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WUTC Data Request 1

DATA REQUESTS DIRECTED TO: Michael G. Wilding
REQUESTED BY: David Gomez
RE: Wilding, Prefiled direct testimony Exhibit No. MGW-1T

Background Section for subparts (a) through (e)

In his response prefiled direct testimony, Mr. Wilding states the following:
... in accordance with the joint-owner agreement, the company has a 10 percent ownership in Colstrip Unit 4. The company participates to the fullest extent of the joint-ownership agreement, including participation in on-going operations and the management committee, in which a representative from the company is present at a monthly meeting to discuss, among other items, safety, operations, environmental, finance, and to provide input for decisions related to the Colstrip plant.

Section 17 (c) of the Colstrip Units 3 & 4 Ownership and Operating Agreement provides:

The [Project] Committee shall meet regularly, but not less often than once in each calendar quarter, as may be agreed upon, and at such other times as requested by any Committee member upon three days' written notice. Meetings of the Committee may be held or members thereof may participate in a meeting of such Committee by means of conference telephones or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting by means of conference telephones or similar communications equipment shall constitute presence in person at the meeting. The Committee may appoint such subcommittees as it deems necessary or appropriate and by unanimous action, may delegate approval authority to such subcommittees. Operator shall prepare written minutes of all meetings and distribute them to each Committee member within a reasonable time after each meeting. Unless otherwise mutually agreed, Operator's member shall act as Chairman of the Committee.

Section 5.3 and 5.6 of The Amended Restated Coal Supply Agreement (ARCSA) dated August 24, 1998, provides:

5.3 Meetings - The Executive Committee shall meet at least once annually in February or March or more often by mutual agreement or as necessary to resolve disputes referred to the Executive Committee. Meetings shall be held at a place designated by the chair of the Executive Committee.

5.6 Minutes - The chair of the Executive Committee shall maintain minutes of Executive Committee meetings and shall distribute the minutes to the Parties' representatives within 15 days after each meeting of the Executive Committee. The minutes, when approved by all of the Parties, shall be the official record of the decisions made by the Executive Committee.

Further, Sections 6.3 and 6.6 of the ARCSA provides:

6.3 Meetings - The Mine Operating Committee shall meet on or before June 15 of each Year to consider the proposed Annual Operating Plan for the following Year and otherwise by mutual agreement. Seller shall participate in meetings of the Mine Operating Committee as reasonably required to present, discuss and report on its proposed Annual Operating Plan, and to report, receive reports and collaborate on matters of joint concern. Meetings of the Mine Operating Committee shall be held at Colstrip, Montana or any other mutually agreed place.

6.6 Minutes - The chair of the Mine Operating Committee shall maintain minutes of Mine Operating Committee meetings and shall distribute them to the Parties' representatives within fifteen (15) days after each meeting. The minutes, when approved by all of the Buyers, shall be the official record of the decisions made by the Mine Operating Committee. Copies of all minutes recording decisions of the Mine Operating Committee shall be provided to Seller.

- (a) The Colstrip Units 3 & 4 Ownership and Operating Agreement, Section 17 (c) states that the Project Committee shall meet regularly, but not less often than once in each calendar quarter. List the dates of all Project Committee meetings ranging from October 1, 2017 to present.
- (b) For each Project Committee meeting date identified in subpart (a) above, provide all minutes, agendas, and any accompanying documents, materials, presentations, notes, emails, analysis, spreadsheets of the Colstrip Project Committee, and/or of any subcommittee as required under Section 17 (c) of the Colstrip Ownership and Operating Agreement. For each Project Committee meeting date identified in subpart (a) above and where no minutes were created and distributed, explain why.
- (c) In reference to Section 5.3 of the ARCSA, list the dates of all Mine Executive Committee meetings ranging from October 1, 2017 to present.
- (d) As specified in Section 5.6 of the ARCSA, for each Mine Executive Committee meeting date identified in subpart (c) above, provide all minutes, agendas, and any accompanying documents, materials, presentations, notes,

Despite PacifiCorp's diligent efforts, certain information protected from disclosure by the attorney-client privilege or other applicable privileges or law may have been included in its responses to these data requests. PacifiCorp did not intend to waive any applicable privileges or rights by the inadvertent disclosure of protected information, and PacifiCorp reserves its right to request the return or destruction of any privileged or protected materials that may have been inadvertently disclosed. Please inform PacifiCorp immediately if you become aware of any inadvertently disclosed information.

emails, analysis, spreadsheets (including all attachments and/or enclosures) for each and every meeting of the Mine Executive Committee. For each Mine Executive Committee meeting date identified in subpart (c) above and where no minutes were created and distributed, explain why.

