

**PUBLIC SERVICE COMMISSION  
OF UTAH**

**Docket No. 12-035-92**

**SIERRA CLUB EXHIBIT 38**

**Selected Responses to Sierra Club Data Requests in  
Docket No. 12-035-92**

NEPA process and permitting requirements until this process concludes, which today expected to conclude for Gateway West in 2013 and for Gateway South in 2015. At the conclusion of the NEPA process, specific path rating performance issues relative to any necessary changes in Energy Gateway Project facilities and configuration will be addressed with affected Project Review Groups – rather than approach the group with “piece wise” changes, at the time each change becomes known throughout the NEPA process.

Based on the agreement between PacifiCorp and Idaho Power, executed in early 2012, PacifiCorp will assume responsibility for sponsoring all Gateway West transmission facilities through the NEPA process and through the project construction agreement phase.

### Gateway West – Stage 1 Plan of Service and Planned Operating Date

An overview of the Gateway West – Stage 1 transmission system modification and in-service dates are summarized in Table 1 below and illustrated in Figures 1 and 2.

**Table 1: Gateway West – Stage 1 Facilities and In-Service Dates**

<b>Gateway West – Stage 1 Transmission Project Facilities</b>	<b>Date</b>
<b>TOT 4A (Path 37)</b>	
Construction of one new 230 kV circuit from Windstar to Aeolus (76 miles) [PAC owned facility]	2016-2018
Rebuild the DJ-Difficulty-Shirley Basin-Aeolus 230 kV line from 1-1272 ACSR/phase to a higher rated conductor. [PAC owned facility]	2016-2018
<b>Aeolus West</b>	
Addition of three – 500/230 kV (1650 MVA) autotransformers (9 x 1Φ) at Aeolus [PAC owned facility]	2016-2018
Aeolus 230 kV SVC (-150/+300 MVar), one-150 MVar (230 kV MSC), one- 50 MVar (230 kV), three – 100 MVar (230 kV), four -200 MVar (500kV) shunt capacitors. [PAC owned facility]	2016-2018
Construction of one new 500 kV circuit from Aeolus to Anticline with 50% of series compensation (154 miles) [PAC owned facility]	2016-2018
Addition of a generator tripping scheme at Aeolus and Windstar [PAC owned facility]	2016-2018
<b>Bridger/Anticline West (Path 19)</b>	
Addition of one - 500/345 kV (1500 MVA) auto transformer (3 x 1Φ) at Anticline [PAC owned facility]	2016-2018
Addition of two 345 kV (750 MVA) phase-shifting	2016-2018

