Selected PacifiCorp Public Data Responses

Sierra Club Attachment 1 Selected PacifiCorp Public Data Responses

- 1. LC 77 PacifiCorp Response to Sierra Club Data Request 3.1
- 2 LC 77 PacifiCorp Response to Sierra Club Data Request 3.2
- 3 LC 77 PacifiCorp Response to Sierra Club Data Request 4.5
- 4. LC 77 PacifiCorp Response to CUB Data Request 3
- 5 LC 77 PacifiCorp Response to CUB Data Request 4
- 6 LC 77 PacifiCorp Response to CUB Data Request 6
- 7 LC 77 PacifiCorp Response to CUB Data Request 9

LC 77 / PacifiCorp October 14, 2021 Sierra Club Data Request 3.1

Sierra Club Data Request 3.1

Regarding Action Plan item 2a, Utah Community Renewable Energy Program:

- (a) Do the resource portfolios include the renewable generation that is necessary to meet the Community Renewable Energy Program customers?
- (b) How did the Company consider the potential load departure of the municipalities and communities that have committed to participate in the program (i.e., adopted a resolution that states a goal of achieving 100% renewable energy by 2030)?
- (c) Did the Company identify and separate forecasted load growth (both energy and capacity) for the Community Renewable Program and non-participant load?
 - i. If no, why not?
 - ii. If yes, what is the difference in expected load relative to a scenario in which the participating communities did not depart for the program?
 - iii. If yes, what assumption did PacifiCorp make about the percentage of customers that live in participating communities who would opt-out of the program?
- (d) Please explain how the Community Renewable Energy Program impacts the need for new capacity in the portfolios to meet core load needs.
- (e) What assumptions did the Company make regarding cost allocation for legacy resources for program participants and non-participants of the Utah Community Renewable Energy Program.

Response to Sierra Club Data Request 3.1

- (a) Yes, PacifiCorp's 2021 Integrated Resource Plan (IRP) Preferred Portfolio includes renewable generation that is necessary to meet the Utah Community Renewable Energy Program.
- (b) The Company identified the municipalities and communities along with renewable energy requirements that have committed to participate in Utah Community Renewable Energy Program. The Company then made high-level assumptions that approximately 50 percent of the renewables energy requirements for the program would come from existing system resources, and that at least 50 percent of eligible load, by megawatt-hour (MWh), would not opt-out of, or otherwise be deemed ineligible for, the program.

LC 77 / PacifiCorp October 14, 2021 Sierra Club Data Request 3.1

- (c) Please refer to the Company's response to subpart (b) above, along with the Company's responses to subparts (i), (ii) and (iii) below:
 - i. Not applicable,
 - ii. Please refer to Confidential Attachment SC 3.1, and
 - iii. Please refer to the Company's response to subpart (b) above.
- (d) The 2021 IRP included renewable resources to meet the Utah Community Renewable Energy Program.
- (e) The 2021 IRP is modeled at a system level. Cost allocation issues related to states and the Utah Community Renewable Energy Program is part of the Multi-State Process.

Confidential information is designated as Protected Information under the protective order in this proceeding and may only be disclosed to qualified persons as defined in that order.

LC 77 / PacifiCorp October 14, 2021 Sierra Club Data Request 3.2

Sierra Club Data Request 3.2

In response to SC 1.9, the Company responded that it does not include any incremental costs to operate the Jim Bridger plant after Idaho Power exits the plant in 2030. PacifiCorp intends to run Units 3 & 4 until 2037.

- (a) Does PacifiCorp anticipate a third-party will assume all of Idaho Power's share and costs?
- (b) Please provide all contracts and materials that describe how PacifiCorp and Idaho Power share common costs, O&M costs, and decommissioning and remediation costs of the joint units.
- (c) Please provide all contracts and other materials that describe any agreement between PacifiCorp and Idaho Power regarding Idaho Power's planned exit from Jim Bridger in 2030.

