

Docket UE-152253
PacifiCorp Data Request 3.2
May 19, 2016

PacifiCorp Data Request 3.2:

By exhibit cite and page and line references, please explain what portions of Exhibit Nos. JIF-1CT through JIF-16C, if any, have been superseded by Exhibit Nos. JIF-24CT through JIF-26C.

Response to PacifiCorp Data Request 3.2:

No portion of Exhibit JIF-24CT through JIF-26C supersedes Exhibits JIF-1CT through JIF-16C.

Responder: Jeremy Fisher

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PacifiCorp Data Request 3.3
May 19, 2016

PacifiCorp Data Request 3.3:

Please identify any new information that Dr. Fisher relied on to develop his recommendations included in Exhibit No. JIF-24CT that was not in Dr. Fisher's possession prior to filing his response testimony on March 17, 2016, including Dr. Fisher's recommended increase in cash costs associated with the four-unit and two-unit scenarios. Please identify the date on which Dr. Fisher received any such information.

Response to PacifiCorp Data Request 3.3:

Please refer to Exhibit No. JBT-28HCT at page 17, footnote 21. The information that portions of the October 2013 Mine Plan capital expenditures (2014-2023) could only be found in a separate document than the file called "01 OpsCostSchedules.xlsx" was not in Dr. Fisher's possession prior to filing his response testimony. Dr. Fisher was only apprised of this information through a discussion with Staff on May 4, 2016 related to Staff's supplemental testimony, which was filed on May 6, 2016.

In addition, Dr. Fisher did not receive the full workbooks supporting the Company's July 22, 2014 mine plan (in support of the 2015 IRP) until the Company provided its 2nd Supplemental Response to Sierra Club DR 4-35 on May 3, 2016, which was after the receipt of cross-examination exhibits for the initial hearing date, scheduled for the same day. PacifiCorp excluded the information in the second supplement from both the initial response (March 11, 2016) and 1st supplemental response (providing the long-term fueling plan for Bridger but no supporting work papers, March 15, 2016). The second supplement provided the expected capital expenditure forecast, which could be compared against the October 2013 capital expenditure forecasts, the location of which was revealed by Mr. Twitchell's May 6 testimony.

Responder: Jeremy Fisher

Docket UE-152253
PacifiCorp Data Request 3.7
May 19, 2016

PacifiCorp Data Request 3.7:

Please confirm that prior to filing his response testimony on March 17, 2016, Exhibit No. JIF-CT, Dr. Fisher had in his possession the following:

- a. The Excel files named “BCC Production-Operating Cost Schedules (4 Unit)” and “BCC Production-Operating Cost Schedules (2 Unit)” that were provided by the Company in response to Sierra Club Data Request 1.8. Please confirm that these files contained the capital costs included in the January 2013 Long-Term Fueling Plan referenced in Exhibit No. JIF-24CT on page 4 lines 2-10.
- b. The Excel file named “14 Depr Exp 10YP” that was provided in response to Sierra Club Data Request No. 1.6. Please confirm that this file contains capital costs included in the October 2013 BCC mine plan referenced on page 4 lines 11-16 of Exhibit No. JIF-24CT.
- c. The Excel file named “14 Depr Exp 10YP” that was provided in response to Sierra Club Data Request No. 3.31. Please confirm that this file contains the capital costs included in the July 2014 BCC mine plan referenced on page 4, lines 17-20 of Exhibit No. JIF-24CT.
- d. If Dr. Fisher contends that he did not have any of the items identified in (a)-(c) above in his possession prior to filing response testimony, please indicate the date on which Dr. Fisher came into possession of the item.

Response to PacifiCorp Data Request 3.7:

- a) It is confirmed that Dr. Fisher received the two files identified here. Note that both of these files, as provided, contained circular references that impacted the calculated values. The full version of these work papers, as requested (“provide a **fully functional** copy of the work papers that generate the mine capital costs for 4-unit and 2-unit scenarios, with formulae and **links intact**”) was not provided until the Company responded to Sierra Club DR 4.33, specifying the “full set of workpapers,” on March 11, 2016, four business days prior to the deadline to file Dr. Fisher’s response testimony. It is confirmed that these files contained the capital costs included in the January 2013 Long-Term Fueling Plan referenced in Exhibit No. JIF-24CT on page 4 lines 2-10.
- b) Confirmed.
- c) Confirmed.
- d) N/A

