BEFORE THE

PUBLIC UTILITY COMMISSION OF OREGON

UM 1182

PHASE 2

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In the Matter of NORTHWEST AND INTERMOUNTAIN POWER PRODUCERS COALITION

Petition for an Investigation Regarding Competitive Bidding) MOTION TO ADMIT STIPULATED) EXHIBITS

The Northwest and Intermountain Power Producers Coalition ("NIPPC") respectfully moves the Public Utility Commission of Oregon ("OPUC" or "Commission") for admission of NIPPC's stipulated exhibits. As noted in NIPPC's Cross Examination Statement, the parties to this docket agreed to stipulate to admit certain exhibits into the record in lieu of cross examining witnesses at a hearing in this proceeding. All of the exhibits NIPPC seeks to admit by this motion are responses to data requests, which are admissible when no party objects to their admission. *See* OAR 860-001-0540(4). Therefore, pursuant to agreement with the other parties, NIPPC moves for admission of the following exhibits:

MOTION TO ADMIT STIPULATED EXHIBITS UM 1182 PAGE 1

Exhibit	Description
NIPPC/600	PacifiCorp Response to NIPPC 7.1
	(excluding confidential
	attachments)
NIPPC/601	PacifiCorp Response to NIPPC 7.5
	(including redacted and
	confidential version of response)
NIPPC/602	PGE Response to NIPPC 5.12
	(renumbered No. 47)
NIPPC/603	Idaho Power Response to NIPPC
	5.1
NIPPC/604	Idaho Power Response to NIPPC
	5.3
NIPPC/605	Idaho Power Response to NIPPC
	5.4 (excluding confidential
	attachment)
NIPPC/606	Idaho Power Response to NIPPC
	5.5 [sic]*
NIPPC/607	Idaho Power Response to NIPPC
	5.6 [sic]*
NIPPC/608	Idaho Power Response to NIPPC
	5.7[sic]*

*NIPPC mis-numbered these data requests, and Idaho Power's responses contained in the exhibits therefore bear the "[sic]" to note the mis-numbering.

RESPECTFULLY SUBMITTED this 21st day of February 2013.

RICHARDSON & O'LEARY, PLLC

/s/ Gregory M. Adams

Gregory M. Adams (OSB No. 101779) 515 N. 27th Street Boise, Idaho 83702 Telephone: (208) 938-2236 Fax: (208) 938-7904 greg@richardsonandoleary.com

Attorneys for the Northwest and Intermountain Power Producers Coalition UM-1182 / PacifiCorp January 31, 2013 NIPPC Data Request 7.1

NIPPC Data Request 7.1

Reference PacifiCorp/204.

- (a) Please provide documents supporting all figures for "Cost used for Evaluation," "Generation Cost Authorized," and "Actual Cost."
- (b) Please specifically identify the location of the amounts supporting each figure in each document provided.
- (c) Please confirm that the documents supporting PacifiCorp/204 were not all provided with PacifiCorp's Responses to NIPPC Data Request Nos. 2.1, 3.3 and 3.6

Response to NIPPC Data Request 7.1

- (a) Please refer to Confidential Attachment NIPPC 7.1 -1. The authorized generation cost is the authorized expenditure approved in the provided excerpt from the authorization documents less the assumption at the time of decision associated with Federal Energy Regulatory Commission (FERC) large generator interconnection agreement (LGIA) network upgrade costs, if any.
 - The following wind projects have the network upgrade cost assumptions identified in the approval documents provided: Seven Mile Hill II; Glenrock III, and High Plains. For wind projects where the network cost assumption was not listed in the approval documents provided, supplemental documentation has been provided. Consistent with RFP 2009R, the Dunlap authorized expenditure approval document assumed network upgrades would be performed by the transmission provider and not subject to refund. The McFadden Ridge I wind project assumed network upgrade cost of zero.
 - Please refer to Confidential Attachment NIPPC 7.1 -2 for actual cost. For the nonwind projects, there is a document for each project which is a summary level cost report of the actual cost for the project. For the wind projects, there is a document containing a summary level cost report and a map that associates costs with their related wind projects.
- (b) Please refer to the Company's response to subpart (a) above.
- (c) Consistent with the Company's objection to a portion of NIPPC 3.3 and the Company's objection to NIPPC 3.6 in its entirety, the documents in Confidential Attachments NIPPC 7.1-1 and 7.1-2 were not all provided with the Company's responses to NIPPC Data Requests 2.1, 3.3, or 3.6.

Information in Confidential Attachments NIPPC 7.1 -1 and NIPPC 7.1 -2 is designated as confidential under the protective order in this docket and may only be disclosed to qualified persons as defined in Order No. 11-506.

