

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION
CASE NO. 2:15-cv-00828 DN

UNITED STATES OF AMERICA,
Plaintiff,

v.

RAPOWER3, LLC; INTERNATIONAL
AUTOMATED SYSTEMS, INC.; LTBI,
LLC; R. GREGORY SHEPARD; ELDON
JOHNSON; and ROGER FREEBORN,

Time on record:
4 hour, 54 minutes
Judge David Nuffer

Defendants.

November 15, 2016 * 9:36 a.m. to 3:38 p.m.

Pursuant to Federal Rule 30(B)(6) Deposition of:
PACIFICORP COMPANY through its designees, BRUCE GRISWOLD,
KRISTOPHER BREMER and VERONICA WHITESMITH.
Location: United States Attorney's Office
1000 S.W. Third Avenue, Suite 600
Portland, Oregon 97204



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<p>1 Reporter: Marilyn Hoover, CSR-RPR</p> <p>2 APPEARANCES</p> <p>3 FOR THE PLAINTIFF:</p> <p>4 Ms. Erin Healy Gallagher</p> <p>5 Mr. Christopher R. Moran</p> <p>6 UNITED STATES DEPARTMENT OF JUSTICE</p> <p>7 TRIAL ATTORNEYS, TAX DIVISION</p> <p>8 Post Office Box 7238</p> <p>9 Washington, D.C. 20044</p> <p>10 Tel: 202.353.2452</p> <p>11 Fax: 202.514.6770</p> <p>12 E-mail: Erin.HealyGallagher@usdoj.gov</p> <p>13 Christopher.R.Moran@usdoj.gov</p> <p>14</p> <p>15 FOR DEFENDANTS RAPOWER3, LLC; INTERNATIONAL</p> <p>16 AUTOMATED SYSTEMS, INC.; LTB1, LLC; and NELDON</p> <p>17 JOHNSON:</p> <p>18 Mr. Christian D. Austin</p> <p>19 HEIDEMAN & ASSOCIATES</p> <p>20 Attorneys at Law</p> <p>21 2696 North University Avenue, Suite 180</p> <p>22 Provo, Utah 84604</p> <p>23 Tel: 801.472.7742</p> <p>24 Fax: 801.374.1724</p> <p>25 E-mail: CAustin@heidlaw.com</p>	<p>1 EXAMINATION INDEX</p> <p>2 PAGE</p> <p>3 WITNESS: MR. BRUCE GRISWOLD</p> <p>4 Examination by Ms. Healy Gallagher 7</p> <p>5 Examination by Mr. Austin 49</p> <p>6</p> <p>7 WITNESS: MR. KRISTOPHER BREMER</p> <p>8 Examination by Ms. Healy Gallagher 68</p> <p>9 Examination by Mr. Austin 117</p> <p>10 Examination by Ms. Healy Gallagher 136</p> <p>11</p> <p>12 WITNESS: MS. VERONICA WHITESMITH</p> <p>13 Examination by Ms. Healy Gallagher 138</p> <p>14 Examination by Mr. Austin 184</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>
3	5
<p>1 APPEARANCES (CONT.)</p> <p>2 PACIFICORP ENERGY</p> <p>3 Mr. Bret Reich</p> <p>4 1407 W. North Temple, Suite 320</p> <p>5 Salt Lake City, Utah 84116</p> <p>6 Tel: 801.220.4337</p> <p>7 Fax: 801.220.4615</p> <p>8 E-mail: Bret.Reich@pacificorp.com</p> <p>9</p> <p>10 PACIFICORP TRANSMISSION</p> <p>11 Mr. Patrick C. Cannon</p> <p>12 825 N.E. Multnomah, Suite 1800</p> <p>13 Portland, Oregon 97232</p> <p>14 Tel: 503.813.5613</p> <p>15 Fax: 503.813.6508</p> <p>16 E-mail: Patrick.Cannon@pacificorp.com</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p>1 EXHIBIT INDEX</p> <p>2 EXHIBIT NO. DESCRIPTION PAGE</p> <p>3 GRISWOLD EXHIBITS</p> <p>4 Exhibit 193 Subpoena to testify at a deposition</p> <p>5 in a civil action 8</p> <p>6 Exhibit 194 Résumé of Bruce W. Griswold 11</p> <p>7 BREMER EXHIBITS</p> <p>8 Exhibit 195 Résumé of Kristopher J. Bremer 71</p> <p>9 Exhibit 196 Connecting to PacifiCorp's</p> <p>10 transmission and distribution system 75</p> <p>11 Exhibit 197 Transmission service request process 76</p> <p>12 Exhibit 198 Optical disc 97</p> <p>13 Exhibit 199 Agreement to amend standard large</p> <p>14 generator interconnection agreement</p> <p>15 for a qualifying facility 111</p> <p>16 WHITESMITH EXHIBITS</p> <p>17 Exhibit 200 Résumé of Veronica Whitesmith 141</p> <p>18 Exhibit 201 Service agreement for network</p> <p>19 integration transmission service</p> <p>20 under PacifiCorp's open access</p> <p>21 transmission tariff, vol. no. 11 164</p> <p>22 Exhibit 202 Transmission consulting agreement</p> <p>23 offer 165</p> <p>24 Exhibit 203 Facility connection requirements</p> <p>25 for transmission systems 166</p>

6	<p>1 TUESDAY, NOVEMBER 15, 2016; PORTLAND, OREGON</p> <p>2 MS. HEALY GALLAGHER: All right. Good</p> <p>3 morning, Mr. Griswold.</p> <p>4 MR. GRISWOLD: Good morning.</p> <p>5 MS. HEALY GALLAGHER: We are on the record</p> <p>6 in the case of the United States versus Rapower-3 et</p> <p>7 al., on November 15, 2016, at about 9:35 Pacific</p> <p>8 time.</p> <p>9 We met a moment ago, but my name is Erin</p> <p>10 Healy Gallagher and I'm from the United States</p> <p>11 Department of Justice, in the tax division,</p> <p>12 appearing on behalf of the United States.</p> <p>13 Counsel, would you please make your</p> <p>14 appearances.</p> <p>15 MR. REICH: Sure. Bret Reich and Patrick</p> <p>16 Cannon on behalf of PacifiCorp.</p> <p>17 MR. AUSTIN: And Christian Austin on</p> <p>18 behalf of Rapower-3.</p> <p>19 MS. HEALY GALLAGHER: And we also have</p> <p>20 Christopher Moran here, also for the United States.</p> <p>21 All right. This deposition will be</p> <p>22 governed by the federal rules of civil procedure.</p> <p>23 All exhibits that we mark today will be kept here</p> <p>24 today, as we may use them in other depositions this</p> <p>25 week, and then they will go with the court reporter</p>	8	<p>1 exhibit, which is 193, plaintiff's Exhibit 193.</p> <p>2 (Exhibit 193 marked.)</p> <p>3 Q. BY MS. HEALY GALLAGHER: Mr. Griswold, I'm</p> <p>4 handing you what's been marked plaintiff's</p> <p>5 Exhibit 193.</p> <p>6 Plaintiff's 193 is a deposition --</p> <p>7 subpoena to testify at a deposition, that's</p> <p>8 addressed to PacifiCorp; is that right?</p> <p>9 A. Yes.</p> <p>10 Q. And, Mr. Griswold, you're here, you've</p> <p>11 been designated, correct, to testify on behalf of</p> <p>12 certain topics for PacifiCorp?</p> <p>13 A. Correct.</p> <p>14 Q. Okay. Mr. Griswold, have you been deposed</p> <p>15 before?</p> <p>16 A. I have, yes.</p> <p>17 Q. Okay. And so you've been through this</p> <p>18 before. I'm sure you've spoken with counsel about</p> <p>19 how this is going to go today, but I'd just like to</p> <p>20 cover a few ground rules so that we're on the same</p> <p>21 page.</p> <p>22 I will ask questions, and my questions and</p> <p>23 your answers will be recorded by the court reporter.</p> <p>24 So you need to speak loudly enough for her to hear</p> <p>25 you, and also answer my questions verbally.</p>
7	<p>1 here at the end of the week. Any other stipulations</p> <p>2 will be addressed as the need arises.</p> <p>3 BRUCE GRISWOLD,</p> <p>4 called as a witness, being duly sworn on oath, was</p> <p>5 examined and did testify as follows:</p> <p>6 EXAMINATION</p> <p>7 BY MS. HEALY GALLAGHER:</p> <p>8 Q. Okay. Mr. Griswold, you've been sworn in.</p> <p>9 Yes?</p> <p>10 A. Yes.</p> <p>11 Q. Would you please state your name and spell</p> <p>12 it for the record.</p> <p>13 A. Yes. My name is Bruce Griswold.</p> <p>14 B-R-U-C-E, G-R-I-S-W-O-L-D.</p> <p>15 Q. And would you provide the city and state</p> <p>16 of your residence.</p> <p>17 A. The city where I live is Lake Oswego,</p> <p>18 Oregon.</p> <p>19 Q. And the city and state of your business</p> <p>20 address?</p> <p>21 A. Portland, Oregon.</p> <p>22 Q. All right. And so -- And, Mr. Griswold,</p> <p>23 are you here today to -- Well, actually, let me take</p> <p>24 that back.</p> <p>25 What I will do first is mark the next</p>	9	<p>1 Do you understand?</p> <p>2 A. I do.</p> <p>3 Q. She cannot record a nod or a shake of the</p> <p>4 head, and words like "uh-huh" are not clear on the</p> <p>5 transcript; so if we have any of those in the course</p> <p>6 of today, I'll just follow up and ask you to clarify</p> <p>7 verbally.</p> <p>8 A. Sure.</p> <p>9 Q. You're doing great with this so far; but</p> <p>10 we have a tendency, in casual conversation, to start</p> <p>11 our answer to a question before the question is</p> <p>12 finished being asked. Here, please just go ahead</p> <p>13 and wait until I'm finished, and then you can start</p> <p>14 your answer. And, again if we talk over each other,</p> <p>15 I'll stop and we can try it -- try it again to get a</p> <p>16 clear record.</p> <p>17 Will you do that?</p> <p>18 A. I will, yes.</p> <p>19 Q. All right. So it's my obligation to ask</p> <p>20 understandable questions to you; so if you don't</p> <p>21 understand a question for any reason, please let me</p> <p>22 know, and we'll figure it out.</p> <p>23 Will you do that?</p> <p>24 A. Yes.</p> <p>25 Q. And your task is to give full and complete</p>

<p style="text-align: right;">10</p> <p>1 answers to your best ability.</p> <p>2 Do you understand that obligation?</p> <p>3 A. Yes.</p> <p>4 Q. It might happen today that an attorney</p> <p>5 present will object to a question I ask. Unless you</p> <p>6 are instructed by counsel not to answer, please go</p> <p>7 ahead and ignore the objection and answer the</p> <p>8 question as best you can. Okay?</p> <p>9 A. Okay.</p> <p>10 Q. Occasionally it will happen in deposition,</p> <p>11 you'll give an answer as completely as you can and</p> <p>12 then later on you may remember additional</p> <p>13 information or different information that may</p> <p>14 amplify or change your answer. If that happens</p> <p>15 today, that's fine; just let me know, and we can</p> <p>16 clarify the record immediately.</p> <p>17 Will you do that?</p> <p>18 A. I will.</p> <p>19 Q. And when you're answering a question, if</p> <p>20 you think that a document or some documents may help</p> <p>21 jog your memory or provide a clearer answer, you can</p> <p>22 let me know that too, and we'll see if we have it</p> <p>23 here for you. Okay?</p> <p>24 A. Yes.</p> <p>25 Q. All right. At any time today, if you</p>	<p style="text-align: right;">12</p> <p>1 Q. What is it?</p> <p>2 A. It's a brief résumé for myself.</p> <p>3 Q. Okay. And I'm most interested,</p> <p>4 Mr. Griswold -- Actually, first, are you aware of</p> <p>5 what you've been designated to testify about on</p> <p>6 behalf of PacifiCorp today?</p> <p>7 A. Yes, very briefly.</p> <p>8 Q. Okay. And what's your understanding of</p> <p>9 those topics?</p> <p>10 A. My understanding is to provide some</p> <p>11 discussion and answers relating to processes for</p> <p>12 qualifying facilities.</p> <p>13 Q. Okay. And I see that you've been -- it</p> <p>14 says on here that you've been employed by PacifiCorp</p> <p>15 for over 30 years in various positions of</p> <p>16 responsibility in retail energy services,</p> <p>17 engineering, marketing, and wholesale energy</p> <p>18 services?</p> <p>19 A. Correct.</p> <p>20 Q. Thirty years is a long time, but can you</p> <p>21 help me understand what -- what you've been doing</p> <p>22 during that time?</p> <p>23 A. When I came into the company back in '83,</p> <p>24 I was working in a part of the business which was</p> <p>25 conservation, so showing customers how to save</p>
<p style="text-align: right;">11</p> <p>1 would like to talk to Mr. Reich about something,</p> <p>2 that's fine; but if there is a question pending, I</p> <p>3 will ask that you answer that question before you</p> <p>4 step out with Mr. Reich.</p> <p>5 Do you understand that?</p> <p>6 A. I do.</p> <p>7 Q. Okay. All right. So we're here to get as</p> <p>8 accurate a record as we can of the facts as you're</p> <p>9 aware of them.</p> <p>10 So I have to ask: Is there anything today</p> <p>11 that would prevent you from testifying to the full</p> <p>12 capacity of your intelligence and recollection?</p> <p>13 A. No.</p> <p>14 Q. Okay. Are you taking any medications of</p> <p>15 any kind that might interfere with memory or</p> <p>16 cognition?</p> <p>17 A. No.</p> <p>18 MS. HEALY GALLAGHER: Okay. Please mark</p> <p>19 that as 194.</p> <p>20 (Exhibit 194 marked.)</p> <p>21 Q. BY MS. HEALY GALLAGHER: All right.</p> <p>22 Mr. Griswold, I'm handing you what's been marked</p> <p>23 plaintiff's Exhibit 194.</p> <p>24 Do you recognize plaintiff's Exhibit 194?</p> <p>25 A. I do.</p>	<p style="text-align: right;">13</p> <p>1 energy. From there -- I was working there probably</p> <p>2 for two years, and then the company transferred --</p> <p>3 kind of evolved into trying to sell more energy, so</p> <p>4 I spent a lot of time out in the field, visiting</p> <p>5 with large industrial commercial customers on</p> <p>6 energy, technology, better ways to use electricity.</p> <p>7 That included, you know, really just the Pacific</p> <p>8 Power side of the business, which is one of the</p> <p>9 divisions for providing retail services.</p> <p>10 In '86 or '87, somewhere in that time</p> <p>11 frame, Pacific Power and Utah Power merged. And</p> <p>12 Utah Power covered Washington -- or covered Utah,</p> <p>13 Wyoming, and Idaho; and so I began to help with some</p> <p>14 of that transition and also call on some of the</p> <p>15 large customers over there, related to their</p> <p>16 contracts for energy usage. That probably continued</p> <p>17 for about ten years or so, so we're now in the mid</p> <p>18 '90s.</p> <p>19 I then moved over into the wholesale side</p> <p>20 of the business -- well, I should say there was</p> <p>21 about a three-year stint where I left the company,</p> <p>22 worked for an environmental consulting firm, and</p> <p>23 then the company hired me back. And the company, at</p> <p>24 that point -- PacifiCorp, at that point, was looking</p> <p>25 to expand its footprint outside of its six-state</p>

