

# Contract dispute resolution repairs business relationship between mining and utility companies

## Client's challenge

A global mining company and a regional utility company, with a historical record of disagreements regarding the application of certain contract terms, were in need of an independent advisor who could analyze payments made pursuant to a contract. Both parties sought a mediator who could protect the confidential nature of the information provided while objectively analyzing the underlying costs that supported these payments, taking into account the application of generally accepted accounting principles, mining industry standards, proper allocation methods, and the overall terms and conditions of the contract.

## PricewaterhouseCoopers' Advisory solution

Our team was brought in as the independent mediator to assist with the contract issues. PwC assembled a team of mining industry professionals that included a retired PwC mining Audit partner, and a professional mining consulting firm. Utilizing deep energy and mining industry knowledge and the diverse capabilities of the team, PwC was able to efficiently analyze the contract payments to determine if they complied with the coal sales agreement between the two companies. PwC then documented its conclusions and recommendations, and evaluated them with assistance from the mining industry professionals before presenting them to the clients.

## Impact on client's business

As a result of PwC's analysis and recommendations, the majority of the contractual disagreements that impacted the relationship between the parties were resolved. PwC assisted both parties in developing joint resolutions that would clarify the contractual ambiguities and help create a stable foundation for continuing this business relationship.

For more information on the topic of dispute analysis, please visit: [www.pwc.com/us/forensics](http://www.pwc.com/us/forensics)

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