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Attorneys for US Magnesium LLC

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of US Magnesium, LLC for Determination of Long-Term Rates, and Terms and Conditions of Interruptible/DSM Electric Service Between It and Rocky Mountain Power

DOCKET NO. 21-035-53

STIPULATION AND SETTLEMENT AGREEMENT

US Magnesium, LLC ("US Magnesium") and Rocky Mountain Power, a division of PacifiCorp ("RMP" or "Company") (collectively, the "Parties") hereby file this Stipulation and Settlement Agreement for approval by the Public Service Commission of Utah ("Commission"). In addition, the Utah Division of Public Utilities ("DPU") and the Utah Office of Consumer Services ("OCS"), although not a party to the Stipulation, have authorized the Parties to represent that they do not oppose the Stipulation. In support of the Stipulation, the Parties state as follows:

1. RMP provides electric service to US Magnesium pursuant to an Electric Service Agreement ("ESA") and associated Operating Reserve Interruption Agreement ("ORIA").

2. At the time of the filing of this Docket, the ESA and ORIA were each set to expire on December 31, 2021. During the course of this docket, the Parties have twice agreed to extend

the terms of the existing ESA and ORIA. Pursuant to a Stipulation filed October 14, 2021, the Parties agreed to extend the terms of the ESA and ORIA such that they were each set to expire June 30, 2022, unless the parties reached a settlement in this Docket. Pursuant to a Stipulation filed May 20, 2022, the Parties agreed to extend the terms of the ESA and ORIA such that they were each set to expire July 31, 2022.

3. The Parties have met during the course of this docket and have reached agreement on a Stipulation and Settlement Agreement regarding rates, terms, and conditions for RMP's provision of interruptible electric service to US Magnesium, which rates, terms and conditions are set forth in a new ESA and ORIA between the parties. The ESA and the ORIA contain confidential business information of the Parties and final versions of those new agreements will be filed separately through the Commission's confidential portal.¹ This Stipulation has been entered into by the Parties after consideration of the views of all parties that intervened or took part in this docket. No intervening party has indicated that it intends to oppose the Stipulation.

4. The Parties represent that this Stipulation is just and reasonable in result and in the public interest. The Parties recommend that the Commission approve the Stipulation and all of its terms and conditions. The Parties request that the Commission make findings of fact and reach conclusions of law based on the evidence and on this Stipulation and issue an appropriate order thereon.

5. The Parties stipulate and agree to recommend approval of the new ESA and ORIA filed contemporaneously herewith. The Parties agree to the rates, terms and conditions of

¹ Executed versions of the new ESA and ORIA will be filed as soon as signatures can be obtained from both Parties.

interruptible electric service set forth in the new ESA and ORIA and agree to abide by the terms of those agreements starting July 1, 2022.

6. Upon request of the OCS or the DPU, the Parties have agreed to meet jointly with the OCS and/or the DPU on or before May 31, 2023 to provide any requested information regarding the actual operation of the new ESA and ORIA and address whether the operation of these contracts result in system benefits.

GENERAL TERMS AND CONDITIONS

7. Parties may not agree that each aspect of this Stipulation is warranted or supportable in isolation. Utah Code Ann. § 54-7-1 authorizes the Commission to approve a settlement so long as the settlement is just and reasonable in result. While the Parties are not able to agree that each specific component of this Stipulation is just and reasonable in isolation, the Parties agree that this Stipulation as a whole is just and reasonable in result and in the public interest.

8. All negotiations related to this Stipulation are privileged and confidential and no Party shall be bound by any position asserted in negotiations. Neither the execution of this Stipulation nor the order adopting this Stipulation shall be deemed to constitute an admission or acknowledgment by any Party of any liability, the validity or invalidity of any claim or defense, the validity or invalidity of any principle or practice, or the basis of an estoppel or waiver by any Party other than with respect to issues resolved by this Stipulation; nor shall they be introduced or used as evidence for any other purpose in a future proceeding by any Party except a proceeding to enforce the approval or terms of this Stipulation.

9. The Parties request that the Commission consider this Stipulation and Settlement Agreement at the public hearing, which is scheduled for June 22, 2022. USMag and RMP each agree to make one or more witnesses available to explain and support this Stipulation to the

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Commission. Such witnesses will be available for examination. So that the record in this Docket is complete, the Parties may move for admission of evidence, comments, position statements or exhibits that have been filed on the issues resolved by this Stipulation; however, notwithstanding the admission of such documents, the Parties shall support the Commission's approval of the Stipulation and the Commission order approving the Stipulation.

10. The Parties agree that if any person challenges the approval of this Stipulation or requests rehearing or reconsideration of any order of the Commission approving this Stipulation, each Party will use its best efforts to support the terms and conditions of the Stipulation. In the event any person seeks judicial review of a Commission order approving this Stipulation, no Party shall take a position in that judicial review opposed to the Stipulation.

11. Except with regard to the obligations of the Parties under the four immediately preceding paragraphs of the Stipulation, this Stipulation shall not be final and binding on the Parties until it has been approved without material change or condition by the Commission.

12. This Stipulation is an integrated whole, and any Party may withdraw from it if it is not approved without material change or condition by the Commission or if the Commission's approval is rejected or materially conditioned by a reviewing court. If the Commission rejects any part of this Stipulation or if the Commission's approval of this Stipulation is rejected or materially conditioned by a reviewing court, the Parties agree to meet and discuss the applicable Commission or court order within five business days of its issuance and to attempt in good faith to determine if they are willing to modify the Stipulation consistent with the order. No Party shall withdraw from the Stipulation prior to complying with the foregoing sentence. If any Party withdraws from the Stipulation, any Party retains the right to seek additional procedures before the Commission, including cross-examination of witnesses, with respect to issues addressed by the Stipulation and no Party shall be bound or prejudiced by the terms and conditions of the Stipulation.

13. The Parties may execute this Stipulation in counterparts each of which is deemed an original and all of which only constitute one original.

BASED ON THE FOREGOING, the Parties request that the Commission issue an order approving this Stipulation and adopting the terms and conditions of this Stipulation.

Respectfully submitted this 17th day of June 2022.

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ROCKY MOUNTAIN POWER

/s/ Emily Wegener*

Emily Wegener Senior Attorney, PacifiCorp

US MAGNESIUM, LLC

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Phillip J. Russell James Dodge Russell & Stephens, P.C.

*Electronically signed with permission of counsel

CERTIFICATE OF SERVICE

I hereby certify that on this 17th day of June 2022, I served a true and correct copy of the

foregoing via electronic mail to the following:

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