<p style="text-align: right;">14</p> <p>1 territory: So I worked, really, down into 2 California and other places across the country, 3 where PacifiCorp could possibly sell energy to other 4 large retail customers. 5 In the late '90s, I moved back -- moved 6 over into our wholesale side of our business. And 7 the wholesale side is really the part of the 8 business that delivers -- that generates the power, 9 delivers it to our retail side of the business, 10 which then delivers it on to our ultimate customers. 11 And that's where I began to work in the qualifying 12 facility process, which is, under the federal PURPA 13 law, it requires us to buy power from independent 14 generators. 15 So I began to work with those contracts, 16 and that's pretty much what I've done since -- 17 except my responsibilities have expanded to, also, 18 if the company is looking to build its own asset or 19 have someone build a generating resource for us, our 20 -- the group I was in would issue a request for a 21 proposal; we'd evaluate the bids; if there's any 22 contracts, we'd negotiate the contracts for buying 23 the power from those generators. And that's where I 24 am today. 25 Q. Okay. We're going to step through that a</p>	<p style="text-align: right;">16</p> <p>1 give you a little bit of organizationally how it 2 sits. 3 Q. Great. 4 A. PacifiCorp has got three what's called 5 business units. They have Rocky Mountain Power, 6 which is the part of the business that delivers 7 power -- delivers and transmits the power to our 8 ultimate retail customers in Wyoming, Utah, and 9 Idaho. Then there is Pacific Power, which does the 10 equivalent delivery to our customers in Oregon, 11 Washington, and California. And then there is 12 PacifiCorp Transmission, which manages the 13 transmission side of the business, which is the 14 poles and wires across our system, that's -- that's 15 both wholesale, down to some retail. 16 Q. Okay. 17 A. So now let me -- Now we've kind of shown 18 the organization. You know, I believe you asked me 19 a question relative to generation of power. 20 Q. Let's leave it there for right now. 21 A. Okay. 22 Q. Okay. So then which group -- Within which 23 business unit is your group? 24 A. We are technically within the Pacific 25 Power business unit. I think, about two years ago,</p>
<p style="text-align: right;">15</p> <p>1 little bit to make sure that I understand. 2 A. Okay. Sure. 3 Q. Real quick, how -- how long is it that 4 you've been in the current group that you're with? 5 A. I've been in the wholesale side of our 6 business probably 20 years; and the current group 7 that I've been in, probably ten years. It's -- The 8 organization has changed its names a little bit, but 9 the group is responsible for long-term power 10 contracts, whether we're buying or selling the 11 power. 12 Q. So then I'd like to make sure I 13 understand, Bruce, as we go into the more specific 14 testimony: When I ask you a question today, if the 15 information you're drawing from does not come from 16 your personal knowledge of this, will you let me 17 know? 18 A. Yes. 19 Q. Okay. Great. Okay. So let's start with 20 PacifiCorp. 21 A. Okay. 22 Q. What is PacifiCorp? How is PacifiCorp in 23 the business of dealing with wholesale generators of 24 power? 25 A. So PacifiCorp is comprised -- Let me just</p>	<p style="text-align: right;">17</p> <p>1 there used to be a division called PacifiCorp 2 Energy. PacifiCorp Energy was a separate division 3 which managed all of the generating resources that 4 the company owned. That includes coal, hydro, wind, 5 solar -- you name it -- anything we owned or we were 6 buying the output from; and that could be a third 7 party that's generating and we're purchasing the 8 output. 9 That -- A couple years ago, a year or so 10 ago, that organization was disbanded and the folks 11 within it, including the management of it, was -- 12 was split apart and put into either Pacific Power or 13 Rocky Mountain Power. So it was really just -- they 14 still had the same people and they were in the same 15 location, it's just now they reported up through 16 either Pacific Power or Rocky Mountain Power. 17 The group I was in, which is really 18 related to the trading organization to balance our 19 loads and resources, remained within Pacific Power. 20 Q. Okay. And you've used the phrase 21 "resource" a couple of times. 22 By that, do you just mean the way that 23 electricity is generated? 24 A. Correct. The resource, as I said, could 25 be -- we own a number of coal plants, we own a</p>

<p style="text-align: right;">18</p> <p>1 number of hydro, we buy power from large wind farms 2 that somebody else owns but they sell us the power 3 on a long-term basis. 4 So there's a variety of resources that we 5 use. All of those resources are used to supply our 6 ultimate retail customers' load. So it's -- we have 7 a group here in Portland that manages those 8 resources and the output from them, literally down 9 to a 15 and five-minute interval to ensure that 10 we're always delivering and matching up to what our 11 customers are using. 12 Q. And when you say "customers," do you mean 13 individual households and businesses, or do you mean 14 municipalities or larger entities? 15 A. Our own -- The company's own load, based 16 on our service territory, are the retail customers, 17 whether it's residential, commercial, industrial. 18 The company, PacifiCorp, also sells power 19 to cities, we sell it to other utilities, we buy it 20 from other utilities. So it's -- because if you 21 look at the West, the transmission system in the 22 West, it's interconnected all the way down from the 23 Rockies and north and south across the borders; so 24 we're able to move our power in different locations, 25 and we have contracts for -- for cities and all the</p>	<p style="text-align: right;">20</p> <p>1 the kind of folks that are overseeing that. 2 Q. And when you say "manage the asset," do 3 you mean -- what do you mean by that? 4 A. Well, they -- they are ensuring that any 5 maintenance is -- you know, they're -- they're 6 looking, watching the asset to make sure -- the 7 resource, to make sure that physically it is 8 operating the way it should be. If there's any 9 repairs that have to be done to it, they're 10 scheduling for that. There may be some -- Let's say 11 there's some compliance that -- to deal with changes 12 in law, et cetera, and it requires some -- some sort 13 of new cleanup device on it. They ensure that that 14 happens. That's what I mean by managing it. 15 The Pacific Power folks in the trading 16 organization that I'm associated with, they control 17 the output of it. So they're telling it what to 18 generate. The other folks are taking care of it to 19 make sure it will generate when we ask it to 20 generate, or to back it down when we don't need its 21 generation. 22 Q. Again, I want to make sure I understand 23 and that the record's clear. 24 So Pacific Power is -- lets Rocky Mountain 25 Power know how much power is needed at any given</p>
<p style="text-align: right;">19</p> <p>1 way down to the individual household. 2 Q. So you mentioned earlier that Rocky 3 Mountain Power delivers and transmits power to 4 retail customers in Wyoming, Utah, and Idaho; right? 5 A. Yes. 6 Q. What do you mean by "it delivers and 7 transmits power"? 8 A. It manages the actual poles and wires 9 through which the power is delivered to a customer. 10 Q. Does Rocky Mountain Power do anything 11 else? 12 A. They -- I mean, they have -- when -- when 13 Pacific -- PacifiCorp Energy was realigned, some of 14 the management of various facilities are -- was 15 retained within Rocky Mountain Power. 16 Q. And by "management of facilities," do you 17 mean management of those resources you mentioned, 18 like coal plants, hydro? 19 A. Yes. But they also, I guess, for -- They 20 don't manage -- The control of the output of them is 21 managed within the PacifiCorp -- Pacific Power part 22 of the organization that I am in. What they do is 23 they -- they have folks who manage the physical 24 asset, in other words, take care of the asset and 25 make sure that, you know, O&M's being done. That's</p>	<p style="text-align: right;">21</p> <p>1 time? 2 A. That's partially correct, because they -- 3 I mean, they always are talking back and forth, and 4 each location has meters on it that -- all of that 5 information is fed into a system that -- that we can 6 access, that Pacific Power -- and the technical name 7 for that part of the business is energy supply 8 management, and they have a location here with the 9 traders. They know what the load looks like on a 10 five-minute interval from the meters and such that 11 Rocky Mountain Power is actually taking care of, and 12 so we can access that and see: Well, here's how 13 much energy is needed. What are the resources we 14 have at hand that we can supply that need? 15 Q. Okay. And Rocky Mountain Power is the 16 sort of unit of PacifiCorp that answers that need, 17 that supplies the demand? 18 A. Correct. 19 Q. Does Rocky Mountain Power have any role in 20 buying power? 21 A. Yes. They -- They have folks in their 22 business unit that will work with a developer who 23 may be looking to sell their power, and work with 24 them to help them get a power -- power purchase 25 agreement with the company. They do work very</p>

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<p>1 closely with -- with Pacific Power folks.</p> <p>2 Q. So if an entity wanted to connect -- I'm</p> <p>3 sorry. Let me withdraw that.</p> <p>4 If an entity wanted to connect a facility</p> <p>5 that generates electricity into Rocky Mountain</p> <p>6 Power, however that works, what would they have to</p> <p>7 do?</p> <p>8 A. There's -- There's two or three mechanisms</p> <p>9 or processes for that. There's a process called net</p> <p>10 metering, which is really for small residential</p> <p>11 customers, some commercial. It's kind of got a size</p> <p>12 limit for that. And what that does is allow them to</p> <p>13 put -- we'll use solar panels as an example -- put</p> <p>14 solar on their roof, offset their own usage, and if</p> <p>15 there's any that's excess at the -- any of the</p> <p>16 excess would flow into our system, into Rocky</p> <p>17 Mountain's system. Same with Pacific Power; it's no</p> <p>18 different.</p> <p>19 There's a process under the federal PURPA</p> <p>20 act, where the party who wants to build a resource</p> <p>21 can utilize some rate schedules in order to develop</p> <p>22 a power purchase contract with the -- with Rocky</p> <p>23 Mountain Power. Under that federal obligation,</p> <p>24 federal rule, Rocky Mountain Power is obligated to</p> <p>25 buy the output. You know, there are some very</p>	<p>1 Q. So I'd actually like to step back real</p> <p>2 quick because -- and I understand from the</p> <p>3 information I've gotten from PacifiCorp so far,</p> <p>4 there are a few different agreements that might need</p> <p>5 to be in place before any electricity is generated</p> <p>6 and connected to any PacifiCorp infrastructure: A</p> <p>7 power purchase agreement, a transmission agreement,</p> <p>8 and an interconnection agreement.</p> <p>9 So I guess what I'm asking is: How does a</p> <p>10 power purchase agreement fit in with those other</p> <p>11 agreements?</p> <p>12 A. Okay. Yes, I can explain that.</p> <p>13 Q. Okay. Great.</p> <p>14 A. They're done -- They're done with kind of</p> <p>15 three different parts of the business.</p> <p>16 The power purchase agreement is done</p> <p>17 through what I'll call the merchant side of the</p> <p>18 business. That's a new word, but that reflects the</p> <p>19 part of the business that's responsible for the</p> <p>20 generation of power. It's an industry term and it</p> <p>21 would include the organization that I'm within and</p> <p>22 it would also include any -- anybody in Rocky</p> <p>23 Mountain Power that was doing a power purchase</p> <p>24 agreement for -- for the acquisition of power.</p> <p>25 That contract is then managed and</p>
23	25
<p>1 specific rules relative to that. So there is that.</p> <p>2 We also have developers who come to us,</p> <p>3 outside of any requirements, and want to sell the</p> <p>4 power to us. Under those, we really don't have any</p> <p>5 obligation. It's really about is it a good -- is it</p> <p>6 good for our customers.</p> <p>7 So those are kind of the three -- three</p> <p>8 main ones.</p> <p>9 Q. We'll walk through those.</p> <p>10 So when you talk about net metering, you</p> <p>11 said this was for small customers. What does</p> <p>12 "small" mean in that context?</p> <p>13 A. I don't -- I think the limit -- I think</p> <p>14 the limit in Utah, for example, each one is -- since</p> <p>15 we have six states, every state's a little bit</p> <p>16 different. I believe, in Utah, it's 2000 kilowatts</p> <p>17 is the maximum amount. Other states, it's 25</p> <p>18 kilowatts. And I think that's what Utah is, but I</p> <p>19 wouldn't be sure until I actually looked at the net</p> <p>20 metering tariff.</p> <p>21 So that would -- to finish that: That</p> <p>22 would allow -- when I say "small," that would allow</p> <p>23 probably a commercial customer to do that if they</p> <p>24 wanted to do that, if it made economic sense for</p> <p>25 them.</p>	<p>1 controlled by the merchant side of the business. So</p> <p>2 the merchant side would -- would take the request</p> <p>3 and work with the customer to do a power -- whether</p> <p>4 it's a power purchase agreement -- Net metering is a</p> <p>5 much simpler arrangement, just because of the size</p> <p>6 and it's not as complex.</p> <p>7 So I'm just going to talk about power</p> <p>8 purchase agreements. So merchant would negotiate</p> <p>9 the power purchase agreement, depending on how big</p> <p>10 the project is, where it's located, et cetera. Each</p> <p>11 state's a little bit different. As part of our</p> <p>12 requirements under the power purchase agreement,</p> <p>13 they have to demonstrate that they have a physical</p> <p>14 interconnection with our system.</p> <p>15 Now, I need to clarify that -- and I don't</p> <p>16 mean to make it more confusing -- but some</p> <p>17 generators can not be connected to our system, they</p> <p>18 can interconnect at another utility system, and then</p> <p>19 that other utility will wheel the power or deliver</p> <p>20 the power to us for PacifiCorp to purchase. So</p> <p>21 that's -- that's that piece that's called the</p> <p>22 transmission service in between.</p> <p>23 But that's -- that kind of steps it. Most</p> <p>24 of our projects are ones that directly interconnect</p> <p>25 with us.</p>