- (e) In reference to Section 6.3 of the ARCSA, list the dates of all Mine Operating Committee meetings ranging from October 1, 2017 to present.
- (f) As specified in Section 6.6 of the ARCSA, for each Mine Operating Committee meeting date identified in subpart (e) above provide all minutes, agendas, and any accompanying documents, materials, presentations, notes, emails, analysis, spreadsheets (including all attachments and/or enclosures) for each and every meeting of the Mine Operating Committee. For each Mine Operating Committee meeting date identified in subpart (e) above and where no minutes were created and distributed, explain why.

Response to WUTC Data Request 1

- (a) Pacific Power objects to this question as overbroad, outside the scope of this proceeding and not reasonably calculated to lead to admissible evidence. Pacific Power specifically objects to providing minutes outside the time period of this proceeding. Pacific Power additionally objects to the use of information developed from a separate proceeding with other utilities. Without waiving the foregoing objections, Pacific Power responds as follows:

Pacific Power understands the Project Committee to be the Ownership and Operating Committee, and for the time period covered by this proceeding (calendar year 2018), this committee met monthly on the 3rd Wednesday of the month.

- (b) Pacific Power objects to this question as overbroad, outside the scope of this proceeding and not reasonably calculated to lead to admissible evidence. Pacific Power specifically objects to providing minutes outside the time period of this proceeding. Pacific Power additionally objects to the use of information developed from a separate proceeding with other utilities. Without waiving the foregoing objection, Pacific Power responds as follows:

Please refer to Confidential Attachment WUTC 1-1 which contains the meeting minutes for the meetings that occurred during the time period covered by this proceeding. Pacific Power did not retain any non-privileged documents from these meetings.

- (c) Pacific Power objects to this question as outside the scope of this proceeding and not reasonably calculated to lead to admissible evidence. Pacific Power additionally objects to the use of information developed from a separate proceeding with other utilities. Without waiving the foregoing objection, Pacific Power responds as follows:

There were no mining executive committee meetings with Westmoreland during calendar year 2018, which is the time period covered by this proceeding.

- (d) Please refer to the company's response to subpart (c) above.

- (e) The quarterly scheduled Mine Operating Meetings held in Billings and Colstrip, Montana for calendar year 2018 were as follows:

February 20, 2018
May 15, 2018
August 14, 2018
November 13, 2018

- (f) Please refer to Highly Confidential Attachment WUTC 1-2 which contains meeting notes prepared by an attendee and presentation information that was discussed at some of the Mine Operating Committee meetings during this time period.

Pacific Power requests confidential treatment of Confidential Attachment WUTC 1-1 in accordance with Washington Administrative Code (WAC) 480-07-160. The confidential attachment includes commercially sensitive information, specifically Colstrip Ownership and Operations Committee meeting details. This commercially sensitive information is of significant commercial value, which could expose the company and the Colstrip owners to competitive injury if disclosure is unrestricted. Accordingly, Pacific Power requests confidential treatment on the basis that the documents contain "valuable commercial information, including trade secrets or confidential marketing, cost, or financial information, or customer-specific usage and network configuration and design information," as provided in Revised Code of Washington (RCW) 80.04.095 and in accordance with WAC 480-07-160(2)(b). A public, redacted version is also provided.

While Pacific Power considers the documents provided in Highly Confidential Attachment WUTC 1-2 to be of utmost commercial sensitivity and highly confidential, it is requesting confidential treatment in accordance with WAC 480-07-160. The attachment contains commercially sensitive mine operating

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information that could expose the company and the Colstrip mine owners to competitive injury if disclosure is unrestricted. The company requests confidential treatment, at a minimum, on the basis that the document contains “valuable commercial information, including trade secrets or confidential marketing, cost, or financial information, or customer-specific usage and network configuration and design information,” as provided in RCW 80.04.095 and in accordance with WAC 480-07-160(2). Due to the highly confidential nature of the information in the attachment, in the event it is included as part of an adjudicative proceeding, or if intervening parties request a copy outside of an adjudicative proceeding, Pacific Power may seek a protective order authorizing highly confidential treatment or enter into non-disclosure agreements with parties, as appropriate, before any disclosure of Highly Confidential Attachment WUTC 1-2.