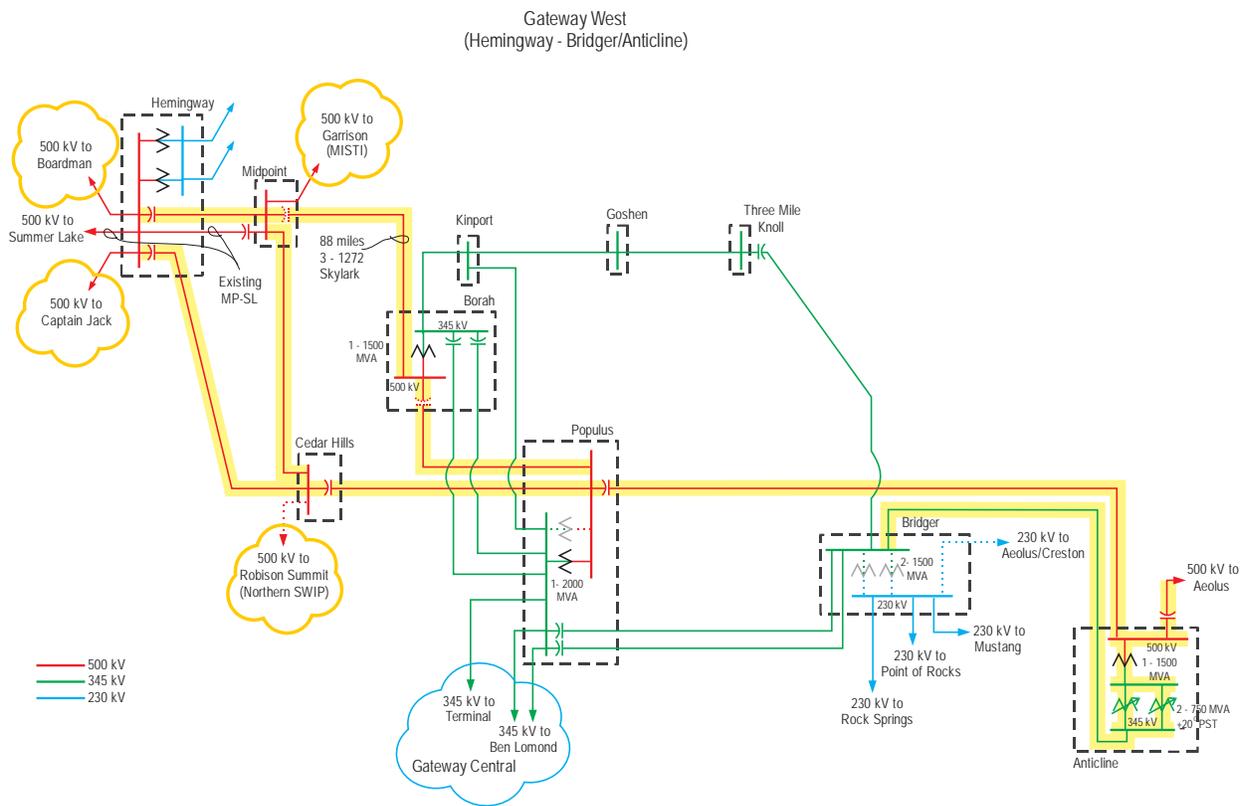
transformers at Anticline [PAC owned facility]	
Construction of one new 500 kV circuit from Anticline to Populus with 50% of series compensation (203 miles) [PAC owned facility]	2016-2018
Addition of one - 500/345 kV ( 2000 MVA) autotransformer (3 x 1Φ) at Populus [PAC owned facility]	2016-2018
<b>Borah [/Populus] West (Path 17)</b>	
Construction of one new 500 kV circuit from Populus to Borah (55 miles) and new 500 kV circuit between Borah and Midpoint (88 miles). These line sections will be built by conversion of the operating voltage of the existing Kinport/Borah to Midpoint 345 kV line section to 500 kV [IPC owned facility], and the addition of a new 500 kV circuit between Populus and Borah [PAC owned facility]. A 500/345 kV (1500 MVA) autotransformer (3 x 1Φ) will be installed at Borah.	2017-2021
Construction of one new 500 kV circuit from Populus to Cedar Hill with approximately 45% series compensation. (118 miles) [PAC owned facility]	2017-2021
Construction of one new 500 kV circuit from Cedar Hill to Hemingway with approximately 45% series compensation. (161 miles) [PAC/IPC jointly owned facility]	2017-2021
Construction of one new 500 kV circuit from Cedar Hill to Midpoint. This line will connect the Idaho southern route to Midpoint for improved reliability. (34 miles) [PAC/IPC jointly owned facility]  This facility has been advanced from Gateway West – Stage 2	2017-2021
<b>Midpoint West</b>	
Midpoint – Hemingway Section This section of the project will include two-500 kV circuits:	In-Service July 2010
<ul style="list-style-type: none"> <li>The first 500 kV circuit from Midpoint to Hemingway will be developed by interconnecting the existing Midpoint – Summer Lake 500 kV line into the Hemingway Station. [PAC owned facility]</li> <li>Construction of the second 500 kV circuit from Midpoint to Hemingway with approximately 50% series compensation. (126 miles) ) [PAC/IPC jointly owned facility]</li> </ul> <p>This facility has been advanced from Gateway West –</p>	2017-2021

Stage 2	
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### Gateway West Single-Line Diagrams

The following diagrams depict the project and adjacent transmission paths.

