

1                   **UTAH PUBLIC SERVICE COMMISSION - MELISSA PASCHAL**  
2                   **DOCKET NOS. 25-035-56 AND 25-035-57, 11-26-2025 HEARING**  
3  
4

5   Michael Hammer:     [0:00] Can you all hear me?  
6

7   Katherine Smith:     [0:01] Yes.  
8

9   Michael Hammer:     [0:02] Great. And do we have a court reporter present?  
10

11   Male:                [0:09] [Inaudible 0:09].  
12

13   Michael Hammer:     [0:12] Understood. Okay. Well, then we'll go on the record. We are here  
14                           for the noticed virtual hearing in the application of Rocky Mountain  
15                           Power for approval of a power purchase agreement between PacifiCorp  
16                           and Kennecott Utah Copper, LLC, Refinery and the application of Rocky  
17                           Mountain Power for approval of a power purchase agreement between  
18                           PacificCorp and Kennecott Utah Copper, LLC, Smelter. Those are  
19                           Commission Docket Numbers 25-035-56 and 25-035-57. My name is  
20                           Michael Hammer. I'm the Commission's designated presiding officer. Let's  
21                           begin by taking appearances, please, beginning with the company.  
22

23   Katherine Smith:     [0:50] Yes. Hi. Katherine Smith on behalf of Rocky Mountain Power.  
24                           With me today is Aivars Meldrajs.  
25

26   Michael Hammer:     [0:57] Welcome. And for the Division of Public Utilities.  
27

28   Patricia Schmid:     [1:02] Thank you. Patricia E. Schmid with the Utah Attorney General's  
29                           Office, representing the Division of Public Utilities. The Division's  
30                           witness today is Ms. Annette Orton.  
31

32   Michael Hammer:     [1:15] And do we have any other parties making appearances? All right. Is  
33                           there anything that's preliminary we need to address before Miss Smith  
34                           calls her first witness?  
35

36   Patricia Schmid:     [1:27] I have a question. Would the hearing officer like to have summaries  
37                           and questions presented sequentially for each of the dockets or would it be  
38                           fine if the summaries and questions covered both dockets?  
39

40   Michael Hammer:     [1:45] I'm fine if we do both of them at the same time, so we don't have to  
41                           call each witness twice. Does that work for you, Miss Smith?  
42

43   Katherine Smith:     [1:52] Yes. That's how we hoped it would work out, so...  
44

45   Michael Hammer:     [1:56] And I assume that's okay with you, Miss Schmid.  
46

1 Patricia Schmid: [1:57] It is. Thank you very much.  
2  
3 Michael Hammer: [1:59] Great. Thank you. All right. Go ahead, Miss Smith.  
4  
5 Katherine Smith: [2:02] Thank you. Rocky Mountain Power would like to call Aivars  
6 Meldrajs as company witness.  
7  
8 Michael Hammer: [2:07] Mr. Meldrajs, do you solemnly swear that the testimony you give in  
9 this matter shall be the truth, the whole truth, and nothing but the truth, so  
10 help you God?  
11  
12 Aivars Meldrajs: [2:14] Yes.  
13  
14 Michael Hammer: [2:17] Please proceed, Miss Smith.  
15  
16 Katherine Smith: [2:18] Thank you. Mr. Meldrajs, please state and spell your name for the  
17 record.  
18  
19 Aivars Meldrajs: [2:22] Aivars Meldrajs. A-I-V-A-R-S M-E-L-D-R-A-J-S.  
20  
21 Katherine Smith: [2:31] By whom are you employed and what is your business address?  
22  
23 Aivars Meldrajs: [2:36] I'm employed by PacificCorp at 825 Northeast Multnomah Street,  
24 Portland, Oregon, 97232.  
25  
26 Katherine Smith: [2:45] And what is your role with the company?  
27  
28 Aivars Meldrajs: [2:48] My current role is senior power marketer.  
29  
30 Katherine Smith: [2:52] And can you please briefly describe your education and business  
31 experience?  
32  
33 Aivars Meldrajs: [2:57] I graduated from the University of Washington with a Bachelor of  
34 Arts Degree in Business Administration. I joined PacificCorp in 2022 and  
35 assumed the responsibilities of my current position in October 2025. Over  
36 this period, I've held positions in valuation and origination for the  
37 company.  
38  
39 Katherine Smith: [3:18] And in your position with the company, have you had the  
40 opportunity to review the applications and relevant exhibits in both  
41 proceedings?  
42  
43 Aivars Meldrajs: [3:25] Yes.  
44  
45 Katherine Smith: [3:26] And have you prepared a statement regarding your review of those  
46 materials?

