Mag requests the PSC establish long-term rates and terms of service for RMP’s service to US Mag beginning after the expiration of the ESA and ORIA, following the termination of their existing contracts on December 31, 2021.

In an October 7, 2021 scheduling conference, US Mag and RMP agreed to bifurcate this docket into two phases, one to consider a proposed interim agreement between US Mag and RMP, and a second to rule on US Mag’s initial request to determine long-term rates and terms of service. On October 13, 2021, the PSC issued a Phases I and II Scheduling Order and Notice of Hearings (“Scheduling Order”).

¹ The PSC initially approved the current contracts in Docket No. 17-035-71 with a term beginning May 1, 2018, and ending December 31, 2019. *See Application of Rocky Mountain Power for Approval of Electric Service Agreement and Operating Reserves Agreement between PacifiCorp and US Magnesium, LLC* (Order Memorializing Bench Ruling Approving Electric Service Agreement, issued April 19, 2018), Docket No. 17-035-71. In 2020 US Mag and RMP agreed to a one-year extension of the contracts approved in Docket No. 17-035-71, and this agreement was approved by the PSC in Docket No. 20-035-47 in an order dated March 8, 2021.

On October 14, 2021, US Mag requested PSC approval of a stipulation (Stipulation) and Extension Amendment to the ESA and ORIA executed by US Mag and RMP. On October 25, 2021, the Division of Public Utilities (DPU) filed comments recommending the PSC approve the Stipulation. Pursuant to the Scheduling Order, the PSC held a hearing on November 10, 2021 to consider the Stipulation.

DISCUSSION, FINDINGS, AND CONCLUSION

RMP provides electric service to US Mag pursuant to an Electric Service Agreement and associated Operating Reserve Interruption Agreement (“Agreements”). Under the Stipulation, US Mag and RMP agree to the bifurcated schedule presented at the October 7, 2021 scheduling conference and agree to extend the ESA and ORIA through June 30, 2022.

At hearing, US Mag and DPU testified in support of the Stipulation and RMP appeared in support of the Stipulation. US Mag and DPU recommended the PSC approve the Stipulation.

Based on the PSC’s review of the Application, DPU’s comments and recommendations, the testimony provided at hearing, and there being no opposition, we conclude the Stipulation is just and reasonable in result and in the public interest.

ORDER

The Stipulation extending the Agreement currently in effect between RMP and US Magnesium, LLC is approved.

DOCKET NO. 21-035-53

- 3 -

DATED at Salt Lake City, Utah, December 1, 2021.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Gary L. Widerburg
PSC Secretary
DW#321348

CERTIFICATE OF SERVICE

I CERTIFY that on December 1, 2021, a true and correct copy of the foregoing was served upon the following as indicated below:

By Email:

Data Request Response Center (datareq@pacificorp.com), (utahdockets@pacificorp.com)
PacifiCorp

Jana Saba (jana.saba@pacificorp.com)
Emily Wegener (emily.wegener@pacificorp.com)
Stephanie Barber-Renteria (stephanie.barber-renteria@pacificorp.com)
Rocky Mountain Power

Gary A. Dodge (gdodge@jdrslaw.com)
Phillip J. Russell (prussell@jdrslaw.com)
JAMES DODGE RUSSELL & STEPHENS, P.C.

Patricia Schmid (pschmid@agutah.gov)
Justin Jetter (jjetter@agutah.gov)
Robert Moore (rmoore@agutah.gov)
Assistant Utah Attorneys General

Madison Galt (mgalt@utah.gov)
Division of Public Utilities

Alyson Anderson (akanderson@utah.gov)
Bela Vastag (bvastag@utah.gov)
Alex Ware (aware@utah.gov)
(ocs@utah.gov)
Office of Consumer Services

Administrative Assistant