

REDACTED

Rocky Mountain Power

Exhibit RMP___(CAT-1SS)

Docket No. 20000-520-EA-17

Witness: Chad A. Teply

BEFORE THE WYOMING PUBLIC SERVICE
COMMISSION

ROCKY MOUNTAIN POWER

REDACTED

Exhibit Accompanying Second Supplemental Direct Testimony of Chad A. Teply

Requirements of Commission Rule 21(c) for Ekola Flats

February 2018

**Requirements of Commission Rule Section 21(c)
For the Ekola Flats Wind Energy Project**

(i) The application shall include:

(A) The name and address of the applicant:

The applicant information is:

PacifiCorp / Rocky Mountain Power

1407 West North Temple Street

Salt Lake City, Utah 84116

(B) The type of plant, property, or facility proposed to be constructed or acquired:

PacifiCorp proposes to construct a 250-megawatt (nominal) wind energy project located on a site that consists of approximately 22,500 acres of participating wind lease private and state land located in Carbon County, Wyoming.

(C) A description of the facilities proposed to be constructed or acquired, including preliminary engineering specifications in sufficient detail to properly describe the principal systems and components, and final and complete engineering specifications when they become available:

The Ekola Flats wind energy project will consist of wind turbine generators (“WTGs”), an electrical collector system, a collector substation, access roads, WTG foundations, an operations / maintenance building, fiber optic and / or microwave communication equipment, supervisory control and operating status data acquisition (“SCADA”) equipment, permanent meteorological towers with wind measurement equipment, and an interconnecting 230 kilovolt (“kV”) transmission tie-line. The point of interconnection will be at the proposed Aeolus substation in Carbon County, Wyoming. The WTG supply and the balance of project engineer, procure, and

construction (“EPC”) contracts were competitively bid and negotiations continue toward reaching final contract terms.

An updated overview of WTG placement across the proposed project site is presented in Confidential Exhibit RMP__(CAT-1SS-1). WTG placement will continue to evolve based on several factors, including: land acquisition, field identified sensitive environmental and cultural areas, landowner commentary received from future WTG placement reviews, definitive geotechnical site studies, aviation / air space impact reviews, site access availability, and wind resource characteristics.

Confidential Exhibit RMP__(CAT-1-2) (original June 2017 Ekola Flats submittal label) was provided previously as an example of a WTG purchase agreement, including specifications.

(Note: Exhibits that have not been updated for this project are not resubmitted in this CPCN filing second supplement and are numbered herein with the original June 2017 Ekola Flats project filing submittal exhibit labels. Updated exhibits are numbered in this document in a RMP__CAT-1SS-Varies series.)

Confidential Exhibit RMP__(CAT-1-3) (original June 2017 Ekola Flats submittal label) was provided previously as an example of a technical specification for the scope of work included in a balance of project (“BOP”) EPC contract.

Confidential Exhibit RMP__(CAT-1SS-16) presents third-party site wind assessment information.

(D) List the rates, if any, proposed to be charged for the service that will be rendered because of the proposed construction or acquisition:

The impact of the proposed facilities on the Company’s revenue requirement and the Company’s proposed ratemaking treatment is described in the testimony of Ms. Joelle R. Steward.

In addition, the Company will provide service on the Transmission Projects subject to the terms and conditions of its Open Access Transmission Tariff (“OATT”).

(E) State the estimated total cost of the proposed construction or acquisition:

At the time of this second supplemental filing, updated estimated project cost details are summarized in Confidential Exhibit RMP__(CAT-5SS).

(F) State the manner by which the proposed construction or acquisition will be financed:

The Company intends to finance the proposed wind project through its normal sources of capital, both internal and external, including net cash flow from operating activities, public and private debt offerings, the issuance of commercial paper, the use of unsecured revolving credit facilities, capital contributions and other sources. The financial impact of the proposed investment will not impair the Company’s ability to continue to provide safe and reliable electricity service at reasonable rates. In addition, preapproval of the Company’s resource decision provides important regulatory support for the Company’s current credit rating. This is described in more detail in Ms. Cindy A. Crane’s testimony.