1  
2 Aivars Meldrajs: [3:30] Yes.

3  
4 Katherine Smith: [3:32] Can you please provide a summary for the Commission?

5  
6 Aivars Meldrajs: [3:35] Yes. Good morning, Mr. Hammer. I present today for Commission  
7 approval of amendments to the qualifying facility power purchase  
8 agreements between Kennecott Utah Copper, LLC, Refinery and Smelter  
9 and PacificCorp. I will begin with the Kennecott Refinery Amendment.  
10 The original agreement for Kennecott Refinery was filed on October 10,  
11 2019, and approved on December 20, 2019, in Docket Number 19-035-37,  
12 which had a term of 12 months beginning January 1, 2020, through  
13 December 31, 2020. The agreement provides for the sale to PacificCorp of  
14 energy to be generated by Kennecott's refinery for up to 7.54 megawatts  
15 from a waste-heat-fired cogeneration facility constructed by Kennecott  
16 and located near Magna, Utah. The amendment for which the company  
17 seeks approval in Docket Number 25-035-56 is the sixth amendment to  
18 the – excuse me – to the original agreement. This amendment extends the  
19 term for 12 months, beginning January 1, 2026, and ending December 31,  
20 2026. The purchase prices set forth in the amendment are calculated using  
21 the methodology approved by the Commission in Docket Number 03-035-  
22 14 and reaffirmed by the Commission in Docket Number 12-035-100.  
23 Through comments filed on November 4, 2025, the Division of Public  
24 Utilities supported Commission approval of the amendment. The Division  
25 found that the contractual arrangements and facts in this matter,  
26 particularly the method for calculating the avoided energy cost, has been  
27 previously found to be just and reasonable and in the public interest.

28  
29 The Division concluded the amendment is just, reasonable, and in the  
30 public interest and recommended the Commission approve the sixth  
31 amendment to the power purchase agreement between PacificCorp and  
32 Kennecott Refinery. The company believes the amendment is compliant  
33 with relevant Commission orders and approval is in the public interest.  
34 With the current term set to expire December 31, 2025, I respectfully  
35 request the Commission issue its order in these proceedings by December  
36 31, 2025, if possible, so that no time lapses between agreements. Now  
37 turning to the Kennecott Smelter Amendment. The original agreement for  
38 Kennecott Smelter was filed on October 10, 2019, and approved on  
39 December 20, 2019, in Docket Number 19-035-36, which had a term of 12  
40 months beginning January 1, 2020, through December 31, 2020. This  
41 agreement provides for the sale to PacificCorp of energy to be generated  
42 by Kennecott up to 31.8 megawatts from the waste-heat-fired cogeneration  
43 facility constructed by Kennecott and located near Magna, Utah. The  
44 amendment for which the company seeks approval in Docket Number 25-  
45 035-57 is the sixth amendment to the original agreement. This amendment  
46 extends the terms for 12 months, beginning January 1, 2026, and ending

December 31, 2026. The purchase prices set forth in the amendment are calculated using the methodology approved by the Commission in Docket Number 03-035-14 and reaffirmed by the Commission in Docket Number 12-035-100. Through comments filed on November 4, 2025, the Division of Public Utilities supported Commission approval of the amendment.

