BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of

PACIFIC POWER & LIGHT COMPANY,

Petition For a Rate Increase Based on a Modified Commission Basis Report, Two-Year Rate Plan, and Decoupling Mechanism. DOCKET NO. UE-152253

DECLARATION OF CHAD A.
TEPLY IN SUPPORT OF PACIFIC
POWER'S MOTION FOR AMENDED
PROTECTIVE ORDER WITH
HIGHLY CONFIDENTIAL
PROVISIONS

- 1. I, CHAD A. TEPLY, hereby declare under penalty of perjury under the laws of the State of Washington that the following are true and correct:
- 2. I am the Vice President of Strategy and Development for PacifiCorp. I have provided testimony on behalf of Pacific Power & Light Company (Pacific Power or Company), a division of PacifiCorp. I am responsible for development and implementation of the Company's major generation resource additions, major environmental compliance projects, and certain routine maintenance and repair projects across the generation fleet.
- 3. I have personal knowledge of the matters set forth in this Declaration and, as to matters that call for an opinion, state such opinion on information and belief based on my experience in the industry and with Pacific Power.
- 4. Pacific Power is requesting a protective order with "highly confidential" provisions to protect certain material requested by the Sierra Club on April 11, 2016. In particular, the Sierra Club seeks the Company's engineering, procurement, and construction services (EPC) contract and related information for the selective catalytic reduction (SCR) systems for Units 3 and 4 of the Jim Bridger generating plant. Pacific

Docket No. UE-152253

Power seeks an amendment to the standard protective order because inappropriate release of that material would impose a highly significant risk of competitive harm to Pacific Power.

5. In this proceeding, Pacific Power has only designated information "highly confidential" on a limited occasions. Pacific Power has provided access to "highly confidential" information by on-site inspection. Pacific Power offered the Sierra Club the opportunity to view the EPC contract on-site; however the Sierra Club has indicated that on-site inspection is not adequate. In order to provide the Sierra Club with the EPC contract, it is necessary to amend the protective order to include provisions for "highly confidential" information. Sierra Club's request for the EPC contract acknowledges that the EPC contract and related information may be designated "highly confidential" and subject to additional protections.¹

To date, the Commission's standard protective order has been sufficient to protect the materials in Pacific Power's filing that have been marked "confidential" and the amended protective order will continue to protect that information.

The EPC contract is extremely commercially-sensitive and requires enhanced protections from disclosure and therefore must be marked as "highly confidential" information. If this information was disclosed to Pacific Power's competitors or counterparties, it could cause significant competitive harm to Pacific Power in its efforts to negotiate fair contract prices for not only SCRs, but any other expense that requires a similar contract process.

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¹ See Sierra Club's Fifth Set of Data Requests to PacifiCorp [Confidential] (April 11, 2016).

- 8. Pacific Power is also concerned that the "confidential" designation would be inadequate to protect the EPC contract and related information. This concern is grounded in actual events. Recently, the Sierra Club emailed "confidential" information to parties that should not have had access to such information. A similar disclosure of the EPC contract, even accidentally, could cause irreparable and significant commercial harm to Pacific Power. To adequately protect Pacific Power's information, it is critical that the protective order be amended to include "highly confidential" designation.
- 9. Pacific Power has made every effort to only apply the "highly confidential" designation to information that requires such a marking. Pacific Power believes the limited use of the "highly confidential" designation permits parties to fully develop their cases and reduces the significant commercial risk of disclosure.
- 10. For these reasons, Pacific Power requests that the Commission issue a protective order with "highly confidential" provisions that permits Pacific Power designate information as "highly confidential" in its testimony, exhibits, workpapers, responses to data requests, briefing and in hearings.
- 11. Finally, with respect to treatment of "highly confidential" material, Pacific Power is asking for limitations on copying and handling of such materials by parties who are entitled to access such materials in order to reduce the risk of inadvertent disclosure.

Executed this 13th day of April, 2016, at Portland, Oregon.

Chad A, Teply