(G) Documentation of the financial condition of the applicant:

Rocky Mountain Power’s (“RMP”) current financial condition is on file with the Commission in response to the annual reporting requirements in Commission Rule Section 32 and through RMP’s semi-annual earnings reports. PacifiCorp is financially capable of funding this project.

(H) The estimated annual operating revenues and expenses that are expected to accrue from the proposed construction or acquisition, including a comparison of the overall effect on the applicant’s revenues and expenses:

To address this requirement of the Commission’s rules, PacifiCorp provides the economic

evaluation represented in Mr. Rick T. Link's testimony and exhibits, which show the revenue stream and expenses associated with the wind projects and demonstrate that the project is a risk-adjusted least-cost alternative to serve customer loads.

The approximate operational, maintenance, and run-rate capital costs expected as a result of this project are presented in previously provided Confidential Exhibit RMP__(CAT-1-5) (original June 2017 Ekola Flats submittal label). Wind lease related costs are included in these amounts. Routine maintenance of the WTGs will be necessary to maximize performance and detect potential malfunctions. Operational and maintenance ("O&M") procedures will be established in accordance with the WTG manufacturer's recommendations. Scheduled maintenance will be conducted on each WTG. Substations, step-up transformers, and pad-mounted transformers (when used) will be maintained as part of normal operating activities. Periodic maintenance of underground collection lines will also be required. No substantial quantities of industrial materials will be brought onto or removed from the site during execution of O&M tasks. Project operation will use lubricants, oils, grease, antifreeze, degreasers, and hydraulic fluids, which will be stored in approved containers and located aboveground. During operation, it is also anticipated that hazardous waste generation will be minimal. A minimal amount of energy will be required to operate the project. O&M costs reported include labor, employee expenses, materials, and contracts.

(J) The estimated start and completion dates of the proposed construction or date of acquisition:

PacifiCorp proposes to begin engineering and construction the project in June 2018, but with only limited activities occurring 2018. The proposed project commercial operation (in-service) operating date is November 1, 2020, under normal construction circumstances, weather

conditions, labor availability, materials delivery, and permit and agreement processing durations. An indicative project execution schedule was provided previously as Confidential Exhibit RMP__(CAT-1-6) (original June 2017 Ekola Flats submittal label).

(ii) To operate or construct a major utility facility, the application shall include the following information in addition to the requirements of Section (21)(c):

(A) A description of the proposed site, including the county or counties in which the facility will be located, with a metes and bounds description, and a description of the terrain where the facility will be constructed:

The project footprint spans Township (“T”) 24 North (“N”) and Range (“R”) 80 West (“W”) of the sixth principal meridian and T 24 N and R 79 W in the north direction; T 22 N and R 79 W in the south direction; T 23 N and R 80 W in the west direction; and to east direction, extending to T 23 N and R 79 W parcel’s east border. The town of Medicine Bow is located approximately one mile to the southeast of the project area. The project site varies in elevation, with a representative elevation of approximately 6,550 feet above mean sea level. Mountain elevations in the area rise to approximately 8,300 feet. The site drainage follows various paths to the Medicine Bow River that flows east to west across the project site and eventually joins the North Platte River at the Seminoe Reservoir. Updated Confidential Exhibit RMP__(CAT-1SS-7) presents a map of area surface ownership.

(B) A geological report of the proposed site, including foundation conditions, groundwater conditions, operating mineral deposits within a one-mile radius, and a topographical map showing the area within a five-mile radius:

Confidential Exhibit RMP__(CAT-1-8) (original June 2017 Ekola Flats submittal label), previously provided, is a geotechnical report for the Dunlap Ranch Wind Energy facility and is provided as proxy geological and foundation information for the Ekola Flats project. Regional geologic conditions are summarized within the Dunlap geotechnical report.

Also, according to the U.S. Geological Survey Digital Geologic Map of Wyoming, the project area intersects fifteen geologic formations. These include: the Chugwater Formation, Cloverly Formation, Ferris Formation, Frontier Formation, Goose Egg Formation, Lewis Shale, Medicine Bow Formation, Mesaverde Formation, Mowry Shales, Niobrara Formation, Steele Shale, Wind River Formation, Sundance Formation, Tensleep Sandstone Formation, and Amsden Formation.

The project area is anticipated to be within the Lower Cretaceous aquifer. Groundwater wells in the area vary in depth from 45 to 99 feet below ground surface (“bgs”), with well static water levels ranging from three to 20 feet bgs.