<p style="text-align: right;">26</p> <p>1 So they demonstrate they have an 2 interconnection agreement, which is what they would 3 do but they do it through PacifiCorp Transmission. 4 The merchant and the transmission business units do 5 not get to talk to each other, because of standard 6 conduct, et cetera. We can't have any sort of 7 preferential knowledge of what our transmission 8 system is -- is going on -- is doing on there. So 9 the customer -- or the generator who's -- who's 10 trying to get a power purchase agreement with us has 11 to separately go through an interconnection process 12 to physically connect to our system. 13 They still have to demonstrate to us that 14 they have gotten that, and it's a separate contract 15 and we -- we require evidence that they've done 16 that. That may be the actual signed agreement with 17 PacifiCorp Transmission, it may mean that they have 18 demonstrated they're in the process to get the 19 interconnection done, but they have to demonstrate 20 it. So that's the second piece. 21 Now, the third piece is, once they've 22 interconnected and once they have a power purchase 23 agreement, then the merchant side of the business 24 has to use transmission to move that power to the 25 customer. So merchant would then go to our</p>	<p style="text-align: right;">28</p> <p>1 Q. Then once there's a power purchase 2 agreement in place and the entity has 3 interconnected, then the merchant side of PacifiCorp 4 needs a transmission agreement with PacifiCorp 5 Transmission? 6 A. Yes. 7 Q. Only after all of that is complete -- 8 A. Correct. 9 Q. -- will a retail customer actually 10 potentially receive power from the generating 11 entity? 12 A. Yes, that is correct. 13 Q. At what point would a generating entity 14 actually receive money from PacifiCorp for 15 electricity generated? 16 A. So within a power purchase agreement there 17 is a definition for commercial operation, and under 18 that definition are a series of documents or 19 evidence that they've met all of these requirements 20 to be deemed commercial. There are specific 21 milestones within the power purchase agreement that 22 they have to meet at the same time. But under that 23 definition, if they have provided all -- met all of 24 those requirements and they've sent it in to us, 25 they generally will ask to be declared commercial</p>
<p style="text-align: right;">27</p> <p>1 transmission business unit and request transmission 2 service from them. Once that's done, then -- and 3 the project is built and complete, then delivery 4 starts and we know that every -- every energy unit 5 that's generated can be delivered to our customers' 6 load without violation of not having transmission. 7 So those are kind of the three legs. 8 Q. Okay. We're going to unpack that a little 9 bit. 10 A. I know. I -- 11 Q. No, that's -- 12 A. I apologize. 13 Q. No. No. What you -- What you said is 14 very helpful. Just going to walk it through, just 15 to make sure I understand. 16 So an entity may have an interconnection 17 agreement with PacifiCorp or they may have an 18 interconnection agreement with another utility; 19 correct? 20 A. Correct. 21 Q. But in order to get a power purchase 22 agreement, an entity has to demonstrate to 23 PacifiCorp that there is an interconnection 24 agreement or there will be one soon? 25 A. Correct.</p>	<p style="text-align: right;">29</p> <p>1 and here's all their evidence of it. 2 The merchant business will review those, 3 both -- both from a commercial basis and also from a 4 legal basis, to make sure that everything is -- you 5 know the I's are dotted and the T's are crossed, and 6 then we will tell them that they are deemed 7 commercial. At that point, the contract is in 8 effect to pay them the prices outlined within the 9 agreement, and in fact that's when they've met 10 everything to be deemed commercial and can start 11 receiving payment for their energy stream. 12 Q. Can you give me an example, or a few 13 examples, of milestones, for example, that an entity 14 would have to hit before they could be deemed 15 commercial? 16 A. Sure. There are milestones in there for 17 them to provide a copy of their interconnection 18 agreement. There are generally milestones in the 19 power purchase agreement for security requirements. 20 In other words, we're -- we will generally hold -- 21 unless they're a creditworthy entity, and our credit 22 folks will review them, they've got to provide some 23 amount of security, and generally it's a letter of 24 credit or some method, that we would hold over the 25 lifetime of the PPA. They have to provide that.</p>

<p style="text-align: right;">30</p> <p>1 For them to be deemed commercial, there 2 are -- they have to provide a series of documents 3 that we call required facility documents, and that's 4 a list of -- we'll list them out in the power 5 purchase agreement. They'll include things like 6 permits, insurance, licenses, land leases, anything 7 that's necessary for that project to be able to 8 operate as a generating entity.</p> <p>9 They have to have those signed off as part 10 of COD. They have to have them signed off by either 11 a licensed professional engineer in the state, 12 that's not financially connected to the project, or 13 from a legal -- an attorney, not connected to the 14 project, and they have to basically attest to that. 15 We also require an attestation from the project 16 itself that they have everything that they need to 17 be able to own and operate -- construct, own, and 18 operate that project.</p> <p>19 I'm trying to think if there's anything 20 else.</p> <p>21 The merchant side has to demonstrate that 22 we've gotten them certified as what we call a 23 network resource. And so a network resource is 24 where we've gone and requested transmission service 25 from PacifiCorp Transmission and they'll deem it to</p>	<p style="text-align: right;">32</p> <p>1 A. So I'll break that up into kind of two -- 2 kind of two phases.</p> <p>3 So from the point they -- and I'll also 4 maybe split that into big projects and small 5 projects, and I'll speak specifically to qualifying 6 facilities for an example.</p> <p>7 So in the -- in the PURPA world, they have 8 what they call standard agreements and non-standard. 9 Standard agreements are ones that have the prices; 10 and, generally, the agreements are standard template 11 agreements that prices are posted, so you don't even 12 need to -- you can just go grab the prices, you can 13 fill in the contract, and get those to an execution 14 form in a very short period of time, four to six 15 months.</p> <p>16 The larger projects -- and it depends on 17 the size -- The size depends on -- Standard and 18 non-standard depends the stage you're in; but if 19 you're a non-standard, then they request -- they're 20 going to request pricing first. They're going to 21 contact the company, then they'll request pricing, 22 and we'll actually model their prices for them, to 23 tell them what we would pay them.</p> <p>24 At that point, then, they would request a 25 power purchase agreement. We would negotiate that.</p>
<p style="text-align: right;">31</p> <p>1 be a network resource, which allows us to be able to 2 use that resource to serve our retail load. So 3 that's a condition within the commercial operation, 4 that's the responsibility of the utility, and we 5 just include that in as part of that.</p> <p>6 So that's, I think, a fairly good picture 7 of what a project goes through.</p> <p>8 Q. It sounds like these are fairly 9 substantial requirements of any entity who's seeking 10 a power purchase agreement?</p> <p>11 A. Well, I think -- I think, yes, they are 12 substantial; but if you're building a project that's 13 -- most of these projects, if they're small, are 14 still multi-million dollar projects that -- that 15 involve all of those components irregardless of 16 whether it's, you know, 50 kW or 80,000 kW.</p> <p>17 So it generally covers a very wide range 18 of sizes of projects, but all the requirements are 19 pretty standard that we -- we look to have produced.</p> <p>20 Q. I understand it may be different for 21 different projects, but can you give me an idea of 22 the timeline from when someone might contact 23 PacifiCorp to say, "I would like to have a power 24 purchase agreement with you," to the time that a 25 company is deemed commercial?</p>	<p style="text-align: right;">33</p> <p>1 They would have to be producing all of the exhibits 2 and some of the documents that go into it. And 3 that's generally more like a nine to 12-month period 4 to be ready for execution.</p> <p>5 Once it is executed, then, until it's 6 commercial, it could be two years -- up to two, 7 three years, because they're using the power 8 purchase agreement as the foundation to secure 9 financing to then go build the project.</p> <p>10 So the total could be -- you know, the 11 longest I've seen them, without any delays, has been 12 about three, three and a half years, from first 13 contact to commercial operation.</p> <p>14 Q. I'm sorry. Did you say the longest one?</p> <p>15 A. The longest one has been three and a half, 16 four years, something like that, without any delays. 17 Sometimes they get into construction and there's a 18 delay; but if everything went according to plan, per 19 the milestones they've established in their power 20 purchase agreement, it can be up to about three and 21 a half years.</p> <p>22 Q. So, then, does an entity generally reach 23 out to PacifiCorp for a power purchase agreement 24 before construction is started on the facility that 25 will generate the power?</p>

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1 **A. Yes. Generally, yes. The -- As I said,**
 2 **they're using that revenue source from a power**
 3 **purchase agreement to get -- get financing to**
 4 **construct the project. That's the general mode.**
 5 **There are some that are just building it and**
 6 **hopefully finding an offtaker, but that's a very**
 7 **small percentage.**
 8 **Q. Can you give me an idea of the percentage?**
 9 **A. Oh, it's less than five percent, maybe --**
 10 **not even -- maybe one percent. There's very few**
 11 **projects that use their own funds to build without**
 12 **having somebody to buy the power from them.**
 13 **Q. I want to back up just a little bit.**
 14 We've used the phrase "qualifying
 15 facility" in this deposition.
 16 **A. Yes.**
 17 **Q. What does that mean?**
 18 **A. Qualifying facility relates to a federal**
 19 **act that was passed in, I think, '78, PURPA -- and**
 20 **don't ask me to tell you what the acronym stands for**
 21 **completely -- but it was a federal act to encourage**
 22 **the development of independent, small generators,**
 23 **primarily focused on renewable generators. That was**
 24 **back in '78. It's still in place, but the**
 25 **requirements under PURPA was -- there was three**

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1 **things; and what the federal government did was they**
 2 **put in place and then they passed the implementation**
 3 **to the state, so that's why each state has different**
 4 **implementation rules. The utility is obligated to**
 5 **buy the power from them.**
 6 **Q. And "the utility," meaning PacifiCorp?**
 7 **A. Or any utility who's -- any utility who's**
 8 **got is a PURPA obligation.**
 9 **The -- So the first one is that PacifiCorp**
 10 **has to buy the power from them. The second one is**
 11 **they have to interconnect with that generator; so**
 12 **PacifiCorp Transmission has a legal obligation to**
 13 **interconnect with them. And the third one is: The**
 14 **utility, PacifiCorp, would have to provide station**
 15 **service for that generator.**
 16 **Most generators, whether they're solar or**
 17 **wind or hydro, have other things that need**
 18 **electricity when the generator's not operating.**
 19 **When they're operating, they supply their own. When**
 20 **they're not operating, they need power from the host**
 21 **utility. That's a -- That's a PURPA obligation.**
 22 **That's kind of the three legs on the stool.**
 23 **Q. So is that the PURPA obligation of**
 24 **PacifiCorp?**
 25 **A. In total, yes.**

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1 **Q. Right.**
 2 **A. The three -- three pieces, yes. We would**
 3 **-- We would buy the power from them; we would**
 4 **interconnect with them through PacifiCorp**
 5 **Transmission; and then, through either Rocky**
 6 **Mountain Power or Pacific Power, supply their station**
 7 **service when the generator's not operating.**
 8 **Q. And those are PacifiCorp's obligations to**
 9 **a qualifying facility?**
 10 **A. Yes. So back to your question about PURPA**
 11 **and QFs, qualifying facilities: Under PURPA, the**
 12 **federal government defined what a qualifying**
 13 **facility was, QFs. And they're generally any what**
 14 **they call renewable resource -- hydro, wind, solar,**
 15 **biomass, biogas -- there's a list of them. And you**
 16 **can self-certify with FERC, the Federal Energy**
 17 **Regulatory Commission, and you can -- you can**
 18 **certify with them and be deemed a QF. And that's**
 19 **one of our requirements in our PPAs: They have to**
 20 **provide that certification, and they just get**
 21 **assigned a number by -- by FERC. So that -- that's**
 22 **kind of one of the requirements.**
 23 **There is a -- There is a process for a**
 24 **project that is not renewable to be deemed a QF.**
 25 **That relates more to how much energy -- Most of**

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1 **those are ones that are generating steam and**
 2 **generating -- using that steam to supply, you know,**
 3 **a process heat and generating power. And you can be**
 4 **deemed a QF but you're not really -- you're not a**
 5 **renewable project. Ninety-five percent of the**
 6 **projects that we are involved with are renewable**
 7 **QFs.**
 8 **Q. So you talked about a couple of different**
 9 **things there.**
 10 **So if a facility has gone through the**
 11 **process with FERC to be deemed a qualifying**
 12 **facility, PacifiCorp requires evidence of that**
 13 **before PacifiCorp will enter a power purchase**
 14 **agreement?**
 15 **A. Correct. It is one of the -- one of the**
 16 **documents or evidence that we require to enter into**
 17 **the power purchase agreement.**
 18 **Q. And then a generating entity may not be**
 19 **generating electricity from a renewable source, but**
 20 **it could be deemed a qualifying facility and enter a**
 21 **power purchase agreement with PacifiCorp?**
 22 **A. Yes. It has -- Under -- Under FERC's**
 23 **rules, it has to show -- It's kind of what -- It**
 24 **determines how much thermal and electrical energy**
 25 **are being produced, and it has a ratio that you have**

<p style="text-align: right;">38</p> <p>1 to meet in order for it to be viewed as a QF. 2 That's -- That's not the normal ones that we see. 3 It was back in the early '80s, but it's not 4 something that's typically -- that we typically see 5 as QFs nowadays. 6 Q. And when you're talking about QFs, those 7 are the only entities to which PacifiCorp has PURPA 8 obligation? 9 A. Correct. 10 Q. So, then, can you tell me a little bit 11 about what you would require of an entity to which 12 PacifiCorp had no PURPA obligation, to enter a power 13 purchase agreement with a non-QF? 14 A. Sure. Those would be what we would view 15 as bilateral negotiated agreements, and it simply 16 means that we have negotiated an agreement to buy 17 the power based on it being favorable to our 18 customers; otherwise, we wouldn't enter into any 19 sort of transaction. 20 We generally -- Because of the additional 21 scrutiny that we would get by doing a bilateral 22 deal, we generally do those through a request for 23 proposal process. So we would -- if we're looking 24 to acquire power on a non-QF basis, we generally 25 issue a request for proposal and -- with all of the</p>	<p style="text-align: right;">40</p> <p>1 lot of those, and they were done way back in the 2 '80s and '90s and they're really small projects. 3 And standard just allowed them to get the power 4 purchase agreement in place without having to spend 5 a lot of money on legal, engineering, those kinds of 6 -- and viewing that those folks were not as 7 sophisticated or had those kind of resources 8 available, they said, "Well, just have standard 9 prices for those projects and provide a simplified 10 contract." They're not very big; they don't have 11 the expertise to negotiate with the big utilities. 12 So that was done. Over time, that -- depending on 13 the state, that side -- and then they put on cap on 14 how big the project could be. 15 Q. That's the very beginning? 16 A. Yeah, at the very beginning. And it was 17 back -- it was like 100 kW. That was the federal 18 kind of look-see what it should be. Over time, that 19 evolved to nowadays some states -- Oregon, for 20 example, it can be 10,000 kW. 21 So those are -- those kind of projects are 22 multi-million dollar projects, those people who are 23 developing those projects are much more 24 sophisticated; but they know they can get a price 25 that's posted there, they know they don't have to go</p>
<p style="text-align: right;">39</p> <p>1 specs that we're looking for from those resources. 2 We take them through due diligence, we take them 3 through an economic evaluation, we look at them from 4 a regulatory perspective; and then if there's one 5 that looks like it is superior value, can reduce the 6 cost of the rates of our customers, then we would 7 proceed with -- with doing that. 8 Q. Then I want to go back a little bit to you 9 talked about a QF may have a power purchase 10 agreement with standard pricing or with non-standard 11 pricing. 12 Why would -- Why would there be -- Why 13 would you go with one option rather than the other? 14 Or why would the entity go with one option rather 15 than with the other? 16 A. So the reason that PURPA put in place 17 standard and non-standard was they looked at the 18 standard as being really focused on the mom-and-pop 19 type developers, the ones who don't have the 20 engineering, the financial resources, the legal 21 resources, to put a project in. And back in the 22 beginning -- beginnings in the '80s and like that, 23 it was the folks who put in little hydro projects on 24 a creek that was running through their property. 25 That's just an example. And we -- PacifiCorp has a</p>	<p style="text-align: right;">41</p> <p>1 through negotiations. So they -- it's an easier 2 route for them to undertake. 3 (Sotto voce remarks.) 4 Q. BY MS. HEALY GALLAGHER: So you said that 5 Utah -- what was the upper limit for standard 6 pricing? 7 A. The upper limit is 3000 kW for a -- for 8 renewable projects. That would include wind, solar. 9 If it's like a baseload type project, like hydro and 10 some of those, it's like 1000 kilowatts. So for 11 solar, wind, those are at 3000. 12 Q. Anything -- Anything above that in Utah 13 would be non-standard pricing? 14 A. Correct. 15 Q. And just for the sake of the record: 3000 16 kilowatts is how many megawatts? 17 A. Three. 18 Q. Is there any way for a project that is 19 above 3000 kilowatts to opt for standard pricing? 20 A. No. There's no option for them to get 21 standard pricing if that single project is greater 22 than 3000 kilowatts. We have had situations where 23 somebody will take a really large project and break 24 it up into multiple 3000 kW projects as an example. 25 They have to meet certain requirements about</p>

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1 distance apart and all of that, but we have had that
2 situation.

