

October 6, 2025

VIA ELECTRONIC FILING

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

Attention: Gary Widerburg

Commission Administrator

Re: Docket 25-035-56

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 – Refinery

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 refinery.

Rocky Mountain Power 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

jana.saba@pacificorp.com max.backlund@pacificorp.com katherine.smith@pacificorp.com

By regular mail: Data Request Response Center

PacifiCorp

825 NE Multnomah Street, Suite 2000

Portland, OR 97232

Informal inquiries may be directed to Max Backlund, Utah Regulatory Affairs Manager at (801) 220-3121.

Sincerely,

Jana Saba

Director, Regulation and Regulatory Operations

Katherine Smith Rocky Mountain Power 1407 W. North Temple, Suite 320 Salt Lake City, Utah 84116 Tel. (435) 776-6980 Katherine.smith@pacificorp.com

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 – Refinery

Docket No. 25-035-56

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 Sixth Amendment dated September 30, 2025 ("Amendment") to the Power Purchase Agreement dated October 9, 2019, the First Amendment dated October 14, 2020, Second Amendment dated October 26, 2021, Third Amendment dated October 19, 2022, Fourth Amendment dated September 21, 2023, and the Fifth Amendment dated October 15, 2024 ("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): <u>datarequest@pacificorp.com</u>

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

Max Backlund

Rocky Mountain Power

1407 W. North Temple, Suite 310

Salt Lake City, UT 84116 Telephone: (801) 220-3121

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 Tesoro's, under contracts with PacifiCorp. The Commission re-affirmed this methodology in Docket No. 12-035-100.¹

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).

- 4. The Agreement provides for the sale to PacifiCorp of energy to be generated by Kennecott up to 7.54 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 as Confidential Exhibit A, extends the terms of the Agreement, establishes the pricing for the extension period, and updates the Line Loss Factor for the period that the Amendment extends the Agreement. The Amendment extends the Agreement for 12 months: January 1, 2026 to December 31, 2026. The Commission has previously approved five amendments to the initial Kennecott Agreement approved in Docket No. 19-035-36.²
- 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 on April 15, 2020, in Docket No. 19-035-42, and extended through December 31, 2025, the costs of the QF power purchase agreement would be allocated as a situs assigned resource to the state having

² Subsequently amended in Docket No. 20-035-44 (December 18, 2020), Docket No. 21-035-62 (December 28, 2021), Docket No. 22-035-50 (December 15, 2022), Docket No. 23-035-46 (December 13, 2023), and Docket No. 24-035-51 (December 20, 2024).

jurisdiction over the QF PPA. PacifiCorp has proposed to maintain this same treatment in the 2026 Protocol.

8. The existing Agreement between PacifiCorp and Kennecott expires on December 31,

2025. Therefore, the parties desire that there be no time lapse between the expiration of the

Agreement and the approval of the Agreement for which approval is sought in this Application.

WHEREFORE, Rocky Mountain Power respectfully requests that the Commission issue

an order approving the Amendment and find the terms and conditions of the Agreement to be

just, reasonable, and in the public interest.

Respectfully submitted this 6th day of October 2025.

ROCKY MOUNTAIN POWER

Katherine Smith

Rocky Mountain Power

1407 W. North Temple, Suite 320

Salt Lake City, Utah 84116

Tel. 435.776.6980

katherine.smith@pacificorp.com

Attorney for Rocky Mountain Power

CERTIFICATE OF SERVICE

Docket No. 25-035-56

I hereby certify that on October 6, 2025, a true and correct copy of the foregoing was served by electronic mail to the following:

Utah Office of Consumer Services

Michele Beck <u>mbeck@utah.gov</u>

ocs@utah.gov

Division of Public Utilities

dpudatarequest@utah.gov

Assistant Attorney General

Patricia Schmid <u>pschmid@agutah.gov</u>
Robert Moore <u>rmoore@agutah.gov</u>
Patrick Grecu <u>pgrecu@agutah.gov</u>

Rocky Mountain Power

Data Request Response <u>datarequest@pacificorp.com</u>

Center

Jana Saba jana.saba@pacificorp.com

utahdockets@pacificorp.com

Max Backlund <u>max.backlund@pacificorp.com</u>
Katherine Smith Katherine.smith@pacificorp.com

Carrie Meyer

Manager, Discovery & Regulatory

Operations

CONFIDENTIAL EXHIBIT A

SIXTH AMENDMENT TO

NON-FIRM POWER PURCHASE AGREEMENT

This Sixth Amendment (this "Amendment") to the Non-Firm Power Purchase Agreement (Refinery) 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 19, 2022, the Fourth Amendment dated September 21, 2023, and the Fifth Amendment dated October 15, 2024, 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:

Date: 20 Angust 2005

- 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, 2026."

Date: September 30, 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, 2026.
- 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	P	acifiCorp	42	
By: 16=	By:	Thomas R. Burns	Digitally signed by Thomas R. Burns Date: 2025.09.30 13:57:35 -07'00'	
Name: Nate Foster	Name:	Thomas Burns	4	
Title: Managene Dilecter	Title:	VP, Resource Planning & Acquisitions		

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 1.0270.

"On-Peak" means October through May inclusive: 6:00 a.m. to 9:00 a.m., 6:00 p.m. to 10:00 p.m., Monday thru Friday, except holidays. June through September inclusive: 3:00 p.m. to 10:00 p.m., Monday thru Friday, except holidays.

"Off-Peak" all hours that are not On-Peak.

Year June -	Pricing (\$/MWh)			
	June - September		October - May	
	On-Peak	Off-Peak	On-Peak	Off-Peak
2026				

The 1.0270 adjustment factor accounts for avoided line losses.