Response to Sierra Club Data Request 3.2

- (a) PacifiCorp has not made any assumptions regarding whether or how Idaho Power Company (IPC) will handle its property.
- (b) Two agreements govern PacifiCorp and IPC's relationship at the Jim Bridger plant. First, the Agreement for the Ownership and Operation of the Jim Bridger Project between IPC and PacifiCorp Power and Light Company (PP&L), executed September 22, 1969, subsequently amended (O&O Agreement) and second, the Agreement for the Operation of the Jim Bridger Project between IPC and PP&L, executed September 22, 1969, subsequently amended. Please refer to Confidential Attachment SC 3.2, which provides excerpts governing cost sharing.
- (c) Please refer to the Company's response to subpart (b) above.

Confidential information is designated as Protected Information under the protective order in this proceeding and may only be disclosed to qualified persons as defined in that order.

LC 77 / PacifiCorp November 12, 2021 Sierra Club Data Request 4.5

Sierra Club Data Request 4.5

Please identify all anticipated federal, state, and local permit approvals, including required waivers or exceptions to federal, state, and/or local law that will be required for the proposed NatriumTM plant.

- (a) For each permit requirement identified, indicate the current status of the permitting process (e.g., yet to apply, pending, permit received, etc.);
- (b) For each permit requirement identified, please indicate the anticipated timeframe for obtaining said permit.

Response to Sierra Club Data Request 4.5

TerraPower and PacifiCorp will comply with all federal, state and local permitting requirements. It is premature to provide an exhaustive list of permitting requirements or timelines at this time. Please refer to the Company's response to CUB Data Request 5.

CUB Data Request 3

NatriumTM Advanced Nuclear Demonstration Project

Please provide a narrative on the potential risks of this project as perceived by PacifiCorp and explain how the Company plans to address these risks.

Response to CUB Data Request 3

Identified risks include:

- Fuel Supply specifically high-assay low-enriched uranium (HALEU) supply.
- Regulatory specifically this is a first of a kind sodium fast reactor (SFR). There is expected design and Nuclear Regulatory Commission (NRC) review challenges that will need to be addressed.
- Project Management unforeseen delays related to the design, construction, and commissioning of a "first of a kind" demonstration reactor.

PacifiCorp will work closely with TerraPower to identify, minimize, address, and provide solutions to the risks that come up throughout the project. Further, PacifiCorp intends to negotiate terms and conditions in future definitive agreements with TerraPower to minimize these risks for our retail customers.

CUB Data Request 4

NatriumTM Advanced Nuclear Demonstration Project

Please provide a narrative explanation of the fuel that the NatriumTM plant will use and the status of supply sources of this fuel.

Response to CUB Data Request 4

The initial fuel for the demonstration program will be sodium bonded metallic uranium fuel encased lead. This extensively tested type of fuel is used at the Fast Flux Test Facility in Hanford, WA, and Experimental Breeder Reactor-2 at the Idaho National Laboratory in Idaho Falls, ID. The fuel is expected to be sourced domestically from U.S-based facilities. Additional information on NatriumTM fuel is available on the U.S. Nuclear Regulatory Commission (NRC) website at the link provided below.

Natrium | NRC.gov

CUB Data Request 6

NatriumTM Advanced Nuclear Demonstration Project

Please provide an update on the construction or availability of federally licensed storage facilities for nuclear wastes that would be generated from this plant.

Response to CUB Data Request 6

PacifiCorp currently has no further information on this topic. However, it is expected that independent storage of spent nuclear fuel and high-level radioactive waste will be licensed under Title 10 of the Code of Federal Regulations (CFR) Part 72.

CUB Data Request 9

NatriumTM Advanced Nuclear Demonstration Project

Please describe the steps PacifiCorp is taking towards training its personnel to operate the plant.

Response to CUB Data Request 9

PacifiCorp is currently evaluating the overall strategy for operations and maintenance, including training requirements.