PacifiCorp will continue to assess the impacts of any operating mineral deposits within a radius of approximately one mile from the facility.

A topographical map showing the terrain of the surrounding area within a five-mile radius of the facility was provided previously as Confidential Exhibit RMP__(CAT-1-9) (original June 2017 Ekola Flats submittal label).

(C) A description of and plans for protecting the surrounding scenic, historical, archeological, and recreational locations; natural resources; plant and animal life; and land reclamation, including: (I) A general description of the devices to be installed at the major utility facility to protect air, water, chemical, biological, and thermal qualities; (II) The designed and tested effectiveness of such devices; and (III) The operational conditions for

which the devices were designed and tested:

Confidential Exhibit RMP__(CAT-1-10) (original June 2017 Ekola Flats submittal label), provided previously, presents information on nearby area scenic byways, recreational locations, national parks, and state parks; and visual simulation photos of the completed project area. Impacts to visual resource concerns should be minimal because of the rural setting of the project. The project will be sited adjacent to an existing wind energy project with similar visual impacts. The WTGs are not anticipated to significantly degrade the surrounding scenic quality of the area.

PacifiCorp has preliminarily sited project components to mitigate potential environmental and natural resource impacts in the project area. This effort will continue as project details emerge.

Confidential Exhibit RMP__(CAT-1-11) (original June 2017 Ekola Flats submittal label), provided previously, presents information on known cultural and paleontological resources at the project site. The preliminary project layout has been arranged to avoid and / or minimize impacts to cultural resources. As part of PacifiCorp's plan for protecting the environment, sensitivity practices would be adhered to and any cultural resources would be afforded appropriate protection required by the State Historic Preservation Office in the event of a discovery during design and construction.

The project has the flexibility to microsite major project features to avoid or significantly reduce impacts to jurisdictional waters of the U.S. and wetlands. More importantly, no permanent, unmitigated losses of wetland and water resource bodies are anticipated for this project. Any impact to wetlands and the waters of the U.S., should they arise, will be minimized using best management practices.

The project area lies within the Rolling Sagebrush Steppe, Foothill Shrublands, and Low Mountains Ecoregions. Within these areas, Wyoming big sagebrush, rabbitbrush, prickly pear,

wheatgrass, and fescues are common. In rock outcrop areas, juniper and mountain mahogany are also expected. The lowland plain zones, a variable brush layer of tall big sagebrush, greasewood, bunchgrasses, forbs, and prickly pear have been observed. In upland areas, mountain big sagebrush, mountain mahogany, bunchgrasses, forbs, and prickly pear / pincushion cacti have been observed. Occasionally, more diverse riparian communities are present along spring-fed draws, where red willow, chokecherry, currants, various tall grasses, various reeds, forb varieties, thistle, and Indian paintbrush are present. Currently, no rare or unique vegetative communities are documented or have been mapped within the project area. Therefore, it is not anticipated that the project will contribute to degradation of these resources.

Wild animals including mule deer, whitetail deer, pronghorn antelope, coyotes, chipmunks, prairie dogs, ground squirrels, and rattlesnakes have been observed. Birds including red-tailed hawks, golden eagles, bald eagles, nighthawks, sparrows, and various songbirds have been observed. Construction of the project will potentially cause temporary displacement of individuals for some wildlife species that may relocate in response to project activities, and lead to permanent impacts to wildlife.

Wildlife impact studies are on-going and PacifiCorp will utilize recommendations from U.S. Fish and Wildlife Service and Wyoming Game and Fish Department guidance documents to implement appropriate avoidance, minimization, and mitigation practices.

Two occupied greater sage-grouse leks are located within the project footprint. The occupied leks are located in T 23 N, R 80 W at Sections 24 and 38.

PacifiCorp will continue to collect bat use data within the proposed project area.

Wildlife and plant species of potential concern that continue to be assessed are presented in previously provided Confidential Exhibit RMP__(CAT-1-12) (original June 2017 Ekola Flats

submittal label), including U.S. Fish and Wildlife Service listed species, Wyoming Game and Fish Department species of greatest conservation need, and Bureau of Land Management sensitive species.

