

### **DPU Data Request 4.2**

**Final Project Costs.** The final cost of the TB Flats and Pryor Mountain projects are not yet known (Steven McDougal's direct testimony page 7, line 123, and elsewhere). Please explain the delay in the final project costs, as Pryor Mountain was placed in service in March 2021, and TB Flats was placed in service in July 2021.

Detail the total amount of each project's capital additions that are known and final and provide details on the total amount of each project's capital additions that are estimated.

When will the final capital addition costs be known? Provide the final totals and details when known.

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In the normal course of business, PacifiCorp's large capital projects (in this instance, wind projects) are placed into service as they become dispatchable to begin providing benefits to customers as soon as possible. However, the work involved with projects of the scope of the TB Flats wind project and the Pryor Mountain wind project does not conclude immediately when the turbines are placed into service and additional activities are necessary to fully complete the project. These activities include site demobilization, reclamation of laydown areas used during construction, crane pad removal, county and site road repairs, site restoration, revegetation, project documentation, job book completion, training, receipt of lien waivers, completion of punch list items, and permit close-out activities. These activities occur after a project achieves commercial operation and may also be components of achieving final project completion, which is a contractual payment milestone that follows project commissioning. Because completion of some of these activities may be tied to contractual milestones for which liquidated damages may be owed as a result of potential delays, final project costs are unknown until all these items are completed.

Additionally, some control system programming follows turbine commissioning to establish curtailment schemes and other necessary turbine monitoring functions to support long-term maintenance and enhance project availability. Project management actions such as the resolution of outstanding change order requests and project notices also occurs following commercial operation. Completion of some of the close-out activities are weather dependent.

In addition to the close-out activities that are typical for any large capital project, these projects were built during the COVID-19 pandemic, which, as noted in the Company's direct testimony and the Company's responses to OCS Data Request 1.10 and DPU Data Request 1.1, resulted in force majeure and excusable event notices from the Company's contractors. Negotiations with both the turbine

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supply contractor and the balance of plant (BOP) contractor are ongoing and anticipated to be complete by the end of 2021.

Thus, due to normal close out activities and the resolution of the negotiations described above, the Company anticipates the final project costs will be known approximately nine to 12 months after a project has achieved commissioning.