Confidential Attachment to PacifiCorp Response to Sierra Club Data Request 3.1 in LC 77 Sierra Club Attachment 2 contains confidential information subject to Utah Public Service Commission R746-1-602 and 603 and has been served upon the Commission and each party on the service list eligible to receive confidential information.

Confidential Attachment to PacifiCorp Response to Sierra Club Data Request 4.2 in LC 77 Sierra Club Attachment 3 contains confidential information subject to Utah Public Service Commission R746-1-602 and 603 and has been served upon the Commission and each party on the service list eligible to receive confidential information.

UE 390, Surrebuttal Testimony of Dana M. Ralston on Behalf of PacifiCorp (PAC/1200) (excerpt)

REDACTED

Docket No. UE 390 Exhibit PAC/1200 Witness: Dana M. Ralston

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

PACIFICORP

REDACTED

Surrebuttal Testimony of Dana M. Ralston

August 2021

unfairness of Staff's recommendation to apply its newly articulated prudence standard
 to CSAs that were executed last year.

3 Q. Did Staff provide any evidence specific to the new Hunter CSAs to suggest that
4 the minimum take levels are excessive?

5 A. No.

6 Huntington

- 7 Q. Has Staff modified its position on the Huntington CSA?
- 8 A. Yes. Staff no longer believes that the CSA is imprudent.¹⁵ But Staff agrees with
- 9 CUB's recommendation that the Company "conduct analysis to determine whether
- 10 contract provisions in the CSA result in uneconomic dispatch of the plant, and if yes,
- 11 whether that uneconomic dispatch is related to environmental laws and

12 regulations."¹⁶

13 Q. How do you respond to Staff's new recommendation?

- 14 A. The Company agrees that it has an obligation to prudently manage the CSA,
- 15 including determining whether there are reasonable grounds to invoke the termination
- provision in the agreement. But the Company does not agree that additional analysis
 or reporting is required at this time.
- 18 The Company regularly assesses the economics of the plant. If it becomes 19 apparent that the plant is consistently unable to economically accept delivery of the 20 minimum volumes, then the Company will then proceed to determine whether the 21 consistent inability to economically accept coal deliveries at the plant is the result of 22 an environmental regulation(s), *i.e.*, whether the plant would be economic but for the

¹⁵ Staff/1400, Anderson/12.

¹⁶ Staff/1400, Anderson/15.

1 environmental regulation(s).

2		Currently, even if the plant were to require alternate dispatch in order to reach
3		the minimum take level, there is no evidence that the alternate dispatch is caused by
4		environmental regulations. The examples cited by CUB, which are primarily state
5		renewable generation mandates, ¹⁷ are too attenuated to justify invoking the
6		termination provision in the CSA. No party has identified, and the Company is
7		unaware of, any existing environmental regulation that is sufficiently tied to the
8		Huntington plant to allow the invocation of the CSA's termination provision. It is
9		unclear what additional analysis Staff envisions, but from the Company's perspective
10		it has already conducted the analysis that Staff requested and concluded that there is
11		no reasonable basis to terminate the CSA.
12	0	
12	Q.	Will the Company continue to monitor the plant to determine if there is a basis
12	Q.	to terminate the CSA?
	Q. A.	
13		to terminate the CSA?
13 14		to terminate the CSA? Absolutely. The Company is always committed to prudently managing all its
13 14 15		to terminate the CSA? Absolutely. The Company is always committed to prudently managing all its contracts. The Company's interests are firmly aligned with customers and the
13 14 15 16		to terminate the CSA? Absolutely. The Company is always committed to prudently managing all its contracts. The Company's interests are firmly aligned with customers and the Company has no incentive to continue to burn coal at Huntington if it is uneconomic.
13 14 15 16 17		to terminate the CSA? Absolutely. The Company is always committed to prudently managing all its contracts. The Company's interests are firmly aligned with customers and the Company has no incentive to continue to burn coal at Huntington if it is uneconomic. As market conditions and the regulatory environment change, the Company will
 13 14 15 16 17 18 		to terminate the CSA? Absolutely. The Company is always committed to prudently managing all its contracts. The Company's interests are firmly aligned with customers and the Company has no incentive to continue to burn coal at Huntington if it is uneconomic. As market conditions and the regulatory environment change, the Company will continue to monitor Huntington to ensure that the Company reasonably exercises its
 13 14 15 16 17 18 19 		to terminate the CSA? Absolutely. The Company is always committed to prudently managing all its contracts. The Company's interests are firmly aligned with customers and the Company has no incentive to continue to burn coal at Huntington if it is uneconomic. As market conditions and the regulatory environment change, the Company will continue to monitor Huntington to ensure that the Company reasonably exercises its ability to terminate the contract if doing so is prudent. The Company's annual TAM