The Division found that the contractual arrangements and facts in this matter, particularly the method for calculating the avoided energy cost, has been previously found to be just and reasonable and in the public interest. The Division concluded the amendment is just, reasonable, and in the public interest and recommended the Commission approve the sixth amendment to the power purchase agreement between PacificCorp and Kennecott Refinery. The company believes the amendment is compliant with relevant Commission orders and approval is in the public interest. With the current term set to expire December 31, 2025, I respectfully request the Commission issue its order in these proceedings by December 31, 2025, if possible, so that no time lapses between agreements. That concludes my summary today.

Katherine Smith: [8:53] Thank you. Just a clarifying question regarding the smelter. Do you agree that the Division concluded that the amendment between PacificCorp and Kennecott Smelter is in the public interest?

Aivars Meldrajs: [9:10] Yes.

Katherine Smith: [9:11] Thank you. Your Honor, I would now like to move for admission in Docket 25-035-56 the company's application and Work Papers 1 through 4, with the application, Work Paper 3 and 4 marked as confidential. And then in Docket 25-035-57, the company's application and Work Papers 1 through 4, with the application and Work Paper 3 and 4 marked as confidential.

Michael Hammer: [9:40] They're admitted.

Katherine Smith: [9:41] Thank you. Mr. Meldrajs is available for any questions.

Michael Hammer: [9:45] Miss Schmid?

Patricia Schmid: [9:46] No questions. Thank you.

Michael Hammer: [9:49] And I have none. Thank you, Mr. Meldrajs. No other witnesses, Miss Smith?

Katherine Smith: [9:54] No.

Michael Hammer: [9:55] Miss Schmid.

1  
2 Patricia Schmid: [9:57] Thank you. The Division would like to call Ms. Annette Orton as  
3 its witness. You may please sh-, may she please be sworn?  
4  
5 Michael Hammer: [10:04] Miss Orton, do you solemnly swear that the testimony you give in  
6 this matter shall be the truth, the whole truth, and nothing but the truth, so  
7 help you God?  
8  
9 Annette Orton: [10:11] Yes.  
10  
11 Michael Hammer: [10:12] Go ahead.  
12  
13 Patricia Schmid: [10:13] [Inaudible 10:13]. Good morning.  
14  
15 Annette Orton: [10:15] Good morning.  
16  
17 Patricia Schmid: [10:17] For the record, could you please state and spell your name?  
18  
19 Annette Orton: [10:21] My name is Annette Orton and that is spelled A-N-N-E-T-T-E O-  
20 R-T-O-N.  
21  
22 Patricia Schmid: [10:30] By whom are you employed and what is your title?  
23  
24 Annette Orton: [10:33] The Utah Division of Public Utilities and I am a utility analyst.  
25  
26 Patricia Schmid: [10:38] What is your business address?  
27  
28 Annette Orton: [10:41] It is 160 East 300 South, Salt Lake City, Utah, 84111.  
29  
30 Patricia Schmid: [10:48] How long have you worked for the Division?  
31  
32 Annette Orton: [10:50] I have been employed for 2½ years.  
33  
34 Patricia Schmid: [10:54] Could you please provide an overview of your educational and  
35 background experience and relevant work experience?  
36  
37 Annette Orton: [11:01] Yep. I have a Bachelor of Science Degree in Business  
38 Management with an account – an emphasis in accounting from Utah  
39 Valley University. I was employed by the State of Utah Division of Child  
40 and Family Services for 17 years as a case worker. I testified in court  
41 regarding child welfare matters. For the next eight years, I was employed  
42 by Garfield County School District, performing several accounting  
43 functions. I've been employed with the Division since May of 2023. I  
44 attended the Basics Practical Regulatory Training in Albuquerque, New  
45 Mexico in October of 2023, and other utility training courses.  
46

