

**Docket 17-035-39**

**DPU Questions To RMP for the August 29, 2017 Technical Conference**

**The majority of the Division's questions below cannot be answered in the form of PowerPoint slides. The Division expressly requests that the Company make each specific Excel spreadsheet reference or other work product references available prior to the meeting so that Parties dialing in on the phone can follow along.**

**For example, if the Company is explaining a particular assumption that is found in Cell B5 of a work paper, please identify that cell and provide a copy of the specific spreadsheet (Excel executable format with all formulae intact) that contains Cell B5 and trace its origins by providing each specific worksheet or anywhere else that the assumption flows through to each subsequent work paper and to any final result.**

**The Parties on the phone need to be able to follow along and have a firm understanding of the Company's responses. The Division requests that the Company provide its responses below in native format at the Technical Conference. In addition, the Division requests that the Company provide a written response to each of the following questions, so that Parties can refer to the written explanation as well as the Excel explanation in order to begin drafting testimony shortly after the Technical Conference.**

1. Assignment of risk. The sole driver of the project is economic benefits, rather than, for example, reliability need. Some scenarios show relatively small net benefits in relation to the total cost of the project, and certain conceivable future conditions could result in the project imposing a net cost, rather than a benefit. How is the Company proposing to share in any risk that the project does not yield net benefits to customers?
2. Economic analysis workpapers. The economic analysis described in Mr. Link's Direct Testimony (Link) is supported by extensive workpapers. We would like the Company to

walk through the workpapers to describe the analysis, and address some specific components of the analysis:

- a. Please explain which System Optimizer (SO) Model assumptions are varied between the runs and show where the details of those assumptions flow through the workpapers.
  - b. For Planning and Risk (PaR) Model stochastic variables, please explain how values are represented by a distribution, especially please focus on wholesale purchases and sales. (Link, lines 246-258)
  - c. Please provide the details of the calculation of the risk-adjusted PVRR, e.g., provide which elements of the stochastic-mean PVRR are adjusted, and where this calculation takes place in the workpapers. (Link, lines 246-258)
  - d. Please quantify the recovery of remaining value of original equipment over depreciable life, including location in workpapers. (Link, lines 390-396)
  - e. Please provide the details on the modifications to the accounting of streams of costs and benefits to apply the annual revenue requirement approach. (Link, lines 432-454)
  - f. Please provide the additional detail of the forecast of costs and benefits for 2037-2050, including location of calculations in the workpapers. (Link, lines 455-470)
  - g. Please provide the timing of retirement of wind resources (Link, lines 491-501)
  - h. Please provide and walk through the details on system costs and benefits in the 2028-2036 period that were used for extrapolation in the 2037-2050 period, particularly the changes in fixed costs from the SO Model output.
3. Economic analysis workpapers. Please update the PVRR results listed in Table 3 of Link's testimony (p. 32) with the most recent official forward price curve for natural gas.

4. Hemstreet. Company witness Mr. Timothy J. Hemstreet discusses the potential impact on bird and bat kills, and related problems due to the larger blade sizes under the Company's proposed repowering (see lines 213-227 of his pre-filed direct testimony). It appears from Mr. Hemstreet's testimony that the Company does not know what, if any, effect the proposed repowering will have on birds and bats, but "...will continue ... monitoring to determine if the new turbine blades cause additional impacts to avian species...." (lines 223-225)

Please explain what, if any, new information the Company has on this subject. Please discuss the effects on the project, the Company, and ratepayers if, hypothetically, the avian and bat impacts were to double from their current levels.