3 (Sotto voce remarks.)

4 Q. BY MS. HEALY GALLAGHER: Just really
5 quickly, Mr. Griswold: Do you happen to know what
6 the acronym is for PURPA?

7 A. Public -- Public utility reform.

8 Q. Or, actually, how about can you just spell
9 out the acronym that you're using?

10 A. Oh, it's P-U-R-P-A. I always -- I always
11 have to go look it up. I'm sorry.

12 Q. No problem. Oh, and you mentioned that
13 the longest -- the longest time that you've seen to
14 go from interest in a PPA to an entity being deemed
15 commercial was about three, three and a half years?

16 A. Yes. That's -- That's about the range
17 that -- yeah, for longest, yeah.

18 Q. What's the shortest that you've ever seen?

19 A. Two years, somewhere in that range. I
20 think a lot of it is -- relates -- getting the power
21 purchase agreement negotiated is usually a small
22 slice of the overall time required. I mean, the
23 interconnection takes longer because there's a lot
24 more studies that go on to look at the physical
25 electrical system there. Things have to be

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1 constructed. So the power purchase agreement in
2 itself is a shorter time frame.

3 Q. And with that -- forgive me for reviewing
4 ground, but...

5 So you mentioned that often facilities use
6 a PPA as a way to get financing for construction;
7 but, also, in order to enter a PPA, an entity has to
8 show that there is an interconnection agreement in
9 place or that there is one being negotiated.

10 So how does that work? Like would an
11 entity reach out for an interconnection first and
12 then seek a PPA?

13 A. We encourage them to do that, only because
14 the interconnection process is generally longer in
15 duration than the negotiation of the power purchase
16 agreement. So if a project approaches us about
17 being a qualifying facility, we encourage them at
18 that first contact to contact PacifiCorp
19 Transmission about the interconnection -- just
20 because, the way our system is set up, you don't
21 know if you're interconnecting into an area that may
22 need a lot of work done. You know, it may have, you
23 know, a whole sort of litany of things that may be
24 going on physically and electrically that would make
25 the PPA unfeasible for them. So we do encourage

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1 them to go -- Likewise, a lot of them will contact
2 PacifiCorp Transmission for an interconnection, and
3 they're bounced also over to us to have discussions
4 with them about the power purchase agreement.

5 Q. And the interconnection agreement, just to
6 your knowledge, has to do with the actual physical
7 connection between a facility and the utility that
8 will receive the power that's generated?

9 A. Correct.

10 Q. So Rocky Mountain Power has a facility in
11 Millard County, Utah; correct?

12 A. Without looking at a list, I couldn't tell
13 you; but I'll accept that they do.

14 Q. Sure.

15 A. We have -- Just so you know: We have
16 almost 200 qualifying facilities, and we've had a
17 whole bunch of ones recently built in Utah; so I'll
18 -- I would accept it.

19 Q. Okay. Let me ask you this: Rocky
20 Mountain -- Okay. Rocky Mountain Power -- Do you
21 know if there are utility companies operating in
22 Millard County, Utah, other than Rocky Mountain
23 Power?

24 A. I don't know the answer to that one.

25 Q. If there were another utility company

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1 operating in the same geographical area, an entity
2 that wanted to hook into the grid could get an
3 interconnection agreement with that other utility,
4 in theory; right?

5 A. In theory, yes.

6 Q. Right. But if they wanted a power
7 purchase agreement with PacifiCorp, they would have
8 to show evidence of that interconnection agreement;
9 correct?

10 A. Yes, with the caveat that they also have
11 to show that -- because it's my understanding of
12 what you asked me is that they are interconnecting
13 with the other utility. They still have to get the
14 power to Rocky Mountain Power.

15 So this goes back to that point earlier
16 where they have to go buy transmission from whoever
17 owns the transmission between the interconnection
18 point and PacifiCorp, to buy transmission service to
19 move the power here. Once it's on the PacifiCorp
20 system, then we would buy the power from them
21 through a power purchase agreement. So a project in
22 your example would have to demonstrate not only an
23 interconnection agreement but a transmission service
24 agreement to our system.

25 (Sotto voce remarks.)

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<p>1 Q. BY MS. HEALY GALLAGHER: All right. Does 2 PacifiCorp have power purchase agreements with 3 facilities that operate in Millard County, Utah? 4 A. It's -- It's possible. I wouldn't know 5 unless I looked at the list of all of the ones in 6 Utah. As I mentioned earlier, I don't necessarily 7 track them by the county they're in. I know their 8 names, but I -- I don't -- I don't necessarily look 9 at the county. 10 Q. Okay. Would you please take a look at 11 plaintiff's Exhibit 193. 12 In the list of topics for examination, 13 paragraph 7 -- 14 A. Um-hum. I see it. 15 Q. Okay. So among the topics requested in 16 paragraph 7 is information about power purchase 17 agreements that PacifiCorp has or had with respect 18 to any qualifying facility, related to a list of 19 folks there, people and entities. 20 Do you see that? 21 A. Yeah, I do. 22 Q. So do you know, does PacifiCorp have a 23 power purchase agreement with an entity named 24 Rapower-3 LLC? 25 A. Not to my knowledge, no.</p>	<p>1 agreement with Roger Freeborn? 2 A. No. 3 Q. Does PacifiCorp have a power purchase 4 agreement with an entity named Cobblestone Center 5 LLC? 6 A. No. 7 Q. Does PacifiCorp have a power purchase 8 agreement with any of the remaining entities in 9 paragraph 7 of plaintiff's Exhibit 193? 10 A. No. 11 Q. To your knowledge, have any of these 12 people or entities reached out to PacifiCorp for 13 interest in entering a power purchase agreement? 14 A. No, not to my knowledge. 15 MS. HEALY GALLAGHER: Go off the record 16 for a moment. 17 (Off the record.) 18 Q. BY MS. HEALY GALLAGHER: Okay. We're back 19 on the record after a quick break. 20 Mr. Griswold, we used the acronym FERC 21 earlier in the deposition. 22 A. Um-hum. 23 Q. What is -- Can you give me the actual 24 words for the acronym? 25 A. It's Federal Energy Regulatory Commission.</p>
47	49
<p>1 Q. So PacifiCorp does not have a PPA? 2 A. No. 3 Q. Does PacifiCorp have a PPA with 4 International Automated Systems Inc.? 5 A. No. 6 Q. Does PacifiCorp have a PPA with an entity 7 called LTB1 LLC? 8 A. No. 9 Q. Does PacifiCorp have a PPA with an entity 10 -- bear with me -- called DCL16BLT Inc.? 11 A. No. 12 Q. Does PacifiCorp have a PPA with -- Well, 13 let me ask this: Does PacifiCorp enter PPAs with 14 individuals or with business entities? 15 A. We enter them with both. Generally, the 16 bulk of them are business entities -- project LLCs, 17 for example, project entities. That's the -- 85, 90 18 percent are that, yes. 19 Q. So then does PacifiCorp have a power 20 purchase agreement with R. Gregory Shepard? 21 A. No. 22 Q. Does PacifiCorp have a power purchase 23 agreement with Neldon Johnson? 24 A. No. 25 Q. Does PacifiCorp have a power purchase</p>	<p>1 MS. HEALY GALLAGHER: And with that, I 2 believe that's all the questions I have for you on 3 the topics that you've been designated for. 4 Thank you very much for your time? 5 THE WITNESS: You're welcome. 6 MS. HEALY GALLAGHER: So we can go off 7 again and make the change -- Oh, I'm sorry. So 8 sorry. 9 We'll go back on the record. I pass the 10 witness. 11 MR. AUSTIN: Yeah, I have just a couple 12 follow-ups. 13 EXAMINATION 14 BY MR. AUSTIN: 15 Q. Can you tell me what you did in 16 preparation for answering the items identified in 17 the subpoena that was served upon PacifiCorp? 18 MR. REICH: I'm going to object to the 19 extent it calls for conversations that you had with 20 your counsel. 21 Q. BY MR. AUSTIN: And I don't want to know 22 -- I don't want to know what you talked to your 23 lawyer about. It's probably boring anyway. 24 MR. REICH: It was. 25 Q. BY MR. AUSTIN: But what I'm most</p>

50	<p>1 interested in discerning is: In terms of your 2 answers regarding any -- well, your response in 3 paragraph 7, interconnection agreement or power 4 purchase agreement or transmission service 5 agreement, can you tell me how you determined 6 whether or not any of those documents or related 7 documents exist within the company? 8 A. Yes. We -- For any of the ones that 9 merchant would have available to them, we searched 10 our records of documents, hard copies, electronic. 11 Q. Do you have a system that enables you to 12 easily do that? 13 A. I wouldn't say "easily"; but we have a 14 system, yes. 15 Q. Okay. And in this case -- and I don't 16 want -- you know, it doesn't have to be detailed, 17 unless it turns out it's material; but can you tell 18 me just what that entailed on your end? Were you 19 the one who personally reviewed records? 20 A. I searched my own personal -- not my 21 personal, but the company, where we had files on any 22 of the QFs' projects that we dealt with. We also 23 went through our contracts file or system, which 24 would detail any contracts that had been executed 25 between any counterparties with PacifiCorp. We -- I</p>	52	<p>1 sources that they can get financing based on. 2 Q. Okay. And the transition agreement, is 3 that typically negotiated or entered into after the 4 facility is operational? 5 A. No. It's -- The transmission service 6 agreement is between the merchant's business and 7 PacifiCorp Transmission. We, the merchant, puts in 8 a request to PacifiCorp Transmission at the time the 9 contract, the PPA, is executed. We're not allowed 10 to do it before; but once the contract is executed, 11 then we would request that the project be deemed a 12 network resource so we can use our network 13 transmission service agreement to supply that power 14 to our retail customers. 15 Q. Okay. So if there's no PPA, then there's 16 no need for a transmission agreement; or, as a 17 matter of protocol, the transmission agreement would 18 come after the PPA. Is that fair? 19 A. The transmission service agreement, you're 20 correct on that, yes, it would -- if there's no PPA, 21 then there would be no transmission service 22 agreement. 23 Q. And if I -- Help me understand how a PPA 24 is negotiated with an entity generating renewable 25 energy that is -- Well, let me rephrase it.</p>
51	<p>1 mean, I looked back through my log of phone calls 2 and stuff that I have available. That was probably 3 the -- it kind of covered the universe of what we 4 did. 5 Q. Okay. Is it your testimony that 6 PacifiCorp or its related entities have never had 7 any contact with any of the entities or individuals 8 identified in paragraph 7 of the subpoena? 9 A. Not to my knowledge; none that I could 10 find within any of my records. 11 Now, does that mean that they didn't have 12 a call in to our company at someplace, a touch 13 point? I don't know the answer to that. I do know 14 that they never talked to me. 15 Q. With regard to the types of agreements 16 identified in paragraph 7, I think you told 17 Ms. Healy Gallagher that, typically, before a power 18 generating facility is constructed, those agreements 19 would be negotiated and in place so that financing 20 could be obtained. 21 Did I get that right? 22 A. Yes, the power purchase agreement. I 23 can't speak for the interconnection agreement, but 24 the power purchase agreement is used by the 25 developer as one of the -- one of the revenue</p>	53	<p>1 What information would PacifiCorp need to 2 have from an entity seeking to enter into a PPA in 3 order to negotiate that PPA? Does that make sense? 4 A. It makes sense. If it's a qualifying 5 facility, there is posted on PacifiCorp's website 6 Rocky -- I'll use Rocky Mountain Power Utah as an 7 example. There is a rate schedule 37 for standard 8 and a rate schedule 38 for non-standard. Within 9 that is a whole process with a list of items -- 10 there's about a dozen, eleven to a dozen items in 11 there -- that the developer or the QF would need to 12 provide to the company in order to begin the process 13 of preparing a standard agreement or negotiating a 14 non-standard agreement. 15 Q. I mean, wouldn't part of the information 16 that would be necessary in terms of finalizing a PPA 17 be some quantification of the amount of power to be 18 generated? 19 A. Yes. 20 Q. And if that's an unknown, is there really 21 any way to negotiate a PPA prior to having at least 22 some quantification of what's expected? 23 A. If I understand your question right, it's 24 how can they ask for a PPA if they don't know the 25 amount of energy they're going to generate. Is that</p>