Responder: Jeremy Fisher

Docket UE-152253
PacifiCorp Data Request 3.8
May 19, 2016

PacifiCorp Data Request 3.8:

Refer to Exhibit No. JIF-24CT page 13, line 10, through page 14 line 8, describing Dr. Fisher's two-unit scenario described as "Option A" and its assumption that the surface mine is "effectively suspended" for a period of time. Please identify the costs included in Dr. Fisher's two-unit scenario analysis for the following items resulting from the suspension of the surface operation:

- a. Costs previously shared between surface and underground operations associated with coal haulage, conveying and blending that will be absorbed solely by the underground mine;
- b. Workforce related expenditures;
- c. Management and union severance costs;
- d. On-going administrative costs supporting underground mining operations that will no longer be shared between the surface and underground mines (management, accounting, HR, purchasing, etc.);
- e. On-going cost to comply with federal and state environmental reporting requirements;
- f. Costs to re-hire and train all new employees required to re-start the mine;
- g. Equipment related costs, including costs associated with mothballing equipment (draglines, drills, dozers, haul trucks, backhoes, water trucks, conveyor systems, etc.);
- h. Costs associated with placing equipment that has been idled for a multi-year period back in service (obsolescence, equipment replacement, start-up costs);
- i. Continuing lease payments for federal/state leases;
- j. Property taxes;
- k. Liability insurance;
- l. Electricity (demand charges);
- m. Pit-dewatering;
- n. Road maintenance including berms;

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- o. Highwall degradation and rehabilitation prior to start-up;
- p. Environmental reporting and compliance;
- q. Corporate overhead;
- r. Assumptions made relative to continued funding of the reclamation obligation.

Response to PacifiCorp Data Request 3.8:

(a)-(r) Dr. Fisher did not specifically incorporate these costs in his analysis.

Responder: Jeremy Fisher

Docket UE-152253
PacifiCorp Data Request 3.9
May 19, 2016

PacifiCorp Data Request 3.9:

Refer to Exhibit No. JIF-24CT page 13 line 10 to page 14 line 8, describing your two-unit scenario described as “Option A.” Please confirm that your analysis includes no capital costs associated with your assumption that the surface operation is “effectively suspended.” If you cannot confirm, please identify the capital costs associated with this suspension, along with the basis for your calculation of the capital costs.

Response to PacifiCorp Data Request 3.9:

Confirmed.

Responder: Jeremy Fisher

Docket UE-152253
PacifiCorp Data Request 3.12
May 19, 2016

PacifiCorp Data Request 3.12:

Refer to Exhibit No. JIF-24CT page 7 line 20. Please identify the source and/or calculation of the “penalty” associated with accelerated remediation that would occur if the surface mine was closed.

Response to PacifiCorp Data Request 3.12:

See Confidential Attachment PacifiCorp 3.12. Source data from 4.33 CONF, 2-Unit and 4-Unit OPEX-CAPEX BCC Production-Operating Cost Schedules.xlsx, tab OPEX line 57.

Responder: Jeremy Fisher

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Docket UE-152253
PacifiCorp Data Request 3.13
May 19, 2016

PacifiCorp Data Request 3.13:

Refer to Exhibit No. JIF-24CT page 14 lines 3-4. Please provide the basis on which Dr. Fisher assumes that, as of October 2013, the Company was considering replacing Black Butte coal with coal from the Powder River Basin.

Response to PacifiCorp Data Request 3.13:

Sierra Club objects to this question on the grounds that it is ambiguous and misstates Dr. Fisher's testimony. Without waiving such objections, Sierra Club responds as follows:

Dr. Fisher did not testify that as of October 2013 the Company was actively considering replacing Black Butte coal with coal from the Powder River Basin. Dr. Fisher's analysis was based on the inference that PRB pricing was (a) available over an extended forecast period as demonstrated by the Company's forecasting for other coal plants, and (b) became part of the forecast mix in July 2014, nine months after the production of this mine plan.

Responder: Jeremy Fisher

Docket UE-152253
PacifiCorp Data Request 3.15
May 19, 2016

PacifiCorp Data Request 3.15:

Refer to Exhibit No. JIF-24CT, page 13, n. 30. Did Dr. Fisher's analysis include capital costs through 2035? If not, what is the time period over which Dr. Fisher calculated the mine's capital costs that were used in his recommendations?

Response to PacifiCorp Data Request 3.15:

Yes, Dr. Fisher's analysis included capital costs through 2035.

Responder: Jeremy Fisher