1 Patricia Schmid: [11:46] Have you participated in Docket Number 25-035-56 and 25-035-  
2 57 on behalf of the Division?  
3  
4 Annette Orton: [11:57] Yes.  
5  
6 Patricia Schmid: [12:00] Did you review Rocky Mountain Power's applications and work  
7 papers in both dockets?  
8  
9 Annette Orton: [12:05] Yes. [Inaudible 12:10].  
10  
11 Patricia Schmid: [12:10] Could you please explain how you evaluated the power purchase  
12 agreement and applications for the smelter and for the refinery?  
13  
14 Annette Orton: [12:21] Yes. I reviewed Rocky Mountain Power's application that  
15 included the Kennecott Refinery and Smelter power purchase agreement  
16 contracts in conjunction with the required quarterly reporting. The  
17 contracts were also studied for compliance with the Utah Code and  
18 Commission orders.  
19  
20 Patricia Schmid: [12:41] Did you prepare and cause to be filed the Division's action request  
21 responses in each docket that were filed on November 4th of this year?  
22  
23 Annette Orton: [12:53] Yes.  
24  
25 Patricia Schmid: [12:55] Do you have any changes or corrections to those filings?  
26  
27 Annette Orton: [12:59] No.  
28  
29 Patricia Schmid: [13:01] Do you adopt the contents of those filings as your testimony here  
30 today?  
31  
32 Annette Orton: [13:07] Yes.  
33  
34 Patricia Schmid: [13:09] With that, the Division would like to move for the admission of its  
35 action request responses into evidence.  
36  
37 Michael Hammer: [13:21] [And 13:21] those are the comments filed on November 4th in  
38 each of the two dockets?  
39  
40 Patricia Schmid: [13:26] Correct.  
41  
42 Michael Hammer: [13:27] They're admitted.  
43  
44 Patricia Schmid: [13:29] Ms. Orton, do you have a summary to present today pertaining to  
45 the dockets?  
46

1 Annette Orton: [13:34] Yes.  
2  
3 Patricia Schmid: [13:35] Please proceed.  
4  
5 Annette Orton: [13:36] Good morning, Mr. Hammer. The Division recommends the  
6 Commission approve the amendments to the non-firm power purchase  
7 agreements between Rocky Mountain Power and Kennecott Utah Copper,  
8 LLC, regarding the Kennecott Refinery and Kennecott Smelter, the  
9 subjects of Docket Number 25-035-56 and 25-035-57, respectively. The  
10 amendments under consideration extend the terms of the agreements  
11 through December 31, 2026. The Division finds both agreements are  
12 similar to contracts of prior years and the amendments from the prior five  
13 years and comply with the Commission guidelines established in prior  
14 orders. The Division finds the current amendments to be just, reasonable,  
15 and in the public interest. This concludes my summary.  
16  
17 Patricia Schmid: [14:34] And just to reiterate, so the Division requests that the Commission  
18 approve each application. Is that correct?  
19  
20 Annette Orton: [14:41] Yes.  
21  
22 Patricia Schmid: [14:43] Ms. Orton is now available for cross-examination questions and  
23 questions from the hearing officer.  
24  
25 Michael Hammer: [14:48] Miss Smith?  
26  
27 Katherine Smith: [14:49] No questions.  
28  
29 Michael Hammer: [14:51] I have no questions. Thank you, Ms. Orton. Any other witnesses,  
30 Miss Schmid?  
31  
32 Patricia Schmid: [14:56] No other witnesses. Thank you.  
33  
34 Michael Hammer: [14:58] All right. Is there anything else before we adjourn? All right.  
35 Thank you, everyone. Have a wonderful morning. [Inaudible 15:05].  
36  
37 Katherine Smith: [15:05] Thanks. Happy Thanksgiving.  
38  
39 Patricia Schmid: [15:06] Thank you.  
40  
41  
42 /es

December 4, 2025

RE: Transcript: Public Service Commission - Melissa Paschal Docket Nos. 25-035-56 and 25-035-57, 11-26-2025 Hearing

Please be advised that the above-referenced typewritten transcript is a true and accurate transcription of the recorded conversations to the extent that the audio could be clearly heard/understood. Portions that could not be heard or understood have been notated with [inaudible] or highlighted in yellow.

Sincerely,

*Mary A. Goehring*

Mary A. Goehring  
CEO, Transcription Plus, LLC

I certify that this document is a true and accurate transcription of the audio voice file indicated above.

*Emily A. Schueller*

Emily A. Schueller, Transcriptionist  
Transcription Plus, LLC