

1 **Q. Are you the same Mark R. Tallman who submitted direct testimony in this**  
2 **proceeding on behalf of PacifiCorp dba Rocky Mountain Power (“the**  
3 **Company”)?**

4 A. Yes.

5 **Q. Has any party questioned the prudence of the Merwin Fish Collector project**  
6 **or is any party recommending a disallowance associated with the Merwin Fish**  
7 **Collector project?**

8 A. No.

9 **Purpose and Summary of Testimony**

10 **Q. What is the purpose of your rebuttal testimony?**

11 A. The purpose of my testimony is to rebut the testimony of Mr. Richard S. Hahn filed  
12 on behalf of the Division of Public Utilities (“DPU”) related to six hydroelectric  
13 capital projects comprising approximately \$13 million (total Company).

14 **Q. Please summarize your testimony.**

15 A. My testimony rebuts Mr. Hahn’s recommendation to remove five additional  
16 hydroelectric projects from the case and disallow approximately \$0.3 million (total  
17 Company) associated with a hydro vehicle replacement project. My testimony  
18 provides the documentation demonstrating the need associated with four of the five  
19 added hydro investments. These investments are expected to be placed in service  
20 during the March 2014 through June 2015 timeframe. The added hydro investment  
21 consists of \$10.6 million (total Company) associated with these four hydro projects.  
22 These projects were not included in the Company’s original filing but were  
23 provided to the DPU through discovery and included in the DPU’s general plant

24 additions update. These projects were subsequently removed in Mr. Hahn's  
25 adjustment.

26 **Hydro Project Additions**

27 **Q. Please summarize the hydro project additions.**

28 A. Five hydro projects additions were provided to the DPU through discovery and  
29 included in the DPU's general plant additions update. These projects are listed in  
30 Exhibit DPU 3.6 (page 1) and consist of \$12.3 million (total Company) in capital  
31 expenditures.

32 **Q. Do these added hydro projects have in-service dates during the May 2014  
33 through June 2015 timeframe?**

34 A. Four of the five added projects have in-service dates during the May 2014 through  
35 June 2015 time frame. One of the five project additions (Soda Spillway Gate  
36 Improvements) currently has a forecasted in-service date after June 2015; therefore,  
37 the Company agrees it should be removed from the case. Removal of the Soda  
38 Spillway Gate Improvements project removes \$1.7 million (total Company),  
39 leaving \$10.6 million (total Company) associated with four added hydro projects.  
40 The four added projects are the: Yale Upper Rock Block Stabilization; Swift Side  
41 Nets Replacement; Swift Main Net Modifications; and Wallowa Falls Relicensing  
42 projects.

43 **Q. Does Mr. Hahn acknowledge that project additions are reasonable?**

44 A. Yes. Mr. Hahn testifies that, since the status of projects in the filing requirements  
45 is being updated, it is not unreasonable to also consider deleting some projects  
46 whose schedules have changed and adding new projects.

47 **Q. Please summarize Mr. Hahn's recommendation.**

48 A. Mr. Hahn testifies that, in response to data request DPU 35.4, the Company did not  
49 provide project schedules and documents demonstrating the need for these added  
50 projects. Mr. Hahn recommends that all such projects be removed from the  
51 proceeding until documentation has been provided, reviewed, and found to be  
52 adequate.

53 **Q. Did the Company provide documentation associated with the added hydro  
54 projects to the DPU?**

55 A. Yes. The Company inadvertently provided documentation to the DPU in response  
56 to DPU 35.1 instead of in response to DPU 35.4.

57 **Q. Has the Company provided documentation associated with the added hydro  
58 projects in response to DPU 35.4?**

59 A. Yes. Through Confidential DPU 35.4 1st supplemental, the Company has provided  
60 authorization documents, project schedules and technical assessments and studies,  
61 where applicable, demonstrating the need for the added projects with in-service  
62 dates during the May 2014 through June 2015 time period. This same information  
63 is included in Confidential Exhibit RMP\_\_\_\_(MRT-1R).

#### 64 **Hydro Vehicles 2015**

65 **Q. Please summarize the 2015 Hydro Vehicle Project.**

66 A. The Company has planned for the replacement of 13 vehicles utilized to operate  
67 hydro generation for a cost of \$0.7 million (total Company).

68 **Q. Please summarize Mr. Hahn's recommendation.**

69 A. Mr. Hahn testifies that the Company has not provided materials supporting the  
70 specific cost estimate. Mr. Hahn recommends, based on a historical trend analysis,  
71 the amount be reduced to \$0.4 million (total Company) unless the Company  
72 provides documentation of specific vehicle replacements or explanation of how the  
73 budgeted amount was developed.

74 **Q. Has the Company provided documentation associated with the hydro vehicles**  
75 **that Mr. Hahn’s testimony addresses?**

76 A. Yes. Through Confidential DPU 22.6 1st supplemental, the Company provided  
77 records documenting how the \$0.7 million (total Company) budgeted amount was  
78 developed and documentation of the associated vehicles. This same information is  
79 included in Confidential Exhibit RMP\_\_\_\_(MRT-2R).

80 **Q. What do you recommend to the Commission?**

81 A. I recommend the Commission reject Mr. Hahn’s recommendation to remove all  
82 added hydro projects listed in Exhibit DPU 3.6 (page 1). I recommend the  
83 Commission include four added hydro projects<sup>1</sup> consisting of \$10.6 million of  
84 investment in the Company’s rate base. I also recommend the Commission reject  
85 Mr. Hahn’s recommendation to disallow approximately \$0.3 million (total  
86 Company) associated with hydro vehicles budgeted for replacement in 2015.

87 **Q. Does this conclude your rebuttal testimony?**

88 A. Yes.

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<sup>1</sup> Yale Upper Rock Block Stabilization; Swift Side Nets Replacement; Swift Main Net Modifications; and Wallowa Falls Relicensing.