**Figure 1: Gateway West – Stage 1 (West of Bridger/Anticline)**



### **Sierra Club Data Request 3.7**

See Company response to OCS 1.18, Attach OCS 1.18 VENTYX CONF (GAMS files supplied by the Company for the SO Model), folder “Operates VENTYX CONF”, file CapEx\_TransmissionOptions.gms:

- (a) Confirm that all ties (lines) shown in this file are built in the SO model in the year shown in the variable TieBuildFirstYear. If this is not the case, please cite specific lines that are not built in the model, or not built in the year indicated in TieBuildFirstYear.
- (b) Please indicate if TieStepCosts are in nominal or constant dollars, and the dollar year if constant. Confirm that costs are in the year built if nominal.
- (c) Confirm that the SO model does not model an operations and maintenance (O&M) cost for any of the lines shown in this file.
- (d) Does the Company anticipate that there will be no O&M cost associated with any of the new lines shown here? If the Company does anticipate O&M costs, please describe why O&M costs were not included in the SO model and provide an estimate of those costs for each segment contemplated here.
- (e) If any build years, costs, or capacity limits have been updated since this file was created and used, please indicate which values have changed, or provide an updated version of this file, and indicate why those values changed.
- (f) If the 2013 IRP uses a different topology than utilized for this case, provide the new topology, existing capacity limits, and updated version of this file or its equivalent in the new version of SO.

### **Response to Sierra Club Data Request 3.7**

- (a) The entries in the file are inputs to the System Optimizer model (SO Model). The TieBuildFirstYear parameter indicates when the capacity of a particular transmission path is available for the SO Model to use. That is, the SO Model does not make decisions which paths will be selected and when, but rather, the capacities of the transmission paths are given.
- (b) TieStepCosts are in nominal dollars.
- (c) Confirmed.
- (d) Yes. The O&M costs were not included because they do not impact the SO Model in either the selection of resources, nor the dispatch of system resources. Please refer to Confidential Attachment Sierra Club 3.7 for the most recent projection of the costs.
- (e) The build years, costs and capacity limits have been updated since the Company’s filing. The updated information that is applied in the Company’s 2013 integrated resource plan (IRP) is provided as Confidential Attachment

Sierra Club 3.7. The updated values are based on most recent information available.

(f) Please refer to the Company's response to subpart (e) above.

Confidential information is provided subject to Utah PSC Rule 746-100-16.

## **Sierra Club Data Request 4.1**

Reference the Rebuttal Testimony of Chad Teply, p. 14:

“Specifically, pursuant to the Wyoming SIP, the BART Settlement Agreement between the state of Wyoming and the Company, and the associated Wyoming Environmental Quality Commission Order, the state of Wyoming has imposed upon the Company an obligation to complete the SCR Project by December 31, 2015, for Unit 3 and December 31, 2016, for Unit 4 (the “Deadlines”). Wyoming has not given any indication that it will amend the Deadlines to accommodate EPA’s delayed action, nor that it is willing to forgo compliance with the Deadlines.”

- a. Has Rocky Mountain Power (or its parent companies PacifiCorp or Mid-American) made a request to any Wyoming agency seeking to extend the Deadlines identified by Mr. Teply since EPA announced in December 2012 that it would delay its final BART determination for the State of Wyoming? If yes, please provide all written documentation of this request as well as Wyoming’s response.
- b. What is the basis for Mr. Teply’s statement that Wyoming has not given any indication that it will amend the deadlines?
- c. Please provide all written communications, emails, or notes of oral conversations between Rocky Mountain Power and any Wyoming agency addressing this matter since EPA announced in December 2012 that it would delay its final BART determination for the State of Wyoming.
- d. On January 10, 2013, the Wyoming Environmental Quality Council held a meeting that included an update on the BART Settlement Agreement between the state of Wyoming and the Company. At that meeting, the Environmental Quality Council stated that it could consider an extension of the deadlines in the BART Settlement Agreement if a party requested it. Has Rocky Mountain Power (or its parent companies PacifiCorp or Mid-American) requested that the Environmental Quality Council consider an extension of the deadlines in the BART Settlement Agreement?

