

UE-152253 / Pacific Power & Light Company
January 20, 2016
Sierra Club 1st Set Data Request 1-11

Sierra Club Data Request 1-11

Refer to Exhibit RTL-3C (“Jim Bridger Plant Coal Costs: Cash \$/MMBtu”). Also refer to U.S. Department of Energy (DOE) Energy Information Administration (EIA) Form 923, Year 2013 (see https://www.eia.gov/electricity/data/eia923/xls/f923_2013.zip), which shows costs from mines “Jim Bridger Mine” and “Bridger Underground Coal Mine” delivered to Jim Bridger plant ranging from \$2.10/MMBtu to \$2.65/MMBtu in 2013.

- (a) Confirm that the company self-reported coal costs in EIA Form 923 for “Jim Bridger Mine” (MSHA ID 4800677), as required.
- (b) Confirm that the company self-reported coal costs in EIA Form 923 for “Bridger Underground Coal Mine” (MSHA ID 4801646) as required.
- (c) Please explain, in depth, the discrepancy between coal costs as reported to EIA Form 923 and as reported for year 2013 in RTL-3C.
- (d) Identify whether this discrepancy would be expected for each and every year of data reported to EIA Form 923.
- (e) Identify, separately, the elements of Bridger Coal Company’s costs which are specifically included and excluded in cash costs.
- (f) Provide the delivered cost of coal used for dispatch purposes for Jim Bridger plant (or individual Bridger units, if different) for every month from 2010 to the present day.
- (g) Which elements of Jim Bridger Coal Company’s costs (including cash costs, capital costs, reclamation fees, taxes, transportation costs, etc.) are included in those delivered costs?
- (h) Provide the delivered cost of coal used to populate PacifiCorp’s GRID model (used in rate-case filings) for Jim Bridger plant (or individual Bridger units, if different) for every month from 2010 to the present day.
- (i) Which elements of Jim Bridger Coal Company’s costs (including cash costs, capital costs, reclamation fees, taxes, transportation costs, etc.) are included in those delivered costs?

Response to Sierra Club Data Request 1-11

- (a) Yes, PacifiCorp self-reported coal costs in Energy Information Administration (EIA) Form 923 for “Jim Bridger Mine” (Mine Safety and Health Administration (MSHA) Identification (ID) 4800677).

UE-152253 / Pacific Power & Light Company

January 20, 2016

Sierra Club 1st Set Data Request 1-11

- (b) Yes, PacifiCorp self-reported coal costs in EIA Form 923 for “Bridger Underground Coal Mine” (MSHA ID 4801646).
- (c) The coal costs referred to in Confidential Exhibit RTL-3C are cash costs. The costs in EIA Form 923 reflect the sales price between Bridger Coal Company (BCC) mines and the Jim Bridger plant. The sales price includes cash costs and non-cash costs as well as a return component. Beginning in 2011, due to a Federal Energy Regulatory Commission (FERC) requirement to deconsolidate subsidiary companies, (BCC is a subsidiary of PacifiCorp), the costs reported in EIA Form 923 reflect the sales price.
- (d) Yes, the discrepancy is expected for each and every year of data reported in EIA Form 923.
- (e) Please refer to the following table that identifies cost components included and excluded from cash costs:

Cost Component	Included in Cash Costs
Labor/Benefits	Yes
Materials/Supplies	Yes
Outside Services	Yes
Other	Yes
Management Fee	Yes
Depreciation & Amortization	No
Depletion	No
Insurance	Yes
Royalties	Yes
Production Taxes/Fees	Yes
Property Tax	Yes
Sales & Use Tax	Yes
Final Reclamation	Yes
Coal Inventory Adjustment	No
Deferred Longwall	Yes

- (f) Please refer to Confidential Attachment Sierra Club 1.11-1.
- (g) Elements of BCC’s cost structure typically considered in developing incremental prices for dispatch purposes include the following: labor / benefits, materials / supplies, outside services, royalties, production taxes / fees, sales / use tax, depletion, longwall depreciation, longwall amortization, other miscellaneous operating costs and capital costs.
- (h) Please refer to Confidential Attachment Sierra Club 1.11-2.
- (i) Elements of BCC’s cost structure typically used to populate PacifiCorp’s Generation and Regulation Initiative Decision Tool (GRID) include all operating costs incurred at the mine. Operating costs include not only cash

UE-152253 / Pacific Power & Light Company

January 20, 2016

Sierra Club 1st Set Data Request 1-11

costs but non-cash costs (depreciation, depletion and coal inventory adjustments).

Confidential information is provided subject to the terms and conditions of the protective order in this proceeding.

PREPARER: Chuck Moulton

SPONSOR: To be determined