¹⁷ See, e.g., CUB/200, Jenks/19.

Surrebuttal Testimony of Dana M. Ralston

1		(1) management employee severance costs and union severance and benefit costs as
2		required in the working agreement with the International Brotherhood of Electrical
3		Workers triggered by his significant reduction in labor costs, (2) final reclamation
4		contributions (\$) required to comply with federal and state legal
5		obligations, (3) depreciation expenses incurred for capital investments between
6		April 1, 2021 and December 31, 2022 (\$), (4) additional coal inventory
7		and deferred longwall expenses incurred between April 1, 2021 and
8		December 31, 2022 (\$), (5) embedded fixed costs in material and supply
9		costs as discussed in response to Sierra Club 2.5, and (6) federal and state royalties
10		associated with increased costs noted above. In summary, Mr. Burgess' analysis
11		contains substantial flaws and should be rejected in its entirety.
12	Q	As discussed above, Mr. Burgess reduced BCC labor and benefit costs in his
12 13	Q	As discussed above, Mr. Burgess reduced BCC labor and benefit costs in his flawed analysis by Example 1 in Confidential Table 3 and described those costs
	Q	
13	Q A.	flawed analysis by Example 1 in Confidential Table 3 and described those costs
13 14		flawed analysis by a second s
13 14 15		flawed analysis by a second of the second o
13 14 15 16		flawed analysis by in Confidential Table 3 and described those costs as "variable". Do you agree? No. Changes in BCC mine plans and staffing levels need to be evaluated in multi-year evaluations such as PacifiCorp's IRP and not in a one-year filing like the TAM.
13 14 15 16 17		flawed analysis by in Confidential Table 3 and described those costs as "variable". Do you agree? No. Changes in BCC mine plans and staffing levels need to be evaluated in multi-year evaluations such as PacifiCorp's IRP and not in a one-year filing like the TAM. A reduction in labor and benefit costs would result in an approximate
 13 14 15 16 17 18 		flawed analysis by in Confidential Table 3 and described those costs as "variable". Do you agree? No. Changes in BCC mine plans and staffing levels need to be evaluated in multi- year evaluations such as PacifiCorp's IRP and not in a one-year filing like the TAM. A frequencies of the employees. Not only would it be imprudent to incur costs to
 13 14 15 16 17 18 19 		flawed analysis by in Confidential Table 3 and described those costs as "variable". Do you agree? No. Changes in BCC mine plans and staffing levels need to be evaluated in multi-year evaluations such as PacifiCorp's IRP and not in a one-year filing like the TAM. A frequencies of the employees. Not only would it be imprudent to incur costs to terminate and then later hire employees in one year, it is highly unlikely the skills

Confidential Attachment to PacifiCorp Response to CUB Data Request 1 in LC 77 (excerpt) Sierra Club Attachment 5 contains confidential information subject to Utah Public Service Commission rules R746-1-602 and 603 and has been served upon the Commission and each party on the service list eligible to receive confidential information.