PREPARER: Chris Delinski, Chuck Tack, Bret Morgan

SPONSOR: To Be Determined

Despite PacifiCorp's diligent efforts, certain information protected from disclosure by the attorney-client privilege or other applicable privileges or law may have been included in its responses to these data requests. PacifiCorp did not intend to waive any applicable privileges or rights by the inadvertent disclosure of protected information, and PacifiCorp reserves its right to request the return or destruction of any privileged or protected materials that may have been inadvertently disclosed. Please inform PacifiCorp immediately if you become aware of any inadvertently disclosed information.

WUTC Data Request 5

DATA REQUESTS DIRECTED TO: Michael G. Wilding
REQUESTED BY: David Gomez
RE: Wilding, Prefiled direct testimony Exhibit No. MGW-1T

The background provided below relates to subparts (a) and (b):

Contained within the Western Energy Company's (Westmoreland), Area F Final Environmental Impact Statement (expanding the Rosebud Mine), Section 1.2.2 Coal Combustion, Subsection 1.2.2.1 Colstrip Power Plant, Page 9, dated November of 2018, is the following statement:

The Rosebud Mine delivers between 7.7 and 9.95 million tons of coal annually to the Colstrip Power Plant primarily by covered conveyors (shown on Figure 2). Coal from Permit Areas A and B of the Rosebud Mine currently is used in Units 1 and 2 of the Colstrip Power Plant. Units 3 and 4 were originally limited to burning coal from Permit Areas C, D, and E, but in 2015 DEQ approved an amendment to the Certificate also allowing the use of coal from Permit Areas A, B, F, and G (DEQ 2015a). Currently, only coal from Area C is being burned in Units 3 and 4.

Available at:

<https://www.wrcc.osmre.gov/initiatives/westernEnergy/documentLibrary.shtm>.

In Docket UE-190324, Puget Sound Energy (PSE), in response to UTC Staff Informal Data Request No. 2 (PCA), states the following regarding the decision of to burn Area A coal from the Rosebud Mine:

SUBPART I: Since 2015, has Colstrip Units 3 and 4 burned any coal that was not mined from Area C of the Rosebud Mine?

PSE Response: Yes, in 2018 Units 3 and 4 burned coal that was not mined from Area C of the Rosebud Mine: a total of approximately 184,000 tons was purchased from Western Energy Company (WECO).

The decision to request coal from Rosebud Area A was part of the investigative process into the 2018 MATS PM issue. During individual unit diagnostic testing just prior to the late June official site-wide MATS PM testing, the operator's personnel observed an elevation in the unofficial MATS PM level. The facility took a broad approach to the investigation of the elevated level and one of the areas they explored was the effect coal quality on the boilers. To that end, the plant requested coal from Rosebud Area A to see if different coal would improve the MATS PM level. The Area A coal did not bring the MATS PM level into compliance range and the facility resumed burning Area C coal through the

remainder of the year. During the time the Units were out of compliance level, it made no significant difference whether Area C or Area A coal was being burned. Colstrip Units 3 and 4 burned a total of 5,974,128.92 tons of coal in 2018, the 184,000 tons of Area A coal was a small portion of that amount.

The background provided below relates to subparts (c) and (d):

The methodology for determining Colstrip's compliance to the Mercury Air Toxics Standard ("MATS") is measured by averaging the emissions of all four units at the facility for a 30-boiler operating day rolling average. MDEQ, who administers compliance to MATS, approved of this methodology in 2015. Colstrip began meeting the MATS requirements starting in September of 2016 and was meeting those requirements until June of 2018 (start of the 2018 outage and derate of Colstrip).

In the first quarter of 2018, Talen detected an increase in particulate matter levels and even though Colstrip remained in compliance to MATS, it decided to conduct an investigation into why this was happening. In Q4 of 2017, particulate matter levels had been below normal.