## **Response to Sierra Club Data Request 4.1**

- a. A written request to extend the deadlines for the installation of controls at Jim Bridger Units 3 and 4 has not been made since EPA announced in December its delay in taking further action on the Wyoming Regional Haze State Implementation Plan (SIP). The Company met with the Wyoming DEQ and the Wyoming Attorney General’s office January 4, 2013, and discussed the applicable deadlines and the agency’s position on extending the deadlines. The Company was advised that the state of Wyoming views the deadlines as being independently legally enforceable vis-à-vis the Settlement Agreement, Wyoming

SIP, and Chapters 6 and 9 of the Wyoming Air Quality Standards and Regulations. The state's position was confirmed at the Wyoming Environmental Quality Council's meeting on January 10, 2013.

- b. See response to (a) above.
- c. The Company does not have any written communications or emails that are responsible to this request. To the extent that any notes of oral conversations exist, they are subject to attorney-client privilege, constitute attorney work product, and are not subject to disclosure.
- d. Neither the Company nor the Wyoming DEQ has requested the Environmental Quality Council consider an extension of the deadlines in the BART Settlement Agreement. As noted by the Wyoming Attorney General's office at the January 10, 2013 meeting of the Environmental Quality Council, the provisions of the Settlement Agreement were incorporated into the Wyoming SIP that was submitted to EPA.

The Wyoming SIP includes the following provision:

- i. With respect to Bridger Units 3 and 4, PacifiCorp shall: (i) install SCR; (ii) install alternative add-on NO<sub>x</sub> control systems; or (iii) otherwise reduce NO<sub>x</sub> emissions to achieve a 0.07 lb/MMBtu 30-day rolling average NO<sub>x</sub> emissions rate. These installations shall occur, and/or this emission rate will be achieved, on Unit 3 prior to December 31, 2015 and Unit 4 prior to December 31, 2016. These installations shall occur, and/or this emission rate will be achieved, in conjunction with PacifiCorp's planned overhaul schedule for these units and pursuant to a construction or other permit application to be submitted by PacifiCorp to AQD no later than December 31, 2012.

As such, a change in the Wyoming SIP would be necessary to relieve the Company of its obligations to install controls at Bridger Units 3 and 4 in 2015 and 2016. Any effort, whether or not successful, before the Environmental Quality Council to change the deadlines of the BART Settlement Agreement would also require Wyoming to take action on said SIP requirements for Jim Bridger Units 3 and 4. As discussed above, the Company is not aware of any intent of the state to amend its SIP requirements as they pertain to Jim Bridger Units 3 and 4.

## **Sierra Club Data Request 5.9**

See Rebuttal Testimony of Rick Link, page 27, lines 516-521:

- (a) Please define “reputable forecast services.”
- (b) What criteria are used by the Company to determine the reputable nature of the forecast?
- (c) Does the Company benchmark forecasts from the organizations identified here against historic outcomes? If so, provide such benchmarking analyses. If not, why not?
- (d) Confirm that the following statement refers to the Waxman-Markey and Kerry-Lieberman bills of 2009 and 2010: “As a point of reference, we often compare these forecasts with U.S. EPA’s analysis of past policy proposals, focusing on then current baseline projections and any CO<sub>2</sub> price ceilings and floors that may have been included in those proposals. The intent is to provide context for how current price forecasts that take into consideration current market conditions and the current policy landscape, compare with well-known policy proposals that have been debated in the past.”
- (e) Please explain how “comparing these forecasts with U.S. EPA’s analysis of past policy proposals” is appropriate as opposed to Mr. Link’s statement on page 29, lines 554-556: “Moreover, it is not reasonable to review the range of CO<sub>2</sub> price trajectories developed by U.S. EPA’s analysis of past legislative proposals, which are similarly dated.”