At the end of project life, PacifiCorp will have reserved funds in its asset retirement obligation (“ARO”) account and will use ARO funding to restore the site to near natural conditions.

Lands disturbed during construction would be reclaimed to current conditions to the extent practicable. Ground disturbance would be minimized and best management practices employed by the construction contractors to minimize environmental impacts. PacifiCorp would also employ an environmental inspector(s) to ensure that environmental considerations, and any unforeseen environmental incidents, are appropriately addressed. This individual would ensure prompt and appropriate response to any identified non-compliance situations and ensure environmental protections are appropriately implemented. Periodic environmental audits of the site will also be conducted by PacifiCorp affiliated personnel that are independent of the project team.

During construction, each on-site contractor will be expected to develop, publish, and orchestrate a site and project specific environmental protection plan.

Site specific wildlife management plans will be developed and implemented.

(D) A description of any potential safety hazards:

Prevention of safety hazards and impacts from failure of the project’s components will be achieved by a combination of planning and controlled site access. By following industry guidelines and WTG certification processes, the most safe and reliable project will be constructed. WTGs are equipped with multiple safety systems as standard equipment. For example, rotor speed is controlled by a redundant pitch control system and a backup disk brake system. Critical components have multiple temperature sensors and a control system to shut the system down and

take it off-line if overheating conditions are detected. Lightning protection is a standard feature on the WTGs, and a specially engineered lightning protection and site grounding system will be installed for the project.

Turbine towers, WTG foundations, and above ground transmission line support structures will be designed according to applicable building codes and nationally accepted design standards to avoid failure or collapse. The selected WTG and tower combination will be subjected to engineering reviews to ensure that the design and construction specifications are appropriate for the project. This review will include consideration of code / nationally accepted design standard requirements under various anticipated worst case loading conditions to provide a high degree of confidence in the structural adequacy of the towers. The WTGs have been preliminarily sited at locations which exceed a reasonable set-back of over one tip-height.

During active construction, PacifiCorp will follow the WTG manufacturers' recommended handling instructions and erection procedures, along with the constructor's recommendations, to prevent material damage to towers, nacelles, or blades that could lead to failure. In addition, certification of the WTG to the requirements of the *International Electrotechnical Commission* ("IEC") 61400-1 standard to ensure that the static, dynamic, and defined-life fatigue stresses in the blades will not be exceeded under the combined load combinations expected at the project site. The standard includes safety factors for normal, abnormal, fatigue, and construction loads. This certification, together with regular periodic inspections, will give a high level of assurance against blade failure during operation.

The WTGs will be sited at locations that exceed a reasonable set-back distance to safeguard against ice throw. No ice throw injury has been reported from existing wind energy generation projects. In general, icing is an infrequent event, and the turbines for this project will be situated

in a remote area.

During construction, planned construction safety controls include: (1) a “PacifiCorp Safety Plan,” and (2) the EPC contractor’s “Site Specific Safety Plan.”

The impact of the project site from an aviation and airspace point of view is presented in previously provided Confidential Exhibit RMP__(CAT-1-13) (original June 2017 Ekola Flats submittal label). The WTGs will be grouped in strings, and some of the WTGs will include aviation warning lights, as required by the Federal Aviation Agency (“FAA”). The number of WTGs with lights, and the lighting pattern of the WTG, will be determined through collaboration with the FAA.

(E) A description of the real property, fuel, and water requirements, including any source of water along which the major utility facility will be constructed or from which it will obtain or return water:

There are no fuel, minerals, or process water requirements for this wind energy project.

The project will be constructed in the vicinity of the Medicine Bow River drainage.

At the time of this supplemental filing, it is anticipated that during project construction, water will be obtained from a municipal water source; an existing senior water rights holder and trucked to the site; or a new well with a permit issued by the Wyoming State Engineer’s Office to appropriate groundwater. Once available on-site, water will either be put to immediate use or placed in an on-site temporary water storage tank. Once the project is in operation, only minimal daily domestic water use will be required. The primary domestic water requirement will occur at the operations / maintenance building, and is anticipated to be limited to consumption in restrooms, sinks, washing station(s), showers, internal / external hose use, and as dishwasher.

A septic system and drain field for sanitary sewer waste disposal will be provided and

placed in service once the operational and maintenance building is operational.

