



1407 W. North Temple, Suite 330
Salt Lake City, UT 84116

October 4, 2024

VIA ELECTRONIC FILING

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

Attention: Gary Widerburg
Commission Administrator

RE: Docket No. 24-035-50 – In the Matter of the Application of Rocky Mountain Power for Approval of an Amendment to the Power Purchase Agreement between PacifiCorp and Kennecott Utah Copper LLC – Smelter

Rocky Mountain Power (the “Company”) hereby submits for filing its application for approval of an Amendment to the Power Purchase Agreement between PacifiCorp and Kennecott Utah Copper LLC (“Kennecott”) for sales from its smelter.

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
max.backlund@pacificorp.com
jana.saba@pacificorp.com
katherine.smith@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 Steward
Senior Vice President, Regulation

Enclosures

CC: Service List

CERTIFICATE OF SERVICE

Docket No. 24-035-50

I hereby certify that on October 4, 2024, a true and correct copy of the foregoing was served by electronic mail to the following:

Utah Office of Consumer Services

Michele Beck mbeck@utah.gov
ocs@utah.gov

Division of Public Utilities

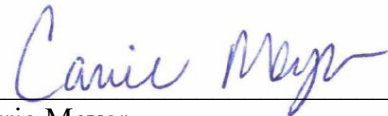
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Rocky Mountain Power

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Carrie Meyer
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(435) 776-6980

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)
Power Purchase Agreement Between)
PacifiCorp and Kennecott Utah Copper)
LLC - Smelter)

Docket No. 24-035-50

**APPLICATION OF ROCKY MOUNTAIN
POWER**

Pursuant to Utah Code Ann. § 54-12-2, PacifiCorp, doing business in Utah as Rocky Mountain Power (“PacifiCorp” or “Rocky Mountain Power”) hereby applies for an order approving the Fifth Amendment dated September 21, 2024 (“Amendment”) to the Power Purchase Agreement dated October 9, 2019, the First Amendment dated October 12, 2020, Second Amendment dated October 26, 2021, Third Amendment dated October 19, 2022, and the Fourth Amendment dated September 12, 2023 (“Agreement”) between PacifiCorp and Kennecott Utah Copper LLC (“Kennecott”). 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 (“Commission”) 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
jana.saba@pacificorp.com
max.backlund@pacificorp.com
katherine.smith@pacificorp.com

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

Jana Saba
Rocky Mountain Power
1407 W. North Temple, Suite 330
Salt Lake City, UT 84116
Telephone: (801) 220-4014
Facsimile: (801) 220-3299

3. In Docket No. 03-035-14, the Commission issued a series of Orders that established avoided capacity and energy cost payments for purchases from QF projects larger than one megawatt, such as Kennecott's, under contract with PacifiCorp. The Commission re-affirmed this methodology in an 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 31.8 MW, from a waste heat-fired cogeneration facility constructed by Kennecott and located in Salt Lake City, Utah (the "Facility"). The Amendment, attached to this Application

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)*.

as Confidential Exhibit A, extends the terms of the Agreement, established the pricing for the extension period, and updates the Line Loss Factor for the period that the Amendment extends the Agreement.² The Amendment extends the Agreement for 12 months: January 1, 2025 to December 31, 2025. The Commission has previously approved four amendments to the initial Kennecott Agreement approved in Docket No. 19-035-36.³

5. The purchase prices set forth in the Agreement include a “lesser of” provision to account for Kennecott’s ability to purchase market blocks of power under the Energy Services Agreement approved by the Commission in Docket No. 16-035-33, where the Company will pay the lesser of the price for market blocks or prices that 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 in near Magna, Utah, 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 2020 Protocol, approved by the Commission in Docket No. 19-035-42, and extended through December 31, 2025, the costs of the QF power purchase agreement will be allocated in accordance with Section 4.4.2 of the 2020 Protocol.