## **Response to Sierra Club Data Request 5.9**

- (a) “Reputable forecast services” is in reference to subscription offerings from third party sources. These subscription services offer a range of commodity price forecasts and fundamentals analysis that are updated on a routine basis. The offerings from these sources are widely used and respected.
- (b) The Company considers how widely the subscription services are used and the credentials of the individuals performing the forecasts.
- (c) No. There are no historic outcomes for prospective CO<sub>2</sub> prices.
- (d) Confirmed.
- (e) As noted, the comparison provides a point of reference to help frame how more current forecasts compare to forecasts of CO<sub>2</sub> prices from well-known policy proposals. This does not mean that dated forecasts are valid in the context of current market conditions and the current policy landscape.

### **Sierra Club Data Request 5.10**

See Rebuttal Testimony of Rick Link, page 37, line 737 through page 38, line 747:

- (a) Provide all workpapers, input and output files used and generated by the SO Model and GRID, and post-processing files including but not limited to the additional coal cost workbook, that underlie the PVVR(d) value in line 743.
- (b) Please list any and all additional SO model sensitivities performed by the Company between August 2012 and February 2013, whether presented in testimony or not. List the run title, purpose of sensitivity, and date performed.
- (c) Did the Company perform any sensitivity in which the incremental wind from Wyoming is not removed, but in which the Anticline to Populus segment of Gateway West is removed, reduced, or deferred with the retirement of Jim Bridger 3 and/or 4? If so, provide input and output files used and generated by the SO Model and GRID, and post-processing files including but not limited to the additional coal cost workbook, that underlie this sensitivity. If not, why not?

### **Response to Sierra Club Data Request 5.10**

- (a) Please refer to the Company's response to DPU Data Request 13.1 in this proceeding, which provides all inputs and outputs for and by the System Optimizer model (SO Model). The Company did not perform GRID studies for its Rebuttal Testimony, because GRID studies were only provided as benchmark studies on an informational basis in the Company's direct case.
- (b) The Company objects to the request as being overly broad and unduly burdensome. Without waiving its objection, please refer to the Company's response to DPU Data Request 13.1 in this proceeding, which provides the additional scenarios referenced in Rebuttal Testimony of Company witness, Rick T. Link, specifically:

Confidential Attachment DPU 13.1 -37, for inputs to scenario of no Energy Gateway nor Wyoming wind and continued coal operation.

Confidential Attachment DPU 13.1 -38, for outputs to scenario of no Energy Gateway nor Wyoming wind and continued coal operation.

Confidential Attachment DPU 13.1 -39, for inputs to scenario of no Energy Gateway nor Wyoming wind and gas conversion.

Confidential Attachment DPU 13.1 -40, for outputs to scenario of no Energy Gateway nor Wyoming wind and gas conversion.

Confidential Attachment DPU 13.1 -41, for inputs to scenario of forced retirement of Jim Bridger units 3&4.

Confidential Attachment DPU 13.1 -42, for inputs to scenario of forced retirement of Jim Bridger units 3&4.

In addition, the reports created from the SO Model output files are provided as part of the workpapers filed in support of Mr. Link's Rebuttal Testimony; specifically the file entitled "Confidential Exhibit 5R and Sensitivities\_PVRR, CONF.xlsx".

(c) No. The type of analysis described was not performed because it is not reasonable.