UM-1182 / PacifiCorp February 1, 2013 NIPPC Data Request 7.5

NIPPC Data Request 7.5

Reference PAC/200, Kusters/15, footnote 16.

- (a) Please provide a list of all IPP projects in the past ten years that have "abandoned the project after it could not construct the project at the cost it had submitted in the [PacifiCorp] RFP."
- (b) For each project listed in response to subpart (a), please indicate whether the IPP "abandoned" the project (1) before final execution of a PPA, (2) before receiving final permits to construct, (3) before construction began, or (4) after construction began. Please provide supporting materials.
- (c) For each project listed in response to subpart (a), please specify (1) the amount of all payments owed to PacifiCorp according to the PPA terms on account of the IPP's default, and (2) the amount of all payments made to PacifiCorp on account of the IPP's default. If these amounts differ, please explain why.
- (d) Please provide a list of all IPP projects in the past ten years that have submitted proposals to PacifiCorp and have constructed their project and delivered power to PacifiCorp pursuant to their PPA.

Confidential Response to NIPPC Data Request 7.5

In the Company's response below, independent power producer or IPP is intended to mean bidders responding to PacifiCorp request for proposals (RFP) that propose constructing large-scale generation assets. The Company excludes qualifying facilities.

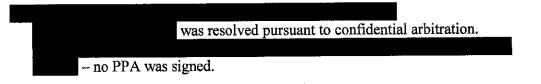
(a) The Company objects to this request on the basis that it is vague. Without waiving this objection, the Company responds as follows: The Company does not maintain records regarding all IPP projects that choose to abandon their projects after submitting a cost to construct the project to the Company in an RFP.

However, PacifiCorp can point to two IPP projects with respect to which PacifiCorp executed documentation; one a power purchase agreement (PPA) with

and the other a memorandum of understanding (MOU) with

the cost it had submitted in the [PacifiCorp] RFP."

(b) For the two projects stated in the Company's response to subpart (a) above, PacifiCorp relied on information provided by its bidders. The Company understands that some form of construction that would have been part of both projects was in place before abandonment. ı.



(d) Combine Hills Project, Wolverine Creek Energy Center, LLC, Three Buttes Wind Power, LLC, Campbell Hill Project, and Top of the World Energy Center, LLC.

February 1, 2013

TO: Gregory M. Adams Northwest and Intermountain Power Producers Coalition

FROM: Patrick G. Hager Manager, Regulatory Affairs

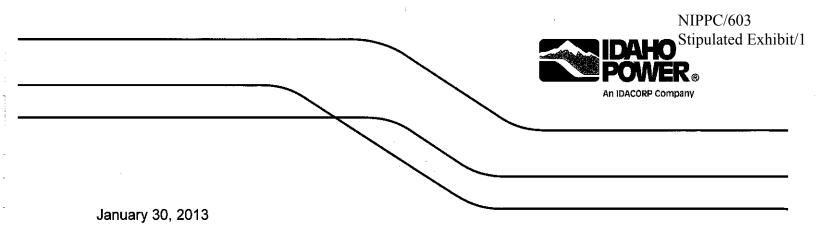
PORTLAND GENERAL ELECTRIC UM 1182 PGE Response to NIPPC Fifth Set Data Requests No. 047 (Renumbered from 5.12) Dated January 18, 2013

Request:

PGE/300, Jacobs/34 states, "it is likely that the Power Purchase Agreement would have assigned such Change in Law risk to the utility offtaker." Please provide all PPAs executed by PGE that support this statement and the subsequent statement that "the increase in construction cost would probably have allowed for a repricing of a competitive contract".

<u>Response:</u>

PGE objects to this data request on the grounds that the requested information is irrelevant to the testimony identified. Dr. Jacobs' testimony was based on his extensive experience and knowledge of the energy industry and his review and knowledge regarding the terms and conditions in power purchase agreements. See NIPPC Response to PGE Data Request 14. For other relevant evidence supporting Dr. Jacobs' testimony, please see PGE/100, Outama-Bettis-Mody-Hager/30.



Subject: Docket No. UM 1182 Idaho Power Company's Responses to the Northwest and Intermountain Power Producers Coalition's ("NIPPC") Fifth Set of Data Requests (DRs 5.1-5.7)

NIPPC'S DATA REQUEST NO. 5.1:

Reference Idaho Power 201, stating "Langley Gulch primary work order remains open therefore charges reflected through 11/30/2012."

- a. Please explain how this table could represent the "Actual Installed Cost" if the work order remains open.
- b. Please explain when the work order will be closed.
- c. Please provide the most up to date figure for the Actual Installed Cost of Langley Gulch, and state the date that cost was produced.