8. The existing Agreement between PacifiCorp and Kennecott expires on December 31, 2024. Therefore, the parties desire that there be no time lapse between the expiration of the Agreement and the approval of the Amendment for which approval is sought in this Application.

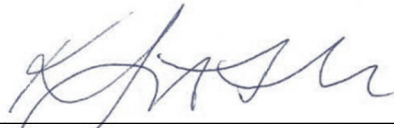
² The Amendment is pending execution by PacifiCorp’s employee with signing authority who is out of office. The Company will supplement this proceeding with a fully executed version once completed.

³ Subsequent amended in Docket No. 20-035-43 (December 18, 2020), Docket No. 21-035-61 (December 28, 2021), Docket No. 22-035-51 (December 15, 2022), and Docket No. 23-035-45 (December 13, 2023).

WHEREFORE, Rocky Mountain Power respectfully requests that the Commission issue an order approving the Agreement and find the terms and conditions of the Agreement as modified by the Amendment to be just, reasonable, and in the public interest.

DATED this 4th day of October, 2024.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Katherine Smith', written over a horizontal line.

Katherine Smith

Attorney for Rocky Mountain Power

**FIFTH AMENDMENT TO
NON-FIRM POWER PURCHASE AGREEMENT**

This Fifth Amendment (this "Amendment") to the Non-Firm Power Purchase Agreement (Smelter) entered into on October 9, 2019 (as amended by the First Amendment dated October 14, 2020, the Second Amendment dated October 26, 2021, the Third Amendment dated October 20, 2022, and the Fourth Amendment dated September 21, 2023, the "Agreement"), is entered into by and between PacifiCorp and Kennecott Utah Copper LLC. This Amendment will become effective on the date associated with the signature of the last Party to sign it. All defined terms used but not defined in this Amendment have the meanings provided to them in the definition for such terms in the Agreement.

WHEREAS, the Parties wish to extend the term of the Agreement and establish the pricing for the extension period;

The Parties agree as follows:

1. Section 2.2 of the Agreement is hereby replaced in its entirety with the following:

"Unless earlier terminated as provided herein, this Agreement shall terminate at 11:59:59 p.m. MPT December 31, 2025."
2. The Exhibit E attached hereto as **Attachment 1** shall replace Exhibit E of the Agreement in its entirety effective as of January 1, 2025.
3. Except as expressly modified and amended in accordance with the provisions of this Amendment, all other terms and conditions of the Agreement remain in full force and effect and continue to bind the Parties. The Parties executing this Amendment warrant that they have the requisite authority to do so.


By signing below, the duly authorized representatives of the Parties indicate their agreement to the terms of this Amendment.

Kennecott Utah Copper LLC

PacifiCorp

By: Nate Foster
 Name: Nate Foster
 Title: Managing Director - Kennecott Utah Copper
 Date: 30-09-24

By: _____
 Name: _____
 Title: _____
 Date: _____


 Approved as to form by RT Legal

REDACTED

Attachment 1

**EXHIBIT E
PRICING (\$/MWh)**

“Energy Price” shall be the lesser of:

- (a) The Block 2 Rate under the Electric Service Agreement for the hour of the Delivered Energy; or
- (b) The price in the following table times 1.0122.

“On-Peak” means “Monday through Saturday 07:00 through 23:00 Mountain Prevailing Time Excluding NERC Holidays).

“Off-Peak” all hours that are not On-Peak.

Month	2025	
	On-Peak	Off-Peak
January		
February		
March		
April		
May		
June		
July		
August		
September		
October		
November		
December		

The 1.0122 adjustment factor accounts for avoided line losses. This adjustment factor is based on a rate of 4.30% for real power losses for voltage of 46 kV or greater as set forth in Schedule 10 of PacifiCorp’s Open Access Transmission Tariff (OATT) approved in the settlement of Federal Energy Regulatory Commission (FERC) Docket No. ER11-3643.