Note: the Company's response to DPU Data Request 13.1 contains confidential information, and was provided subject to Utah PSC Rule 746-100-16, as well as the terms and conditions of the applicable Ventyx Mutual Confidentiality Agreement. Only individuals covered under the Ventyx mutual confidentiality agreement may receive the confidential attachments associated with DPU Data Request 13.1.

### **Sierra Club Data Request 5.11**

See Rebuttal Testimony of Chad Teply, page 16 lines 5-21:

- (a) Provide a copy of the air quality permit application submitted to the Wyoming Air Quality Division (WY AQD) on April 3, 2012 referenced in lines 7-8.
- (b) If the Company has provided updates to WY AQD regarding this application, provide such updates.
- (c) Provide copies of all correspondence between WY AQD and the Company regarding this permit application.
- (d) Please describe, in detail, the agency questions regarding BACT for PM2.5 referenced in lines 19-21.
- (e) Please describe, in detail, the remedy or possible remedies to satisfy any agency concerns regarding BACT for PM2.5 associated with this application.
- (f) Provide the results of any air quality modeling performed in association with this application.
- (g) Provide the input files associated with any air quality modeling performed in association with this application.

### **Response to Sierra Club Data Request 5.11**

- (a) Please refer to Attachment Sierra Club 5.11.
- (b) The following is a list of updates and correspondences with WY Air Quality Division (WY AQD).
  - On April 16, 2012, PacifiCorp received a phone call from Josh Nall of the WY AQD requesting that PacifiCorp perform an Air Quality Related Values (AQRV) analysis for visibility impacts associated with the Jim Bridger Units 3 and 4 selective catalytic reduction (SCR) installations.
  - On April 18, 2012 PacifiCorp submitted the requested AQRV analysis to the WY AQD. A copy of the AQRV, *2012-04-18 JB Unit 3 and Unit 4 AQRV Analyses.pdf*, is included in Attachment Sierra Club 5.11 -2.
  - On May 22, 2012, the WY AQD provided a letter to PacifiCorp requesting that PacifiCorp demonstrate that the SCR installations will not prevent the maintenance or attainment of any ambient air quality standard; that PacifiCorp evaluate the feasibility of achieving lower sulfuric acid emission rates; and that PacifiCorp evaluate and propose a revised NO<sub>x</sub> plant-wide applicability limitation (PAL) for the Jim Bridger plant. A copy of the WY AQD letter named *2012-05-22 WDEQ Request Letter.pdf* is included in Attachment Sierra Club 5.11 -3.

- On July 3, 2012, PacifiCorp provided a response to the WY AQD regarding the May 22, 2012 request. A copy of PacifiCorp's response named **2012-07-03 JB Response to WDEQ 2012-05-22 Letter.pdf** is included in Attachment Sierra Club 5.11 -4.
  - On August 9, 2012 PacifiCorp provided a letter to the WY AQD, in response to the WY AQD's May 22, 2012 letter, proposing that the Jim Bridger NO<sub>x</sub> PAL be revised following each SCR installation. The August 9, 2012 letter named **2012-08-09 JB Revised NOx PAL Letter.pdf** is included in Attachment Sierra Club 5.11 -5.
  - On August 23, 2012, PacifiCorp received a letter from the WY AQD which deemed PacifiCorp's Jim Bridger Units 3 and 4 SCR permit application "complete". A copy of the WYAQD's letter named **2012-08-23 JB SCR WDEQ Completeness Letter.pdf** is included in Attachment Sierra Club 5.11-6.
  - On September 28, 2012, PacifiCorp received a letter from the WY AQD requesting that PacifiCorp evaluate how condensable emissions may affect PM<sub>2.5</sub> emissions. A copy of the WY AQD's letter named **2012-09-28 JB WDEQ PM25 Request.pdf** is included in Attachment Sierra Club 5.11 -7.
- (c) Please refer to the Company's response to subpart (b) above.
- (d) The agency questions are detailed in their letter dated September 28, 2012. Because future potential PM<sub>2.5</sub> emissions are projected to increase above the past actual emissions, a BACT analysis is required. The PM<sub>2.5</sub> BACT analysis is underway and is expected to be completed by February 28, 2013.
- (e) The BACT analysis has not been completed.
- (f) The initial results of the PM<sub>2.5</sub> air dispersion modeling indicate that the potential increases in PM<sub>2.5</sub> emissions will not exceed the Significant Impact Levels (SILs) for the annual and 24-hour PM<sub>2.5</sub> standards.
- (g) The air modeling input files will be provided once the BACT analysis has been finalized and submitted to the WAQD.