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1 what you're asking?
 2 Q. Yeah.
 3 **A. Most -- So I think the answer is: No,**
 4 **that the QF generally has at their disposal methods**
 5 **to determine -- to estimate the amount of power that**
 6 **would be produced by their technology. For example,**
 7 **wind farms will put up met towers, meteorological**
 8 **towers, which captures the wind speed at different**
 9 **heights. They can then plug into the curve of what**
 10 **the turbine is expected to produce at different wind**
 11 **speeds and tell us how much -- and if they have the**
 12 **number of turbines, they can tell us about what**
 13 **they're going to generate. It's going to vary.**
 14 **Solar. There are modeling systems which**
 15 **are based on the solar radiation in an area, that**
 16 **has been collected over the years, that will turn**
 17 **out the expected output based on the panels that**
 18 **they're expecting and inverters they're expecting to**
 19 **use. So they can provide us an estimate.**
 20 Q. Yeah. I mean, if it's existing technology
 21 or technology with known variables that have been
 22 previously quantified. I presume that that's what
 23 you've just described, a method whereby you can
 24 determine roughly how much energy you think you can
 25 produce based on the size of the facility and the

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1 type of renewable resource. Is that fair?
 2 **A. Yes.**
 3 Q. Okay. But if technology's continuing to
 4 be developed and to the extent that it's innovative
 5 or new technology, there may not be a database of
 6 existing information that would permit a facility to
 7 precisely estimate the amount of power that they're
 8 going to produce. Is that fair?
 9 **A. From my experience, that may be fair. I'm**
 10 **not sure. You know, certainly from a project trying**
 11 **to come to seek a PPA, it's on the developer's --**
 12 **it's the developer's responsibility to provide us an**
 13 **expected output of the project.**
 14 Q. I mean, you wouldn't expect them to come
 15 to you until they had a very good idea of what that
 16 likely would be. Is that fair?
 17 **A. We've done ones before where they've --**
 18 **they've had a range of output and, as we've**
 19 **progressed through the PPA, they've gotten to a**
 20 **point where they are more certain around what their**
 21 **output is.**
 22 **But I would agree with you that a**
 23 **developer should have in hand a good idea of what**
 24 **their technology can do for a PPA, recognizing from**
 25 **-- A PPA is a contract; so once they put that in the**

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1 **contract, there are requirements around that.**
 2 Q. Yeah. I mean, if I came to you and said,
 3 "Hey, I've got a really great idea for a renewable
 4 source of energy. I'd really like to get a PPA from
 5 you, to get ahead of the game and in order to get
 6 investor money. I don't really know what I think it
 7 actually will do, but it could be a lot," would you
 8 negotiate a PPA with me?
 9 **A. No. I would suggest they find somebody to**
 10 **help them determine what their idea was.**
 11 Q. Okay. And if I didn't have investors from
 12 whom I was going to rely on -- Well, let me
 13 rephrase.
 14 The process you've described whereby a PPA
 15 is entered into for the purpose of raising capital
 16 before a facility's even built, in the absence of
 17 the need for a PPA to raise capital, you wouldn't
 18 expect someone to come to you to get a PPA in
 19 advance of constructing a facility. Is that fair?
 20 MS. HEALY GALLAGHER: I have to object to
 21 form on that.
 22 THE WITNESS: Could you reask it, ask that
 23 question again --
 24 MR. AUSTIN: Yeah.
 25 THE WITNESS: -- because I didn't quite

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1 gather what you were asking.
 2 MR. AUSTIN: No, yeah. It made sense in
 3 my own mind, but that's not usually a good indicator
 4 of whether or not it actually made sense.
 5 Q. BY MR. AUSTIN: I guess what I'm getting
 6 at is: You told Ms. Gallagher that, typically,
 7 entities will come and negotiate a PPA before they
 8 build a facility.
 9 Did I get that right?
 10 **A. Yes.**
 11 Q. Okay. And I think I heard you say that,
 12 based on your knowledge, experience, and time in the
 13 industry, that's because there is a value in having
 14 a PPA already negotiated, in that it can be a means
 15 for raising -- or it can assist the applicant in
 16 raising capital to build a facility.
 17 Did I get that right?
 18 **A. Yes. Yes.**
 19 Q. Okay. And if I was independently wealthy
 20 and I didn't need to raise capital, there would be
 21 no reason why I couldn't wait until the facility was
 22 constructed to come negotiate a PPA with PacifiCorp.
 23 Is that fair?
 24 **A. That's fair.**
 25 Q. How long does that process take,

58	<p>1 typically, negotiating a PPA from the time someone 2 comes to you and says, "I want to sell you power," 3 to the time that they can actually do that? 4 A. From the -- 5 MS. HEALY GALLAGHER: I object. I mean, 6 this was covered thoroughly on direct, but... 7 MR. AUSTIN: Well, I'm -- not by me. 8 THE WITNESS: From the time that we have 9 the first touch from the developer until execution 10 of a PPA for a standard, which we've defined based 11 on smaller projects, those generally are four to six 12 months. 13 Q. BY MR. AUSTIN: Okay. And I think you 14 testified that -- Do you know what percentage of the 15 market PacifiCorp and its subsidiaries have in terms 16 of power transmission in the state of Utah? 17 A. I don't. 18 Q. Do you have any clue? 19 A. I don't. 20 Q. Can you name other entities that are 21 competitors of yours in terms of generation and 22 transmission of power? 23 MR. REICH: Objection. Vague. 24 THE WITNESS: As far as competitors, I 25 mean, any -- any independent power producer who's</p>	60	<p>1 what the developer's overall strategy is. 2 We're -- We're available to buy power. We 3 have an obligation under PURPA to do that. If 4 somebody came to us and said, "We'd like you to buy 5 the output from our project," we'll always look and 6 have a discussion with the developer. But if it's a 7 project that is costly to our customers, we have no 8 obligation to enter. So it's really where the -- 9 where the project's going. 10 Q. BY MR. AUSTIN: I guess what I'm trying to 11 figure out, and I'm just relying on your knowledge 12 with regard to the things that you've testified thus 13 far: Are you aware of large-scale power production 14 facilities in the state of Utah that don't sell 15 their output to PacifiCorp? 16 A. Yes. 17 Q. Who? Give me -- Give me some examples, if 18 you could. 19 A. There's a couple of large wind farms down 20 in southern Utah that sell to utilities in 21 California. 22 Q. And so that transmission goes all the way 23 from Utah to California or through -- 24 A. That's my understanding, yes. 25 Q. Okay. And just so I understand: I</p>
59	<p>1 generating, who wants to build a project, is an 2 entity that's out there. Whether they're a 3 competitor or not is not -- I mean, we -- PacifiCorp 4 serves retail customers' load. A competitor to the 5 utility is somebody who's going to try to serve your 6 customers directly, and there's not a lot of options 7 under the current regulatory framework for that to 8 happen. 9 Q. BY MR. AUSTIN: Okay. And so I -- And I 10 think that's sort of what I'm getting at. 11 If I -- If I want to earn a profit by 12 constructing and operating a power generation 13 facility and I want to sell power, essentially, that 14 I generate from that facility, I'm going to come to 15 PacifiCorp, right, in Utah? 16 A. Not necessarily. There are -- You could 17 sell it to entities outside of Utah. You could buy 18 transmission and move it. We are a large presence 19 in Utah and certainly would be one party that 20 project would come to in Utah. 21 Q. Okay. Would there be any point in 22 building a power generation facility in Utah without 23 having plans for selling that power to PacifiCorp? 24 MS. HEALY GALLAGHER: Object to the form. 25 THE WITNESS: It's really dependent upon</p>	61	<p>1 presume there's not one -- there's not power lines 2 running from directly from this power facility to 3 California. It's delivered through a series of -- 4 Well, you tell me how you understand how it's 5 delivered. 6 A. I don't know all of the transmission 7 arrangements, but the power is moved to California. 8 Q. I mean, there's a national grid, is there 9 not? 10 A. There's an electrical grid across the 11 U.S., but it's not always connected across the U.S. 12 Q. Okay. Is it unusual for consumers in one 13 state to purchase power generated in another state? 14 A. Yes. I mean, it's -- as long as you can 15 move the power from one point to another, then -- 16 then it's -- it can be done. 17 Q. I mean, if I built a power generation 18 facility, conceivably there are lots and lots and 19 lots of potential purchasers of that power that I'm 20 producing. Is that fair? 21 A. That's fair. 22 Q. And it's not limited to, you know, the 23 major provider of power to consumers in any 24 particular state. Is that fair? 25 MS. HEALY GALLAGHER: Object to form.</p>

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1 THE WITNESS: I don't know the answer to
 2 that. My -- My observation would be based on where
 3 it was located, but I couldn't tell you.
 4 Q. BY MR. AUSTIN: I mean, if you've got a
 5 power plant in southern Utah that's delivering power
 6 all the way to California, there must -- I presume
 7 there's some kind of network of transmission lines
 8 that make that possible.
 9 Is that your understanding?
 10 **A. Yes.**
 11 MS. HEALY GALLAGHER: Object to form.
 12 THE WITNESS: I mean, I have to believe
 13 that there's an agreement between the utility and
 14 that farm, wind farm, in Utah, and there's a
 15 transmission path for them to get it there, and it's
 16 acceptable to the utility in California.
 17 Q. BY MR. AUSTIN: Is all the power delivered
 18 by PacifiCorp in the state of Utah generated in the
 19 state of Utah?
 20 **A. No.**
 21 Q. Do you know what percentage of it is?
 22 **A. I don't.**
 23 Q. Do you know where the primary power
 24 generation facilities for PacifiCorp are?
 25 **A. I know geographically where the bulk of**

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1 **our generation is located.**
 2 Q. And where is that?
 3 **A. Well, we have coal plants in Utah and**
 4 **Wyoming. We have solar in Utah. We have wind in**
 5 **Wyoming, wind in Oregon, Washington; hydro in**
 6 **Washington, Oregon, some hydro in Utah. So it's --**
 7 **it's scattered across our six states.**
 8 Q. And in terms of how that those power
 9 generating facilities direct their output, isn't
 10 that controlled by needs in any particular
 11 geographical region?
 12 MR. REICH: I'm going to object to this
 13 whole line. I mean, all of this is outside the
 14 scope of the 30(b)(6) topics, so I don't know...
 15 MR. AUSTIN: Well, this is -- this is my
 16 examination. I mean, I --
 17 MR. REICH: I know, but he's here as a
 18 corporate representative on these specific topics.
 19 He's not here to testify about all of Rocky Mountain
 20 Power's operations.
 21 MR. AUSTIN: Well, I think it's relevant
 22 to the extent, Counsel, that the testimony has been
 23 -- he's given testimony regarding the process for
 24 entering into a PPA.
 25 MR. REICH: Correct.

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1 MR. AUSTIN: And he's answered questions
 2 regarding the circumstances under which PPAs are
 3 entered into.
 4 MR. REICH: Correct.
 5 MR. AUSTIN: And he's answered questions
 6 regarding the reasons why companies enter into PPAs.
 7 And what I'm trying to establish is that
 8 there may be -- there may be reasons why companies
 9 do enter in PPAs with PacifiCorp, but there may also
 10 be reasons why a power generator in the state of
 11 Utah may not enter into a PPA with PacifiCorp.
 12 MR. REICH: Yeah, I don't see -- I don't
 13 see how that relates to Rocky Mountain Power's
 14 generations throughout the system or anything else,
 15 so...
 16 MR. AUSTIN: Well, because I think my
 17 point is that if you have a system whereby power can
 18 be delivered from a power generation facility in one
 19 geographic location to another geographic location,
 20 then a power producer is not necessarily restricted
 21 to negotiating a deal with PacifiCorp in deciding
 22 whether or not it's economically feasible to create
 23 a power generation facility in the state of Utah.
 24 MS. HEALY GALLAGHER: Could we go off the
 25 record for a moment.

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1 THE REPORTER: Is that agreed?
 2 MR. AUSTIN: Yeah.
 3 MR. REICH: Yeah.
 4 (Off the record.)
 5 Q. BY MR. AUSTIN: All right. We've just had
 6 a conversation off the regarding your testimony here
 7 today.
 8 Maybe I can just wrap it up this way: Is
 9 it fair to say that the fact that someone who is
 10 interested in building a power production facility
 11 has not come to PacifiCorp to negotiate a power
 12 purchase agreement, does not mean that it's not a
 13 legitimate project?
 14 MS. HEALY GALLAGHER: I'm going to object
 15 to form. Hypothetical.
 16 THE WITNESS: I can't -- I guess I
 17 couldn't answer that. I can't speak to the project.
 18 Q. BY MR. AUSTIN: Okay. Is it fair to say
 19 that -- that although many people come to
 20 PacifiCorp, in advance of constructing a project, to
 21 get a PPA, there may be many reasons, business and
 22 otherwise, why that may not be done?
 23 **A. Yes. I would agree with that.**
 24 MR. AUSTIN: Okay. That's all that I
 25 have. Thanks.