(F) The acquisition status, source, and location of real property, right-of-way, fuel, and water requirements:

Property and right-of-way acquisition status was mentioned previously. There are no fuel acquisition requirements for this project. A Wyoming State Engineer's Office groundwater use application will be applied for if a new extraction well is necessary.

(G) The proposed means of transporting fuel and water requirements:

There is no process related requirement to transport material quantities of fuel and water for this project.

(H) A description of all mineral rights associated with the facility and plans for addressing any split-estate issues:

PacifiCorp will not own any of the mineral rights at the site.

PacifiCorp has done prudent legal research on its rights as a surface wind lease holder, as compared to those of mineral right holders, and is comfortable that the law does not allow mineral right holders to unilaterally displace the Company's facilities and that any mineral right holder would be obligated to enter into good faith negotiations to reasonably accommodate existing use of the surface.

For areas where mineral estate development is imminent or anticipated (i.e. areas with existing mine permits, applications for permits to drill, etc.) it is expected that the Company will secure agreements with the mineral estate owner via some form of surface and accommodation agreement. A report of mineral ownership, including oil and gas, in the area is provided as Confidential Exhibit CAT-1SS-17.

This project is not expected to adversely affect operating mineral deposits, or oil and gas leases.

(J) A statement setting forth the need for the facility in meeting present and future demands for service in Wyoming and other states:

Development of the proposed wind energy generation project in compliance with regulatory requirements is the risk-adjusted least-cost alternative to meet service obligations in Wyoming and other states as represented in the Company's testimonies and exhibits. The Company's forward looking generation planning activities are further described in the Company's 2017 IRP which was submitted to the Commission on April 4, 2017, in compliance with Commission Rule Section 33 (Docket No. 20000-346-EA-9.)

(K) A description of the commodity or service the facility will make available:

The project will generate electricity using wind as the renewable energy source. Fossil fuel consumption and waste residual disposal obligations will be avoided.

(L) A statement of the facilities effect on the applicant's and other systems' stability and reliability:

This project is not expected to adversely affect the quality, stability, and reliability of the Rocky Mountain Power ("RMP") transmission system or that of other entities. As an update, a "Standard Large Generator Interconnection Agreement" ("LGIA"), referencing queue position Q0706, was executed on November 27, 2017, with the transmission provider, and is provided as Confidential Exhibit RMP___(CAT-1SS-14) that summarizes the expected impact.

Additional system impact restudies of the project interconnection may be required, along with any necessary adjustments to the executed LGIA identified during implementation of the project.

(M) The status of satisfying local, state, Tribal, or federal governmental agency requirements. The applicant shall immediately fill all agencies' final orders:

A list of the local, state, Tribal, and federal governmental agencies having requirements known at the time of this application, which PacifiCorp must meet in connection with the construction and operation of the project is listed, along with their timing and status, was previously provided with Confidential Exhibit RMP__(CAT-1-15) (original June 2017 Ekola submittal label). Any unforeseen permit requirements will be adequately addressed.

By applying to and working with the various agencies for the construction / operation permits and the Commission, pursuant to Commission rules at Section 21(c), the major regulatory requirements and critical reviews for the project are being addressed. PacifiCorp's contractors may provide certain permits including permits for construction storm water pollution prevention control, compliance with building regulations through the Carbon County Planning and Zoning Commission, sanitary sewer extensions, and requirements of the Wyoming Department of Transportation. PacifiCorp will monitor and audit the successful completion, maintenance, and closeout of all contractor supplied permits.

The following documents included in Exhibit RMP__(CAT-1SS) are confidential in their entirety:

Confidential Exhibit RMP (CAT 1SS-1)	Ekola Flats Updated Wind Turbine Generator Site Layout
Confidential Exhibit RMP (CAT 1SS-7)	Ekola Flats Updated Project Map
Confidential Exhibit RMP (CAT 1SS-17)	Ekola Flats Signed Large Generator Interconnection Agreement
Confidential Exhibit RMP (CAT 1SS-16)	Ekola Flats Third-Party Wind Assessments
Confidential Exhibit RMP (CAT 1SS-17)	Ekola Flats Mineral Summary

The confidential exhibits listed above are provided under separate cover.