### **Sierra Club Data Request 5.12**

See Rebuttal Testimony of Chad Teply, page 24, lines 5-11

- a. Confirm that the proposed Anticline substation would be located in Wyoming.
- b. Confirm that the existing Populus substation is in Idaho.
- c. Confirm that “thermal resources” or energy transported “westward between the proposed Anticline substation and the existing Populus substation” would be moved “out of Wyoming.”
- d. If (a)-(c) are confirmed, please clarify how if the “retirement of Jim Bridger Units 3 & 4 would reduce the need to transport that thermal resource westward” and thus “out of Wyoming”, as noted above, but “it would not avoid the need for more transmission capacity out of Wyoming”.
- e. Is there an anticipated need for more transmission capacity out of Wyoming?
- f. Would the retirement of Jim Bridger Units 3 & 4 defer a need for more transmission capacity out of Wyoming? If not, why not?
- g. Would the retirement of Jim Bridger Units 3 & 4 reduce the need for more transmission capacity out of Wyoming? If not, why not?

### **Response to Sierra Club Data Request 5.12**

- a. The proposed Anticline substation will be located in Wyoming, in the general vicinity of the Jim Bridger Power Plant.
- b. Populus substation is located in Idaho, near Downey, Idaho.
- c. It is correct that “thermal resources” (which are existing resources that flow out of Wyoming today) or energy transported “westward between the proposed Anticline substation and the existing Populus substation” would be moved “out of Wyoming.” Additionally, some energy resources may flow from Anticline to Bridger and onto the 230 kV transmission system to Wyoming load centers.
- d. Retirement of Jim Bridger 3 and 4 would reduce the need to transport thermal resources westward between the proposed Anticline substation and existing Populus substations from Wyoming to the Company’s load centers but, it would not avoid the need for more transmission capacity out of Wyoming. The Company’s existing transmission system in Wyoming is constrained for transporting existing thermal and renewable resources east of Bridger and limits the Company’s ability to reliably transport low cost energy including existing and any future renewable energy sources therein. Retirement of Bridger Units 3 and 4 would not avoid the need for Gateway West in that regard.

- e. Reduced need to transport thermal generation from Bridger to load centers served by Gateway but would not avoid the need for additional transmission capacity out of Wyoming. The Company's existing transmission system in Wyoming is constrained for transporting existing thermal and renewable resources east of Bridger and limits the Company's ability to reliably transport low cost energy including existing and any future renewable energy sources.
- f. The Company is currently analyzing the current operating history and reliability conditions, including power flow constraints on the existing transmission system in Wyoming. At this time that analysis has not been completed. It is anticipated that this analysis will be completed in Q2 of 2013.

Additionally, it is not practical to determine with any certainty the change in need, modifications or delays in various Energy Gateway segments due to Bridger Unit 3 and 4 retirements, until the timing, location, type and size of the resources that replace the units has been determined.

- g. Please refer to the Company's response to SC 5.12, subpart (f) above.

**Sierra Club Data Request 5.13**

Regarding the Energy Gateway West Project.