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1 MS. HEALY GALLAGHER: Do you have any
2 questions --
3 MR. REICH: No questions.
4 MS. HEALY GALLAGHER: -- of this witness?
5 All right. I have no further questions of
6 this witness.
7 Thank you very much, Mr. Griswold.
8 MR. AUSTIN: Oh, I do have one more
9 question. Sorry. I apologize. I'm just trying to
10 figure out how to phrase this without getting into a
11 whole new thing.
12 Has PacifiCorp, in the past, had people
13 come to negotiate PPAs and advised those applicants
14 that more information is required before a PPA can
15 be negotiated?
16 **A. Yes.**
17 Q. Okay. And PacifiCorp's always willing to
18 negotiate a PPA with an appropriate entity once they
19 can provide the information that PacifiCorp requires
20 in order to do that?
21 **A. Yes, with the caveat that if it's a QF, we**
22 **have an obligation. If it's somebody who's just**
23 **wanting to negotiate a power purchase agreement, not**
24 **necessarily.**
25 Q. Okay. And sometimes you don't enter into

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1 -- PacifiCorp does not enter into agreements with
2 people that it's not obligated to enter into
3 agreements with, notwithstanding the fact that they
4 have some power to sell?
5 **A. Correct.**
6 MR. AUSTIN: Okay. That's all that I
7 have. Thank you.
8 MR. REICH: No questions.
9 MS. HEALY GALLAGHER: No questions.
10 (TIME NOTED: 11:25 A.M.)
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1 KRISTOPHER BREMER,
2 called as a witness, being duly sworn on oath, was
3 examined and did testify as follows:
4 EXAMINATION
5 BY MS. HEALY GALLAGHER:
6 Q. Hello, Mr. Bremer. I introduced myself a
7 moment ago; but, again, my name is Erin Healy
8 Gallagher and I am representing the United States in
9 the captioned matter.
10 If you would please take a look --
11 Actually, first why don't you go ahead and please
12 say and spell your name for the record.
13 **A. Yeah. Kris Bremer. It's K-R-I-S,**
14 **B-R-E-M-E-R.**
15 Q. And would you please give the city and
16 state of your home address.
17 **A. Portland, Oregon.**
18 Q. And the city and state of your work
19 address?
20 **A. Also Portland, Oregon.**
21 Q. Would you please take a look at what's
22 been marked plaintiff's Exhibit 193 that's right
23 next to you there.
24 Do you recognize plaintiff's Exhibit 193?
25 **A. I do.**

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1 Q. All right. And you've been designated by
2 PacifiCorp to provide testimony on its behalf;
3 correct?
4 **A. Yes.**
5 Q. And what's your understanding of what
6 you're here to testify about?
7 **A. Discuss the generation interconnection**
8 **related questions in this document.**
9 Q. Okay. We're going to go over just a
10 couple of ground rules for the deposition itself
11 here.
12 So I will ask questions, and you will
13 provide answers on behalf of PacifiCorp. The
14 questions and answers will be recorded by the court
15 reporter. So you've done a good job of this so far,
16 but if you would please provide verbal answers
17 rather than a nod or a shaking of the head, uh-huh,
18 huh-uh, things like that.
19 **A. Understood.**
20 Q. And you've also been doing well with this,
21 but if you could just wait until I finish asking the
22 question before you start answering it, because she
23 can't take down two people, typing, at once.
24 **A. Okay.**
25 Q. If you don't understand a question that I

70	<p>1 ask, for any reason, will you let me know?</p> <p>2 A. Yes.</p> <p>3 Q. If there are any objections today by any</p> <p>4 attorneys, you can go ahead and answer the question</p> <p>5 that I asked, unless your attorney instructs you not</p> <p>6 to answer to protect a privilege.</p> <p>7 Do you understand that?</p> <p>8 A. I do.</p> <p>9 Q. If you answer a question and give a full</p> <p>10 and complete answer but then later on remember some</p> <p>11 additional information or supplemental information</p> <p>12 or something that changes anything about a prior</p> <p>13 answer, that's no problem; you can just let me know</p> <p>14 that when it occurs to you that there may be</p> <p>15 something additional or different, and we can go</p> <p>16 ahead and correct the record.</p> <p>17 Will you do that?</p> <p>18 A. Yeah.</p> <p>19 Q. Yes?</p> <p>20 A. Yes.</p> <p>21 Q. If, when you're answering a question, you</p> <p>22 think there might be a document out there somewhere</p> <p>23 that helps supplement your answer or provide</p> <p>24 clarity, will you let me know, and we'll see if we</p> <p>25 have it here?</p>	72	<p>1 Can you give me a general overview of the</p> <p>2 time that you've been working for PacifiCorp and</p> <p>3 what you've done?</p> <p>4 A. Sure. Yes. So I started with PacifiCorp</p> <p>5 in around 2001 on the T&D operations organization.</p> <p>6 I was there for a number of years. Moved on to its</p> <p>7 asset management organization, worked there for a</p> <p>8 few years.</p> <p>9 What is probably more relevant to today's</p> <p>10 discussion is my time at PacifiCorp Transmission,</p> <p>11 which I believe started in 2013. And, specifically,</p> <p>12 my current role is generation interconnection</p> <p>13 manager, which started in 2014.</p> <p>14 Q. And tell me about your role as generation</p> <p>15 interconnection manager. What does that mean?</p> <p>16 A. Ultimately, it means I'm responsible for</p> <p>17 the employees in my group, two project managers. We</p> <p>18 administer the applications that we receive for --</p> <p>19 from energy developers to interconnect generation</p> <p>20 projects to PacifiCorp's grid. We're mainly in</p> <p>21 charge of the administration -- administrative side</p> <p>22 of that, so we're in charge of the process.</p> <p>23 Q. We heard testimony earlier from</p> <p>24 Mr. Griswold about just kind of the interplay of</p> <p>25 agreements that an entity would have to enter with</p>
71	<p>1 A. I will.</p> <p>2 Q. Okay. Is there anything today that would</p> <p>3 prevent you from understanding and answering my</p> <p>4 questions to the full capacity of your recollection</p> <p>5 and cognition?</p> <p>6 A. No.</p> <p>7 Q. Are you taking any medications or drugs</p> <p>8 that might interfere with your memory?</p> <p>9 A. No.</p> <p>10 MS. HEALY GALLAGHER: Would you please</p> <p>11 mark plaintiff's Exhibit 195.</p> <p>12 (Exhibit 195 marked.)</p> <p>13 MS. HEALY GALLAGHER: All right. Thank</p> <p>14 you.</p> <p>15 Q. BY MS. HEALY GALLAGHER: All right.</p> <p>16 Mr. Bremer, I'm handing you what's been marked</p> <p>17 plaintiff's Exhibit 195.</p> <p>18 Do you recognize this exhibit?</p> <p>19 A. Yes, I do.</p> <p>20 Q. What is it?</p> <p>21 A. It's the résumé that I provided as part of</p> <p>22 this deposition.</p> <p>23 Q. And there's a lot of information on here.</p> <p>24 Looks like you've done quite a bit for PacifiCorp in</p> <p>25 particular.</p>	73	<p>1 PacifiCorp to both connect and sell power.</p> <p>2 Can you tell me what your understanding is</p> <p>3 of that relationship from the interconnection</p> <p>4 generation perspective?</p> <p>5 A. Well, from my perspective, all that's</p> <p>6 required is a generation interconnection agreement.</p> <p>7 My -- My business is not concerned with whether --</p> <p>8 who the power is sold to and, frankly, how the power</p> <p>9 is transmission -- transmitted through a</p> <p>10 transmission service agreement. So, really, a</p> <p>11 generation interconnection agreement is what is</p> <p>12 required to complete my process.</p> <p>13 Q. And what -- Can you tell me in lay terms,</p> <p>14 what does a generation interconnection agreement do?</p> <p>15 What does it allow an entity to do?</p> <p>16 A. It allows them to physically connect their</p> <p>17 generating facility to PacifiCorp's electric system.</p> <p>18 Q. If a person or an entity wants to</p> <p>19 physically connect their facility to PacifiCorp's</p> <p>20 system, what do they have to do?</p> <p>21 A. The first step is to submit an application</p> <p>22 along with all of the additional technical</p> <p>23 information and deposits that go along with the type</p> <p>24 of interconnection being requested.</p> <p>25 Q. After the application and all of that</p>

<p style="text-align: right;">74</p> <p>1 material is submitted, what's the next step?</p> <p>2 A. We will schedule what is referred to as an</p> <p>3 initial scoping meeting between the interconnection</p> <p>4 customer and PacifiCorp's engineering staff, along</p> <p>5 with my -- with my group, to discuss the specifics</p> <p>6 of what the customer is proposing.</p> <p>7 Q. And what's the next step?</p> <p>8 A. We will -- The interconnection customer</p> <p>9 has the option to choose which type of study they</p> <p>10 would like us to perform, to do an analysis of what</p> <p>11 it would take to allow interconnection of the</p> <p>12 facility.</p> <p>13 They can choose a feasibility study, which</p> <p>14 is optional, that provides high-level information;</p> <p>15 or they can move directly to a system impact study,</p> <p>16 which provides the specific technical details of</p> <p>17 what would be required to allow interconnection.</p> <p>18 Following that is a facility study in which</p> <p>19 PacifiCorp's project management organization comes</p> <p>20 in and lays out the scope of work and the timing for</p> <p>21 the requirements that were identified in the</p> <p>22 previous study to be performed. And following that</p> <p>23 is the actual execution of an interconnection</p> <p>24 agreement.</p> <p>25 Q. Is the facility study optional?</p>	<p style="text-align: right;">76</p> <p>1 yes.</p> <p>2 Q. Okay. To your knowledge, does this</p> <p>3 brochure accurately reflect the steps?</p> <p>4 A. It does. I'm familiar with it, and it</p> <p>5 does, yes. Sorry.</p> <p>6 Q. Okay. Sorry. Let me just go ahead and</p> <p>7 finish the question. That's all right. We'll just</p> <p>8 get it clear for the record.</p> <p>9 To your knowledge, does plaintiff's</p> <p>10 Exhibit 196 accurately reflect, in simplified terms,</p> <p>11 the procedure for generation interconnection</p> <p>12 agreement?</p> <p>13 A. Yes.</p> <p>14 Q. And, actually, Mr. Bremer, you've been</p> <p>15 designated by PacifiCorp to provide testimony on its</p> <p>16 behalf, correct?</p> <p>17 A. Yes.</p> <p>18 Q. If I ask you a question today and you are</p> <p>19 answering from something other than your own</p> <p>20 personal knowledge of the facts of your job, of your</p> <p>21 experience, will you let me know?</p> <p>22 A. Yes.</p> <p>23 MS. HEALY GALLAGHER: Okay. Next exhibit,</p> <p>24 please.</p> <p>25 (Exhibit 197 marked.)</p>
<p style="text-align: right;">75</p> <p>1 A. No, under most circumstances.</p> <p>2 MS. HEALY GALLAGHER: Okay. This is the</p> <p>3 next exhibit, please.</p> <p>4 (Exhibit 196 marked.)</p> <p>5 Q. BY MS. HEALY GALLAGHER: Mr. Bremer, I'm</p> <p>6 handing you what's been marked plaintiff's</p> <p>7 Exhibit 196.</p> <p>8 Would you take a look at that, please, and</p> <p>9 look at me when you're done.</p> <p>10 A. Okay.</p> <p>11 Q. All right. So plaintiff's Exhibit 196</p> <p>12 appears to be a brochure called "Connecting</p> <p>13 PacifiCorp's Transmission and Distribution System,</p> <p>14 Getting Started." Is that right?</p> <p>15 A. Yes.</p> <p>16 Q. Are you familiar with this brochure?</p> <p>17 A. I am.</p> <p>18 Q. How are you familiar with it?</p> <p>19 A. It's a brochure that we have distributed</p> <p>20 in the past to potential customers.</p> <p>21 Q. And the generation and interconnection</p> <p>22 section, does your group provide input for this</p> <p>23 brochure?</p> <p>24 A. You know, this brochure precedes my time</p> <p>25 in this, in this -- in this role, but I would assume</p>	<p style="text-align: right;">77</p> <p>1 Q. BY MS. HEALY GALLAGHER: Mr. Bremer, I'm</p> <p>2 handing you what's been marked plaintiff's</p> <p>3 Exhibit 197.</p> <p>4 Would you take a look at that, please, and</p> <p>5 let me know when you've had a chance to familiarize</p> <p>6 yourself.</p> <p>7 A. Okay.</p> <p>8 Q. What is plaintiff's Exhibit 197?</p> <p>9 A. It says "transmission service request,</p> <p>10 TSR, process."</p> <p>11 Q. So, correct me if I'm wrong, but it</p> <p>12 appears to me that this sort of flowchart</p> <p>13 identifies, again, the process to enter a generation</p> <p>14 interconnection agreement?</p> <p>15 A. No. This is for transmission service.</p> <p>16 Q. Transmission service. Okay.</p> <p>17 Okay. So when you mentioned that there</p> <p>18 was the option to choose the kind of study that a</p> <p>19 generation interconnection agreement entity might</p> <p>20 want, there was, I believe, a system impact study</p> <p>21 and a feasibility study?</p> <p>22 A. Correct.</p> <p>23 Q. Okay. So that might be also true for</p> <p>24 transmission services?</p> <p>25 A. I don't know --</p>

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1 Q. Fair enough.

2 **A. -- if they have a feasibility study**

3 **option.**

4 Q. Okay. Well, you can put plaintiff's

5 Exhibit 197 aside.

6 If we look back at plaintiff's

7 Exhibit 196 --

8 **A. Yes.**

9 Q. -- do you see on the first page there's a

10 gray box to the far right? It starts with: "To

11 protect the electric reliability and safety of all

12 of our customers, we look at the big picture."

13 Do you see that?

14 **A. I don't. Where are you?**

15 Q. It's to the right on plaintiff's

16 Exhibit 196, this gray box.

17 **A. To the left.**

18 Q. That is to the left, isn't it?

19 **A. Thank you. I'm with you now.**

20 Q. When I'm driving, I point so I don't --

21 **A. Okay. Yes, I see the box you're referring**

22 **to.**

23 Q. Okay. Is that -- Is that gray box, is

24 that -- does that describe the concerns of the

25 generation interconnection group, or is that

79

1 information perhaps from a different group?

2 **A. Well, I mean, yes. I mean, just strictly**

3 **speaking from generation interconnection, the number**

4 **one priority is reliability and safety.**

5 Q. So, for example, if you were evaluating a

6 request for a generation interconnection agreement

7 with a facility, these considerations in this gray

8 box are considerations that would impact your

9 decision on whether to enter that agreement?

10 **A. These would just be requirements. I mean,**

11 **there's really no decision. We would -- We would**

12 **provide the requirements necessary for the customer**

13 **to interconnect.**

14 Q. And the customer would then have to meet

15 those requirements in order for PacifiCorp to enter

16 the agreement?

17 **A. Correct.**

18 Q. And, in fact, in the larger box on the, in

19 fact, right-hand side of the first page of

20 Exhibit 196, there's a subheader there that says:

21 "PacifiCorp's general interconnection requirements."

22 Do you see that?

23 **A. I do.**

24 Q. And then there are a couple of specifics

25 there. It says: "A few of the technical and

80

1 contractual requirements for interconnection of

2 generation to the electrical grid are...."

3 MR. AUSTIN: I'm going to object. This is

4 beyond the scope, but go ahead.

5 Q. BY MS. HEALY GALLAGHER: And the first

6 bullet point says: "You will be required to provide

7 protection and control equipment."

8 What does that mean?

9 **A. Well, I am not a protection and control**

10 **engineer; but, generally, it is the type of**

11 **equipment that monitors the generation facility to**

12 **make sure that it is not impacting the reliability**

13 **of the system.**

14 Q. If an entity proposing an interconnection

15 -- a generation interconnection agreement could not

16 demonstrate that it had protection and control

17 equipment, would PacifiCorp enter a generation

18 interconnection agreement?

19 MR. AUSTIN: Objection. Beyond the scope.

20 THE WITNESS: Well, we would identify what

21 it would have to be in order to enter the

22 interconnection agreement. We would not allow them

23 to generate if they didn't meet the requirements

24 identified in the agreement.

25 Q. BY MS. HEALY GALLAGHER: So are there two

81

1 different things? Is there an interconnection

2 agreement and then a separate generation agreement?

3 **A. No. What I'm saying is: Before anything**

4 **is built, we would say in the agreement, "This is**

5 **what's required." But until that equipment is**

6 **actually installed and functioning, we would not**

7 **allow the generating facility to actually turn on.**

8 Q. Okay. So, then, backing up: Typically,

9 when an entity comes to PacifiCorp seeking a

10 generation interconnection agreement, have they

11 already built the facility?