The background provided below relates to subparts (e) and (f):

In Docket 190222 (consolidated), contains Avista's responses to UTC Staff Informal Data Request No. 4 (ERM), SUBPART L, Attachment G, are a series of emails related to the Mine Operating Committee's (MOC) draft of a Memorandum of Understanding (MOU) between parties to the Amended Restated Coal Supply Agreement (ARCSA). Three of the seven emails were generated by Mr. Bret Morgan, Manager Fuel Supply at PacifiCorp. According to the emails, the purpose of the MOU is to establish clear expectations for operation, testing and availability of the Area C coal sampler and analyzer operated and maintained by the Seller (WECO). According to the emails, the Area C coal sampler and analyzer at the mine was installed under the 2017 Annual Operating Plan (AOP) approved by the mine operating committee (MOC). The emails were sent between November 5th and November 20th, 2018.

At the beginning of Attachment G's email string, Mr. Mike Barnes, NorthWestern's MOC representative, makes the following statement:

MOC,

Given our desire to change from the plant sampler (worn out) to the mine sampler and given the fact the current contract outlines sampling on the Buyers side of the fence, WECO wants to memorialize the change in where the samples are taken and by whom. Since we had sampling guidelines established for sampling on WECO's side of the fence prior to any actual changes in sampling location being

made, NorthWestern incorporated those guidelines into the attached MOU which would memorialize the changes (for where and by who) and memorialize the sampling guidelines by signature by all parties. Please review and let me know if your company is ok to execute.

Mike

Section 11 of the ARCSA states that “[a]t least One Representative sample from each twenty-four (24) hours of coal deliveries hereunder shall be taken by the operator [Talen] using buyer’s [Colstrip Owners] sampling equipment.”

- (a) Describe Talen’s, the other Colstrip owners’ and Pacific’s role in procuring Area A coal for the purposes of investigating Q1 2018 elevated PM levels at Colstrip Units 3 and 4.
- (b) Provide all minutes, notes, presentations, reports, correspondence, emails and documents provided to Pacific’s Management and/or Board of Directors since 2015 regarding coal fuel supply for Colstrip Units 3 & 4.
- (c) Provide all of the correspondence (including emails), documents, reports and analysis relating to Talen’s investigation into increase particulate matter levels in Q1 of 2018 referred to above.
- (d) Provide all presentations, documents, notes, minutes, emails and any other documentation provided to Pacific’s management and/or Board of Directors concerning the Q1 2018 investigation into increased particulate matter, the 2018 outage and derate of Colstrip Units 3 & 4. Include also all documentation, transcripts, notes, letters, correspondence memorializing decisions made by Pacific’s management and/or Board of Directors concerning the Q1 2018 investigation into increased particulate matter (referred to above) and the 2018 outage and derate of Units 3 & 4 (including decisions related to capital costs, expense, coal fuel supply and costs, and possible retirement of both units). If Pacific’s management and/or Board of Directors made any decisions regarding the Q1 2018 investigation into increased particulate matter and the 2018 Unit 3 & 4 outage and derate without memorializing them in a discoverable record, explain why.
- (e) What is the status of the plant’s coal sampler?
- (f) For the last four years, provide the dates when the plant’s coal sampler was not operational. For the days when the plant’s coal sampler was not operational, describe the remedial coal sampling procedures employed by plant personnel and the MOC to meet the requirements under Section 11 of the ARCSA.

Despite PacifiCorp's diligent efforts, certain information protected from disclosure by the attorney-client privilege or other applicable privileges or law may have been included in its responses to these data requests. PacifiCorp did not intend to waive any applicable privileges or rights by the inadvertent disclosure of protected information, and PacifiCorp reserves its right to request the return or destruction of any privileged or protected materials that may have been inadvertently disclosed. Please inform PacifiCorp immediately if you become aware of any inadvertently disclosed information.

Response to WUTC Data Request 5

- (a) PacifiCorp had no direct involvement in procuring Area A coal. Talen, the operator of the plant, made the decision.
- (b) Pacific Power objects to this response as overly broad, unduly burdensome, not reasonably calculated to lead to admissible evidence, and outside the time period covered by this proceeding. Without waiving the foregoing objections:

During calendar year 2018, Pacific Power updates to management on coal fuel supply at Colstrip concerned ongoing negotiations with the Colstrip owners and Westmoreland regarding a new coal supply agreement (CSA), which included investigation into the possibility of coal quality challenges related to the 2018 Mercury and Air Toxics Standards (MATS) issues. The new CSA is still in negotiation, and Pacific Power considers all information concerning these negotiations as highly sensitive and/or privileged. Additionally, this information is not relevant to any coal costs incurred in 2018.