- a. Provide the dollar amount invested or spent to date on studies, scoping, permitting, crafting applications and impact statements, communicating with stakeholders, land owners, and federal agencies regarding the Energy Gateway West project.
- b. To the extent that such staff costs are not covered in (a), provide a table of the approximate number of staff involved in planning, scoping, permitting, and studying the Energy Gateway West project from 2008 through 2012, the approximate percentage of time spent by those staff on the Energy Gateway West project, and their approximate compensation.
- c. Provide the dollar amount invested or spent to date on equipment, materials, and physical plant associated with the Gateway West Project.

**Response to Sierra Club Data Request 5.13**

- a. \$51,000,000 (includes Idaho Power's reimbursements, AFUDC & Surcharge)
- b. Included in subpart (a) above
- c. \$2,500,000 (includes Anticline, Aeolus and Bastian property purchases)

**Sierra Club Data Request 5.14**

Regarding the Energy Gateway West Project.

- a. Provide the most recent annual Company 10-year or other forward-looking annual capital budget, subdivided and clearly labeled by project and plant.
- b. To the extent that such information is not explicitly provided in (a), provide the most recent annual Company 10-year or other forward-looking annual capital budget for the Energy Gateway West Project, subdivided by segment and substation.

**Response to Sierra Club Data Request 5.14**

Please refer to Confidential Attachment Sierra Club 5.14. Confidential information is provided subject to Utah PSC Rule 746-100-16.

### **Sierra Club Data Request 6.6**

See Rebuttal Testimony of Cindy Crane, page 4, lines 80-85. Has the Company evaluated the economics of the Jim Bridger 3 & 4 retrofits under a range of coal forecast prices? If so, please provide such analyses and supporting workbooks. If not, why not?

### **Response to Sierra Club Data Request 6.6**

As part of the Company's rebuttal, third party coal forecast prices and transportation costs were updated. These workpapers were provided. In the analysis period, third party coal is only consumed by the Jim Bridger plant through 2016 in the two-unit case. Further, the coal prices and transportation rates for 2013 and 2014 are largely based on the current contract.

### **Sierra Club Data Request 6.7**

See Rebuttal Testimony of Cindy Crane, pages 9 through 12, generally.

- a. Approximately how long would it take to obtain permits and construct a rail spur and rail loadout facility at Bridger Coal Company (BCC) should the Company choose to export coal by rail?
- b. Has the Company, or any party working for or on behalf of the Company, performed any form of due diligence on the opportunity to sell BCC or other Southwest Wyoming coal to other markets, whether owned by the Company or not? If so, provide such due diligence reports or analyses. If not, why not?
- c. Is the Company aware of which other boilers in the US would be capable of burning BCC or other Southwest Wyoming coal? If so, please provide a list thereof.
- d. Is the Company aware of which other boilers in the US could burn BCC or other Southwest Wyoming coal at a competitive cost? If so, please provide a list thereof.
- e. Has the Company issued any solicitations or made other attempts to interest any other parties in BCC coal? If so, please provide a list of parties with whom solicitations or negotiations regarding the procurement of BCC coal have been conducted.
- f. Has the Company conducted any analysis for the sale of BCC coal to other parties (PacifiCorp or not) below market rates (i.e. at a loss) if such an outcome resulted in a lower net present value for two or three unit operation?

### **Response to Sierra Club Data Request 6.7**

- a. The Company has not initiated a study that would identify the length of time to obtain the requisite permits nor the cost to construct a rail spur and rail loadout facility. There are few domestic export facilities in the western United States and while several have been proposed, they have encountered significant resistance from organizations such as the Sierra Club.
- b. The Company has previously discussed the likelihood of a shuttering of another coal mine in Southwest Wyoming in the case of a two-unit gas conversion at the Jim Bridger plant.
- c. The Company does not possess a comprehensive list of other boilers in the US capable of burning BCC or other Southwest Wyoming coal. Both the Valmy and Intermountain Power Project have previously consumed Black Butte coal.

- d. The Company is not aware what other power plants besides those listed in c) above can consume Bridger Coal Company coal
- e. The Company has not issued any such solicitation.
- f. The Company has not conducted any such analysis.