IDAHO POWER COMPANY'S RESPONSE TO NIPPC'S DATA REQUEST NO. 5.1:

- a. Column A in the table referenced in 201 was intended to represent the actual costs recorded to the primary plant work orders for the Langley Gulch power plant ("Langley Gulch") through November 30, 2012, not the anticipated final actual installed cost for the project.
- b. The primary plant work order for Langley Gulch was pre-closed and recorded to Electric Plant In-Service (Federal Energy Regulatory Commission ("FERC") Account 101) in June 2012. The work order currently remains open so minor remaining charges can be recorded, costs can be allocated to the appropriate plant accounts, and the property unit records for the plant finalized. Once these activities are completed, Idaho Power Company ("Idaho Power" or "Company") will permanently close the work order. Idaho Power estimates that the work order will be permanently closed by July 2013.
- c. As of December 31, 2012, the actual costs booked to the power plant work orders were \$370,200,297.

NIPPC'S DATA REQUEST NO. 5.3:

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1.1.1

Reference Idaho Power/201, stating in footnote 2 that the commitment estimate provided "Reflects plant cost commitment estimates filed, rather than actual amounts in CPCN final orders." For each plant, please provide the "actual amounts in CPCN final orders."

IDAHO POWER COMPANY'S RESPONSE TO NIPPC'S DATA REQUEST NO. 5.3:

The actual power plant amounts in Certificate of Public Convenience and Necessity ("CPCN") final orders from the Commission are listed below.

<u>Plant</u>	<u>Idaho CPCN Order</u>	<u>Power Plant Amount</u>	
Bennett Mountain	29410	\$44,600,000	(not to exceed amount)
Danskin 1	30201	\$49,999,999	(not to exceed amount)
Langley Gulch	30892	\$379,032,073	(pre-approved amount)

NIPPC'S DATA REQUEST NO. 5.4:

Reference Idaho Power/200, Stokes/13, with regard to the latent defect at Bennett Mountain costing in excess of \$15 million, stating, "the repair costs were covered by insurance and Idaho Power's customers were never at risk of having to bear these costs."

- a. Please provide the exact cost to fully replace necessary parts and repair all related damage.
- b. Please provide a full copy of the insurance policy that covered this claim.
- c. Please explain the deductible Idaho Power paid for this claim.
- d. Please provide the check or evidence of payment to Idaho Power by the insurer for the full amount of the damages in excess of \$15 million.
- e. Please explain what impact this claim had on Idaho Power's insurance costs when the policy was renewed. Please include a description of the annual cost for the policy for the year Idaho Power incurred the damages, and for each of the years following payment by the insurer for the damages.

IDAHO POWER COMPANY'S RESPONSE TO NIPPC'S DATA REQUEST NO. 5.4:

- a. The exact cost to fully replace necessary parts and repair all related damage at Bennett Mountain was \$15,843,340.
- b. Please see confidential Attachment 1 for a copy of the insurance policy that covered this claim.
- c. Idaho Power had a \$2,500,000 deductible on this claim.
- d. Idaho Power received cash of \$7,362,209, a commercial credit from Siemens Power Generation of \$3,428,542, and spare parts valued at \$5,745,426. Please see confidential Attachment 2 for evidence that supports the \$7,362,209 cash received from the insurer. The commercial credits with Siemens Power Generation are documented in a confidential settlement agreement, which the Company has not yet been authorized to disclose.
- e. The claim's impact resulted in a slight increase in the rate. The annual cost for the policy for 2006 to current is provided below.

Year	Premium Amount (Master Program)	
May 2006-April 2007	\$1,682,533	
May 2007-April 2008	\$1,828,855	
May 2008-April 2009	\$1,865,000	
May 2009-April 2010	\$2,080,000	
May 2010-April 2011	\$2,126,000	
May 2011-April 2012	\$2,108,700	
May 2012-April 2013	\$2,625,469 (Langley Gulch added mid-	
	year)	

The Attachments produced in response to this Request are confidential and will be provided separately in accordance with Protective Order No. 11-506.

NIPPC'S DATA REQUEST NO. 5.5[sic]:

Reference Idaho Power/200, Stokes/13, with regard to the latent defect at Bennett Mountain costing in excess of \$15 million, stating, "the repair costs were covered by insurance and Idaho Power's customers were never at risk of having to bear these costs." Please explain whether Idaho Power is self insured for any purposes, and list all purposes for which Idaho Power is self insured. Please explain Idaho Power's policy for obtaining third-party insurance for construction defects at Company-owned generation projects.

IDAHO POWER COMPANY'S RESPONSE TO NIPPC'S DATA REQUEST NO. 5.5[sic]:

Idaho Power is not entirely self-insured for any traditional property and casualty exposures. Idaho Power does possess deductibles that are referred to as "self-insured" retentions. The purpose of these retentions (i.e., deductibles) is to receive a reduced insurance premium. Idaho Power has self-insured retentions on all of its property and casualty insurance programs to take advantage of reduced premiums in exchange for taking a small portion of these risks.