12 MR. AUSTIN: Objection. Beyond the scope.

13 THE WITNESS: No.

14 Q. BY MS. HEALY GALLAGHER: Never?

15 **A. Not in my experience.**

16 Q. Do you have an idea of why that might be?

17 MR. AUSTIN: Objection. Way beyond the

18 scope. If you're going to turn him into an expert,

19 then I get to depose him as such.

20 Q. BY MS. HEALY GALLAGHER: And if you don't

21 know --

22 **A. Yeah, I can't really answer.**

23 Q. -- that's fine?

24 **A. I don't know why that -- why that would**

25 **be.**

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1 Q. Sure. So then can you explain, please,
 2 the types of things that PacifiCorp requires to
 3 enter a generation interconnection agreement?
 4 MR. AUSTIN: Objection. Beyond the scope.
 5 THE WITNESS: Really, the basics of what
 6 we require are that they've gone through the study
 7 process and have -- can produce site control
 8 documentation that they have some sort of authority
 9 to build their generating facility at the site in
 10 which they say they're going to build it.
 11 Q. BY MS. HEALY GALLAGHER: Can you tell me a
 12 little bit more about the site control documents?
 13 What do you mean by that? What are the types of
 14 document that PacifiCorp requires?
 15 MR. AUSTIN: Objection. Beyond the scope.
 16 THE WITNESS: There are a variety. I am
 17 certainly no expert on property documents, but
 18 things such as leases.
 19 MS. HEALY GALLAGHER: Could we go off the
 20 record for a second?
 21 THE REPORTER: Is that agreed?
 22 MR. AUSTIN: (Nods head.)
 23 MR. REICH: Yes.
 24 (Off the record.)
 25 MS. HEALY GALLAGHER: All right. Back on

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1 the record.
 2 Q. BY MS. HEALY GALLAGHER: So if we could
 3 take a look, please -- Okay. So we were talking
 4 about site control documents.
 5 **A. Yes.**
 6 Q. And I understand you're not an expert in
 7 whether an entity may actually in fact have leases,
 8 permits, things like that; but, in your role, do you
 9 need to see documentation?
 10 MR. AUSTIN: Objection. Foundation.
 11 THE WITNESS: Yes. It's required under
 12 our rules; and when we -- when we receive it, we
 13 forward it to our legal team to review and to tell
 14 us if it's sufficient.
 15 Q. BY MS. HEALY GALLAGHER: So if an entity
 16 seeking a generation interconnection agreement did
 17 not provide you with the kind of site control
 18 documents that PacifiCorp requires, would PacifiCorp
 19 then enter a generation interconnection agreement?
 20 **A. No. The rules do not allow us to do so,**
 21 **although -- one caveat -- I believe our open access**
 22 **transmission tariff does allow, under a small**
 23 **subset, a large cash down payment in lieu of site**
 24 **control, as a temporary way.**
 25 Q. And "a temporary way," what is a temporary

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1 way?
 2 **A. A temporary -- In order for us to execute**
 3 **an interconnection agreement, I believe it's**
 4 **\$250,000; but site control at some point, I believe,**
 5 **still has to be established prior to energization of**
 6 **the facility.**
 7 Q. Okay. So the \$250,000 deposit, is that
 8 basically to like hold the place until they can
 9 prove site control?
 10 **A. Essentially, yes.**
 11 Q. Okay. If you'd take a look, please, at
 12 plaintiff's Exhibit 196, the second page, the gray
 13 section on the right-hand side of the page, under
 14 the header "PacifiCorp's interconnection process."
 15 **A. I see it.**
 16 Q. Would you take a look, please, at that
 17 description. There's eight steps.
 18 **A. Okay.**
 19 Q. To your understanding and experience, are
 20 these eight steps the ones that are required before
 21 PacifiCorp will enter a generation interconnection
 22 agreement?
 23 **A. Well, only up till step 5 is it covering**
 24 **prior to that; but, generally, yes, up till step 5**
 25 **is the general process.**

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1 Q. Fair enough. Okay. If an entity is
 2 interested in getting a generation interconnection
 3 agreement, where can it find information about what
 4 materials it needs to submit to PacifiCorp?
 5 **A. Probably the best resource is our web**
 6 **page. We have a web page that lays out all the**
 7 **different processes for the -- for the different**
 8 **jurisdictional interconnection applications. Also,**
 9 **our open access transmission tariff is posted**
 10 **publicly, that contains information on the process.**
 11 Q. Just generally, what is the open access
 12 transmission tariff?
 13 **A. It's the -- It's the -- I mean, it's the**
 14 **guidelines in which FERC mandates that we conduct**
 15 **business with our transmission system.**
 16 Q. Is there an open access transmission
 17 tariff for PacifiCorp and there might be a different
 18 one for another utility and still a different one
 19 for a third, or is there one that governs
 20 nationwide?
 21 **A. They can -- They can be different. There**
 22 **are certain things that are the same from FERC; but,**
 23 **yes, the different utilities could have different**
 24 **sections of their tariffs, depending on what they've**
 25 **gotten approved by FERC.**

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1 Q. The step 1 in plaintiff's Exhibit 196
 2 mentions a deposit required with an application.
 3 **A. Yes.**
 4 Q. How much is that deposit?
 5 **A. It depends on the type of application. It**
 6 **can vary: For a small generating project, such as a**
 7 **thousand dollars, to ten thousand dollars for larger**
 8 **projects. But PacifiCorp operates in a number of**
 9 **different states, with different jurisdictional**
 10 **rules; so there are a variety of deposit amounts,**
 11 **depending on the type of project being proposed.**
 12 Q. In step 2 it talks about, as you
 13 mentioned, the initial scoping meeting.
 14 What -- What does that involve?
 15 **A. We will schedule a meeting, whether it's a**
 16 **conference call or an in-person meeting, with the**
 17 **interconnection customer and anyone they would like**
 18 **us to include as part of their team. My team -- A**
 19 **project manager for my team will be assigned, who**
 20 **will run that meeting. And we, PacifiCorp, will**
 21 **invite all of the relevant engineering staff,**
 22 **depending on, again, the type of project and where**
 23 **it's located, to be a part of that meeting. And**
 24 **then we will just simply walk through what's being**
 25 **proposed, and our engineering staff will provide**

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1 **some initial feedback as to what they think the**
 2 **likely requirements would be.**
 3 Q. Is that just one meeting and then
 4 everybody goes and does their thing, or are there a
 5 series of meetings?
 6 **A. It's just a single meeting. At the end of**
 7 **it, we will request that the customer choose which**
 8 **type of study they would like us to proceed on.**
 9 Q. And that's either a feasibility study or a
 10 system impact study?
 11 **A. Yes.**
 12 Q. Tell me about the feasibility study.
 13 What's that?
 14 **A. So the feasibility study focuses more on**
 15 **the high-level transmission system impacts that**
 16 **would likely occur with this project. It doesn't**
 17 **get into a detailed scope down at the specific**
 18 **substation or metering level. We provide a more**
 19 **high-level estimate. It's not a detailed scope of**
 20 **work at that point. So it's valuable for customers**
 21 **to get an initial feedback -- I mean an initial**
 22 **study of the general requirements that would be --**
 23 **that would need to be done.**
 24 Q. So when you say "the general requirements
 25 of what would need to be done," what do you mean by

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1 that? Like what is the feasibility that's being
 2 evaluated?
 3 **A. Well, so -- I guess, to provide a little**
 4 **more detail on that, so... And, really, it's a**
 5 **discussion of what the difference between what a**
 6 **feasibility study is and a system impact study.**
 7 **So the feasibility study generally only**
 8 **goes to a couple of the primary engineering groups,**
 9 **our planning organization, which looks at the power**
 10 **flow of the proposed facility and what impact it**
 11 **would have to the larger system. And that's**
 12 **normally where the larger issues, the likely more**
 13 **expensive issues, are identified; whereas a system**
 14 **impact study takes that analysis but then also**
 15 **identifies things such as metering requirements or**
 16 **communications requirements, things like that. So**
 17 **it goes to a larger subset of engineering**
 18 **disciplines, where they develop the specific scope**
 19 **required to allow interconnection, and it provides a**
 20 **more detailed estimate.**
 21 Q. So the feasibility study, is that meant to
 22 provide the applicant with -- I guess I'm still not
 23 understanding.
 24 What information is the feasibility study
 25 meant to provide the applicant?

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1 **A. Again, it's a more high-level look at what**
 2 **the requirements will be. It just doesn't get into**
 3 **the specific details that are identified in the**
 4 **system impact study, and the cost estimate is not as**
 5 **defined. So it gives a range.**
 6 Q. Okay. I guess the requirements for what?
 7 The requirements for PacifiCorp to enter the
 8 agreement?
 9 **A. Of what would be required for the project**
 10 **to interconnect with PacifiCorp.**
 11 Q. Okay. Can you give me an example of what
 12 some of those requirements might be?
 13 **A. Sure. Perhaps a new substation would have**
 14 **to be constructed to allow interconnection of the**
 15 **facility. The difference between the feasibility**
 16 **study and the system impact study is a feasibility**
 17 **study will say: "A new substation would have to be**
 18 **constructed, period." A system impact study would**
 19 **have to say: "Exactly what does that mean in terms**
 20 **of the equipment that would have to be installed?"**
 21 Q. I see. So, then, does the feasibility
 22 study -- it gives the applicant information about
 23 what expenses and effort would be required before
 24 PacifiCorp would enter the generation
 25 interconnection agreement?

90	<p>1 A. Yes. I mean --</p> <p>2 Q. If that's not correct, please let me know.</p> <p>3 A. It's correct. Again, the difference being</p> <p>4 more detail.</p> <p>5 Q. So let's say a feasibility study found</p> <p>6 that a new substation would be necessary.</p> <p>7 A. Okay.</p> <p>8 Q. Who would pay for that new substation?</p> <p>9 A. Well, the interconnection customer, in all</p> <p>10 cases, is required to pay for that up front.</p> <p>11 Q. So the applicant?</p> <p>12 A. The applicant, yes.</p> <p>13 Q. Okay. And you said that a customer can</p> <p>14 choose whether to undertake a feasibility study or</p> <p>15 what -- I'm sorry. And who is it that does the</p> <p>16 feasibility study?</p> <p>17 A. Two questions there.</p> <p>18 So, yes, it is optional. And, again, not</p> <p>19 to speculate on what the customers are thinking, but</p> <p>20 oftentimes it's to determine precisely what it's</p> <p>21 called, a feasibility study.</p> <p>22 If the answer is that it's tremendously</p> <p>23 expensive based on the high-level feedback, then</p> <p>24 perhaps it's not feasible and they don't want to go</p> <p>25 on with a more detailed study.</p>	92	<p>1 maybe \$8,000 to \$10,000 as a general range.</p> <p>2 Q. And about how much -- and a general range</p> <p>3 is fine -- does a system impact study cost?</p> <p>4 A. Yeah. Again, in my experience, maybe</p> <p>5 somewhere between \$15,000 and \$20,000.</p> <p>6 Q. And you also mentioned a facilities study,</p> <p>7 which looks like it's also mentioned in step 4 on</p> <p>8 this exhibit.</p> <p>9 What is a facilities study?</p> <p>10 A. A facilities study is written by</p> <p>11 PacifiCorp's project construction project management</p> <p>12 group. It takes all the requirements that were</p> <p>13 identified in the system impact study and actually</p> <p>14 lays out the scope of work: How are things going to</p> <p>15 get done, who's going to do them, and on what</p> <p>16 schedule.</p> <p>17 So it takes it from "here are the things</p> <p>18 that need to get done," to, "here's how we're going</p> <p>19 to get those things done."</p> <p>20 Q. And forgive me if you included this in</p> <p>21 your answer: PacifiCorp's personnel conducts the</p> <p>22 facilities study?</p> <p>23 A. Correct.</p> <p>24 Q. And who pays for the facilities study?</p> <p>25 A. The interconnection customer.</p>
91	<p>1 So the customer, the applicant, chooses</p> <p>2 which one they would like to do. PacifiCorp</p> <p>3 personnel is performing this study and providing the</p> <p>4 results to the applicant.</p> <p>5 Q. So would an applicant do just one of the</p> <p>6 two, or might an applicant do both?</p> <p>7 A. Well, the system impact study is always</p> <p>8 required. So they can -- Basically, they can skip</p> <p>9 the feasibility study and go straight to system</p> <p>10 impact study.</p> <p>11 Q. And you said that PacifiCorp personnel</p> <p>12 does the feasibility impact study.</p> <p>13 Who pays for that? Who pays for the study</p> <p>14 to be done?</p> <p>15 A. Yeah, the applicant, the interconnection</p> <p>16 customer.</p> <p>17 Q. And PacifiCorp personnel does the system</p> <p>18 impact study as well?</p> <p>19 A. Correct. Yes.</p> <p>20 Q. And who pays for that study to be</p> <p>21 completed?</p> <p>22 A. The interconnection customer.</p> <p>23 Q. How much, if you can give me a range, does</p> <p>24 a feasibility study cost?</p> <p>25 A. Generally, I see them in the range of</p>	93	<p>1 Q. About how much, in a range, does a</p> <p>2 facilities study cost?</p> <p>3 A. I'd say generally \$10,000 to \$12,000.</p> <p>4 Q. Who completes the work that's identified</p> <p>5 as required in the facilities study?</p> <p>6 A. That can be negotiated. It depends on the</p> <p>7 type of work that's required.</p> <p>8 Q. If there is a requirement in the</p> <p>9 facilities study but an applicant does not want to</p> <p>10 complete it or is unable to complete it, would</p> <p>11 PacifiCorp enter a generation interconnection</p> <p>12 agreement with that customer?</p> <p>13 A. No, unless there was an acceptable</p> <p>14 alternative.</p> <p>15 Q. And you mentioned that at step 5 here,</p> <p>16 that's where your involvement with this process</p> <p>17 ends?</p> <p>18 A. I would -- I wouldn't say that. After the</p> <p>19 -- After the interconnection agreement is executed,</p> <p>20 generally my team and I take a less up-front role on</p> <p>21 these projects. It's turned over to our</p> <p>22 construction project management group, and our</p> <p>23 engineering groups design everything that's</p> <p>24 necessary and actually get it built. But we're</p> <p>25 still involved on various things throughout the</p>

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1 process. We sometimes get involved in the invoicing
 2 that goes on, or oftentimes there will be amendments
 3 negotiated while things are being constructed.
 4 Ultimately, the communications that come to actually
 5 request to be allowed to start generating come
 6 through my group. So we play more of a back-seat
 7 role at that point.

8 Q. So if all -- if there are all kinds of
 9 requirements to enter a generation interconnection
 10 agreement and then there's construction and work to
 11 be done and facilities to be built, who is it that
 12 checks and makes sure that the facility that is
 13 constructed is consistent with the terms of the
 14 agreement?