- (c) Pacific Power objects to this response as overly broad, unduly burdensome, not reasonably calculated to lead to admissible evidence. Pacific Power additionally objects to this response as requesting information that is protected from disclosure by attorney client privilege or other applicable privileges. Without waiving the foregoing objections, Pacific Power responds as follows:

Pacific Power is not aware of an investigation by Talen into the particulate matter levels in Q1 of 2018. The rise in particulate matter levels was the subject of additional monitoring, but was within compliance. The results of the investigation into the rise of particulate matter levels that caused the MATS issues are described in the root cause analysis (RCA). Please refer to Confidential Attachment WUTC 5-1 which contains the root cause analysis (RCA).

- (d) Pacific Power objects to this response as overly broad, unduly burdensome, not reasonably calculated to lead to admissible evidence, and outside the time period covered by this proceeding. Without waiving the foregoing objections, Pacific Power responds as follows:

Please refer to Confidential Attachment WUTC 5-2 which contains a cumulative, chronological record of the updates provided to Pacific Power's management on the 2018 Colstrip outage. The information redacted in this document is about units not included in Washington rates, outside the scope of this data request, or privileged. Additionally, Pacific Power is not the operator of the Colstrip plant

- and has no independent decision-making authority on operations at the Colstrip plant.
- (e) The plant's coal sampler is no longer being used. A new sampler at the Rosebud mine is being used. A Memorandum of Understanding dated February 1, 2019, was signed by the Colstrip owners and Western Energy Company outlining the terms and conditions for the utilization of the mine's new sampler.
 - (f) Pacific Power is not the operator of the Colstrip and does not have that information in its possession or control.

Pacific Power requests confidential treatment of Confidential Attachment WUTC 5-1 and Confidential Attachment WUTC 5-2 in accordance with Washington Administrative Code (WAC) 480-07-160. Confidential Attachment WUTC 5-1 includes commercially sensitive information, specifically an RCA report of the 2018 Colstrip outage. Unrestricted disclosure of such information would harm Pacific Power by an unfair competitive disadvantage. Confidential Attachment WUTC 5-2 includes commercially sensitive information, specifically updates provided to Pacific Power's management on the 2018 Colstrip outage. Unrestricted disclosure of such information would harm Pacific Power and the Colstrip owners by an unfair competitive disadvantage. This commercially sensitive information is of significant commercial value, which could expose the company and the Colstrip owners to competitive injury if disclosure is unrestricted. Accordingly, Pacific Power requests confidential treatment on the basis that the documents contain "valuable commercial information, including trade secrets or confidential marketing, cost, or financial information, or customer-specific usage and network configuration and design information," as provided in Revised Code of Washington (RCW) 80.04.095 and in accordance with WAC 480-07-160(2)(b). These documents are confidential in their entirety.

PREPARER: Chuck Tack/ Bret Morgan

SPONSOR: To Be Determined

WUTC Data Request 8

RE: Documents demonstrating prudence re 2018 Colstrip Units 3 and 4 derate and outage

Please confirm/admit or deny that Pacific Power has produced all contemporaneous documentation of all analyses and/or decision making in its or in Talen's possession relating to: (1) the elevated particulate matter levels at Colstrip Units 3 and 4 during Q1 2018; (2) the 2018 Colstrip Units 3 and 4 derate and outage; and/or (3) the acquisition and/or cost of replacement power associated with the 2018 Colstrip Units 3 and 4 derate and outage. If any such documents exist but have *not* been produced, please produce these documents as a response to this data request.

This documentation and/or information is needed to demonstrate to Staff the prudence of the Company's and its agent's conduct, decision-making, and deliberative processes, as well as for Staff to know the elements the Company and its agents used in its decision making and the manner in which the Company and its agents valued each of those elements.

Response to WUTC Data Request 8

Pacific Power considers these requests overly broad, unduly burdensome, and not reasonably calculated to lead to admissible information. However, without raising or waiving any objections, Pacific Power has proposed to have a workshop with the Washington Utilities and Transportation Commission (WUTC) staff to provide more information about these events and possibly narrow the scope of these data requests. It is Pacific Power's understanding that WUTC staff has agreed to an extension in responding to these data requests as the logistics of having this workshop are yet to be determined. Pacific Power expressly reserves the right to raise any objection to this data request at a later date.

PREPARER: Counsel

SPONSOR: TBD