Construction defects are not a specific cause of loss within a commercial property insurance policy. There has to be a resulting physical event that causes damage (e.g., bolt causing damage to blades).

NIPPC'S DATA REQUEST NO. 5.6[sic]:

Reference Idaho Power/200, Stokes/13, with regard to the latent defect at Bennett Mountain costing in excess of \$15 million, stating, "the repair costs were covered by insurance and Idaho Power's customers were never at risk of having to bear these costs." Please provide: (a) the actual annual costs for maintaining the insurance policy that covered this claim, and (b) the corresponding assumptions used for insurance costs in evaluating the costs of the Bennett Mountain project in the request for proposal from which the project emerged.

IDAHO POWER COMPANY'S RESPONSE TO NIPPC'S DATA REQUEST NO. 5.6[sic]:

- a. Please see confidential Attachment 1 provided in Idaho Power's response to NIPPC's Data Request No. 5.4.b. Please note the policy is all inclusive and includes more than the Bennett Mountain plant. The insurance policy that covered this loss had a policy period of May 1, 2006, through May 1, 2007, with an annual premium of \$1,682,533. The insurance broker, Marsh, was paid a consultant fee for all property and casualty insurance programs totaling \$225,000 annually. Idaho Power internally allocated \$85,000 of Marsh's fee as part of its property insurance expense.
- b. Idaho Power is unable to provide specific details regarding the insurance cost assumptions that were used to evaluate the Bennett Mountain project proposal due to the Company's information retention policy. Request for proposals and other bid related documentation generally fall within the following definition in the Policy:

<u>Other Records</u> – Unless the subject of a litigation hold, records other than legally required records or vital records shall be maintained only while the information has specific business, operational, historical, or fiscal value to IPC.

As such, the requested information for Bennett Mountain was not found.

NIPPC'S DATA REQUEST NO. 5.7[sic]:

Reference Idaho Power/200, Stokes/13, with regard to the latent defect at Bennett Mountain costing in excess of \$15 million, stating, "the repair costs were covered by insurance and Idaho Power's customers were never at risk of having to bear these costs."

- a. Please explain how the this repair cost in excess of \$15 million relates to the capital expenditure of \$15,965,511 identified for Bennett Mountain in 2006 in Attachment 1 to Idaho Power's Response to NIPPC Data Request 4.1(a).
- b. Please explain the basis for retirement of \$15.2 million which offset capital expenditures for Bennett Mountain in 2006 in Attachment 1 to Idaho Power's Response to NIPPC Data Request 4.1(a).
- c. Please provide the overall increase represented by Idaho Power for Cost of Plant for Bennett Mountain for the year 2006 on its FERC Form No. 1, as compared to the Cost of Plant for the 2005 FERC Form No. 1.
- d. Please confirm that the amount set forth in FERC Form No. 1 Cost of Plant for Bennett Mountain for the year 2006 did not include the full cost of the repair for the latent defect in excess of \$15 million.

IDAHO POWER COMPANY'S RESPONSE TO NIPPC'S DATA REQUEST NO. 5.7[sic]:

- a. The repair cost of \$15,843,340 is the primary component included in the \$15,965,511 figure provided for 2006 Bennett Mountain capital expenditures in Attachment 1 of Idaho Power's response to NIPPC's Data Request No. 4.1.a. These charges remained in FERC Account 107, Construction Work in Progress, at the end of 2006. The costs reflected on page 403 of the FERC Form 1 for Bennett Mountain only include amounts closed to Account 101, Electric Plant In-Service, as of the end of that year.
- b. The basis for the retirement of \$15.2 million was the original installed cost of the property units that failed. This retirement was offset by approximately \$5.7 million in parts that were, after refurbishment, retained as critical spare parts inventory at the plant.
- c. The overall increase in the Cost of Plant for Bennett Mountain between 2005 and 2006 reflected in the 2006 Idaho Power FERC Form 1 was \$765,551.
- d. The Bennett Mountain cost reflected in the 2006 Idaho Power FERC Form 1 did not include the full cost of the repair because the repair projects were not completed and recorded to Electric Plant In-Service (Account 101) until January 2007. The costs reflected on page 403 of the FERC Form 1 for Bennett Mountain only include amounts closed to Account 101, Electric Plant In-Service, as of the end of that year.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 21st day of February, 2013, a true and correct copy of the within and foregoing **MOTION TO ADMIT STIPULATED EXHIBITS OF THE NORTHWEST AND INTERMOUNTAIN POWER PRODUCERS COALITION IN DOCKET UM 1182** (electronic service of redacted materials, paper service of confidential material):

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Signed

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