15 A. Well, ultimately, it would be -- it would
 16 be our project manager that's assigned, our
 17 construction project manager who's in charge of
 18 that, but with full support of PacifiCorp
 19 engineering staff ensuring that the equipment that
 20 we required to be installed is functioning properly.

21 Q. Okay. As manager of generation
 22 interconnection, do you have a role in that quality
 23 assurance process, or is that just shifted -- is
 24 that really shifted over to the construction side?

25 A. Yeah, it's really the project management

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1 team. And, ultimately, the agreements ask for, you
 2 know, my group to provide approval to the customer
 3 to actually start generating; and unless I'm -- you
 4 know, unless I'm told that everything is functioning
 5 properly, I don't -- I won't provide that.

6 Q. Do you know, Mr. Bremer, is there any way
 7 for a person or entity to connect into PacifiCorp's
 8 infrastructure without going through the generation
 9 interconnection agreement process?

10 A. Is there a way to interconnect a generator
 11 to PacifiCorp's system without going through the
 12 process -- through my process?

13 Q. A generation facility.

14 A. Yes, if it's a -- if it's small enough to
 15 be considered net metering. So, generically, the
 16 rooftop solar on a residential house, those types of
 17 projects are not required to go through the process
 18 that I've described to you today.

19 Q. What do you mean by "small enough"?

20 A. Well, the size is dictated by each
 21 individual state; but, generally, they're considered
 22 very small compared to the projects that I typically
 23 will work on.

24 Q. Do you know the upper limit for Utah?

25 A. I don't.

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1 Q. Do you know where we could find that
 2 information?

3 MR. AUSTIN: Objection. Foundation.

4 THE WITNESS: It's certainly posted on
 5 PacifiCorp's website and probably various State of
 6 Utah administrative rules.

7 Q. BY MS. HEALY GALLAGHER: Okay. But, in
 8 your experience, what you just mentioned was that's
 9 typically the extent of someone having solar panels
 10 on the roof of their house?

11 A. Generally.

12 MS. HEALY GALLAGHER: All right. Go off
 13 the record.

14 (Lunch recess.)

15 MS. HEALY GALLAGHER: Okay. We can go
 16 back on.

17 Q. BY MS. HEALY GALLAGHER: All right.
 18 Mr. Bremer, we're back on the record after our lunch
 19 break.

20 Did you speak to anybody about the facts
 21 of this case that you've testified about so far?

22 A. I spoke to my attorneys.

23 Q. Was there any conversation about how your
 24 testimony should go or should not go?

25 A. No.

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1 Q. Okay. Just to revisit a little bit with
 2 plaintiff's Exhibit 196 that we were looking at
 3 before the break.

4 We got these, you know, steps 1 through 5,
 5 starting with an interconnection customer submitting
 6 an application and going through an executed
 7 interconnection agreement.

8 In your experience, about how long does
 9 that take to go from a submitted application to an
 10 executed interconnection agreement?

11 A. Generally -- you know, it varies based on
 12 size -- but a year.

13 Q. Can you explain to me -- I saw on the
 14 PacifiCorp website something called a generation
 15 interconnection queue. What is that?

16 A. The queue is the word we use for the list
 17 of applications we've received since the current
 18 process was put in place to track them.

19 Q. Okay. And when was the current process
 20 put in place to track them?

21 A. I don't know the specific date, but
 22 approximately the 2000-2001 time frame.

23 MS. HEALY GALLAGHER: Okay. I would like
 24 to mark, please, the next exhibit number.
 25 (Exhibit 198 marked.)

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1 MS. HEALY GALLAGHER: All right. So
 2 what's going to happen is we have marked a disk that
 3 is plaintiff's Exhibit 198. What we're going to do
 4 is put that in my co-counsel's computer and then I'm
 5 actually going to ask you to navigate to some
 6 information on that disk.
 7 THE WITNESS: Okay.
 8 MS. HEALY GALLAGHER: Here's a copy.
 9 MR. MORAN: Kris.
 10 MR. AUSTIN: Thank you.
 11 THE WITNESS: No projector screen?
 12 MS. HEALY GALLAGHER: We're not that
 13 fancy. Sorry.
 14 Okay. And is it all right with you if I
 15 come around so I can see also what's going on on the
 16 screen?
 17 THE WITNESS: Yes.
 18 Q. BY MS. HEALY GALLAGHER: Okay. So if you
 19 would please take a look at what's open on
 20 co-counsel's laptop, do you see a file that is the
 21 native Excel version of the generation
 22 interconnection queue?
 23 **A. I would assume it's this one, but I can't**
 24 **see it.**
 25 Q. Okay. Are you talking about the first

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1 file on there?
 2 **A. Yeah, the PacifiCorp queue.**
 3 Q. So that's the document named 161107
 4 PacifiCorp queue.xlsx?
 5 **A. I believe that's it, yeah, but I'd want to**
 6 **open it to confirm.**
 7 Q. Why don't you go ahead and open it.
 8 **A. Yes, this is PacifiCorp's generation**
 9 **interconnection publicly posted queue.**
 10 Q. Okay. So let's walk through -- Sorry, I'm
 11 going to go around you. Sorry for the --
 12 **A. Pull up a chair.**
 13 Q. That's okay. I'm fine. Thank you.
 14 Let's walk through the fields, if you
 15 don't mind, on the interconnection queue. Can you
 16 just take me across and help me understand what
 17 information is in here?
 18 **A. Sure. So the first column, "queue**
 19 **number," this is the order in which they were**
 20 **received. You can see the --**
 21 Q. I'm sorry. So the queue number is the
 22 order in which the interconnection application was
 23 received?
 24 **A. Yes. And that we -- that we received**
 25 **everything we required in order to give it a queue**

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1 **number -- so deposit and site control, the things**
 2 **that are required with the application.**
 3 **Second on is the date in which we gave it**
 4 **the queue number, in which we received all of that**
 5 **information.**
 6 **So you can see the first one was in 2000.**
 7 **Excuse me. Request status is whether this is in**
 8 **service. I'd have to look here; I can't remember**
 9 **exactly what all we have in this one. So you can**
 10 **see the options are "deactivated," which means, for**
 11 **one reason or another, the project was terminated.**
 12 **"In progress" means it's anywhere from we just**
 13 **received an application this morning to it's going**
 14 **to be completed tomorrow; so anywhere in that range.**
 15 **"In service" means it's generating or it's been**
 16 **approved to generate. And "suspended" is an**
 17 **allowance under certain interconnection agreements**
 18 **that it has a signed interconnection agreement but**
 19 **it's essentially delayed.**
 20 Q. Okay. And then could we take a look at if
 21 something is in progress.
 22 **A. Yeah.**
 23 Q. Does that mean that the interconnection
 24 agreement is in the process of being negotiated?
 25 **A. It can mean -- It can mean -- It's, again,**

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1 **either from we just received an application today to**
 2 **it has an interconnection agreement and is being**
 3 **constructed right now. So anywhere from fully**
 4 **generating to just applied.**
 5 Q. Okay. And then how about "company name"?
 6 What's in that column?
 7 **A. So that's the -- it's either the name of**
 8 **the company that's on the interconnection agreement**
 9 **or it's a PacifiCorp affiliate. Those are FERC**
 10 **rules. If there's a PacifiCorp affiliate that**
 11 **applies, we have to put the name up immediately. So**
 12 **not necessarily meaning that there's an**
 13 **interconnection agreement signed, but if it's**
 14 **affiliate of PacifiCorp, we have to publicly notice**
 15 **that it's -- that there's an application. But if**
 16 **it's not a PacifiCorp affiliate, the name is there,**
 17 **that means there's a signed agreement.**
 18 Q. What about "service type"? What is --
 19 What's in that column?
 20 **A. Service type. So there are two types of**
 21 **interconnection service that customers can receive.**
 22 **ER stands for energy resource, NR stands for network**
 23 **resource. Those are terms defined in our open**
 24 **access transmission tariff.**
 25 Q. Okay. And how about application rules?

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<p>1 A. Yeah. So this is -- these acronyms are 2 for the procedures which we use to process the 3 application. Let's see what all we have in here. 4 There's a number of them. 5 So, for example, if it says LGI, we 6 consider that -- consider that to be a FERC 7 jurisdictional large generator application. SGI 8 small generator FERC project. If you see others 9 like O, that have an O in front of them, that means 10 they fall under the Oregon rules; U, they fall under 11 the Utah rules; W, the state of Washington, and so 12 forth. So it's basically the jurisdictional rules 13 under which the application is processed. 14 Q. And then let's skip over the megawatt 15 output for now, and let's take a look at county and 16 state. 17 A. Okay. 18 Q. Does that mean the location of the 19 proposed facility to interconnect? 20 A. Yes. 21 Q. Okay. So if I wanted to isolate all of 22 the projects either in or proposed for the state of 23 Utah, how would I do that? 24 A. You simply filter through the state of 25 Utah.</p>	<p>1 Mr. Bremer, until what date this spreadsheet is 2 current to? 3 A. It says right here in column H, as of 4 11/04/2016. 5 Q. So then, to your understanding, this 6 spreadsheet reflects information available to 7 PacifiCorp through November 4th, 2016? 8 A. Yes. 9 Q. There are two projects that are in 10 progress; is that right? 11 A. Yes. 12 Q. What are those? 13 A. The first one is known as Pavant Solar II, 14 and the third -- and the second one is known as 15 Pavant Solar III. 16 Q. Okay. So, according to the spreadsheet, 17 the information here is that those two entities do 18 not yet have an executed interconnection agreement? 19 A. No, they do, based on two things here: 20 One, as I stated earlier, the company name is 21 listed; and, second, if I scroll over to the right, 22 T here shows "IA signed," "IA signed," "IA signed." 23 So that means interconnection agreement executed, 24 essentially, and here's the date in which it was 25 executed.</p>
103	105
<p>1 Q. Could you show me how to do that? So what 2 are we doing here? 3 A. Under state, I would deselect everything 4 except the abbreviation for Utah, UT. 5 Q. Okay. So how many results come back from 6 filtering on the state of Utah? 7 A. 342. 8 Q. Okay. And then what if I were interested 9 in finding all projects in Millard County, Utah? 10 What would I do? 11 A. Same process. Deselect all other counties 12 and filter just for Millard -- Millard. 13 Q. And how many projects -- Well, let's first 14 -- let me first ask: How many projects come back 15 when you filter for Millard County in Utah? 16 A. It looks like 21. 17 Q. Okay. And how many of those projects are 18 in service? 19 A. One. 20 Q. I see. And who -- what's the company name 21 for the project that's in service? 22 A. Pavant Solar LLC. 23 (Reporter request.) 24 THE WITNESS: P-A-V-A-N-T. 25 Q. BY MS. HEALY GALLAGHER: And can you tell,</p>	<p>1 Q. Oh, okay. So just to take that piece by 2 piece for the record here: Column T on the 3 spreadsheet is entitled "request status 4 explanation." Correct? 5 A. Yes. 6 Q. And, for example, Pavant substation says: 7 "IA signed February 11, 2014." 8 Did I read that correctly? 9 A. Yes. That is for queue 450. 10 Q. Queue number. Sure. Great. 11 And so that means that the interconnection 12 agreement with Pavant substation was signed on that 13 date, February 11, 2014? 14 A. Well, Pavant substation is -- you're 15 looking at the point of interconnection. 16 Q. Oh, I'm sorry. 17 A. Pavant Solar LLC. 18 Q. Pavant Solar LLC. Okay. 19 A. Yes. 20 Q. Okay. All right. There's another company 21 name in this filtered view, and that is Long Ridge 22 Wind LLP. 23 A. Yep. 24 Q. Is that right? 25 A. That's right.</p>

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1 Q. What can you tell me -- What does this
2 spreadsheet tell me about Long Ridge Wind LLP?
3 MR. AUSTIN: Objection. Beyond the scope.
4 THE WITNESS: Well, in the request status
5 explanation, you can see that the interconnection
6 agreement was executed on March 31st of 2014 and the
7 interconnection customer terminated the agreement on
8 August 9th of 2016, so the project is in the
9 deactivated status. Excuse me.
10 Q. BY MS. HEALY GALLAGHER: Could we take a
11 look, please, again at the column headings --
12 **A. Yeah.**
13 Q. -- that we have here.
14 In column M, the column heading is
15 "customer requested commercial operations date."
16 What does that mean?
17 **A. When an initial application is submitted**
18 **by the customer, on it is a field for the date in**
19 **which they're hopeful to have their project**
20 **commercial; so that's the date that we put on here.**
21 Q. And what does it mean to have the project
22 commercial?
23 **A. It's in service. They're approved for**
24 **generation. It's fully approved.**
25 Q. And so that's after the interconnection

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1 agreement is signed; correct?
2 **A. Yes.**
3 Q. Okay. And then column N says "agreed to
4 commercial operations date." What does that mean?
5 **A. That's the date that is in the actual**
6 **interconnection agreement.**
7 Q. How about column O? What does "type"
8 mean?
9 **A. That's the type of -- the primary type of**
10 **generation that you can see -- for example, wind,**
11 **solar, those types of things. That's the type of**
12 **generator they're using.**
13 Q. So the way electricity is being generated?
14 **A. Yes. Correct.**
15 Q. Okay. Thank you. Would you please --
16 Let's see. We'll navigate back to the information
17 on the disk.
18 All right. Would you please open the PDF
19 file on this disk.
20 **A. Done.**
21 Q. Okay. Now, this -- Adobe is telling us
22 that this file is 751 pages, so I understand -- I'm
23 not going to ask you to read the whole thing and let
24 me know when you're finished.
25 **A. I appreciate that.**

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1 Q. But, generally, can you tell me, please,
2 what -- what this document is.
3 **A. This is the open access transmission**
4 **tariff that I mentioned earlier.**
5 Q. Okay. And what, generally, does this
6 document set forth for PacifiCorp?
7 **A. It's the governing rules from FERC as to**
8 **how PacifiCorp should operate its transmission**
9 **system.**
10 Q. And what, if any, impact does this tariff
11 have on your role as interconnection generation
12 manager?
13 **A. Inside the tariff are procedures for**
14 **processing both large and small projects that fall**
15 **under the jurisdiction of FERC, as well as all of**
16 **the agreements, the agreement templates that have**
17 **been approved by FERC, that are signed during the**
18 **process, including the interconnection agreements**
19 **themselves.**
20 Q. Are those templates things that you could
21 find easily in this large document?
22 **A. That I can find easily? Yes.**
23 Q. Is it readily apparent to you?
24 **A. Yes.**
25 Q. Can you guide us through and find the --

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1 **A. Well, what specifically would you like to**
2 **find?**
3 Q. Is there a section on the kinds of
4 agreements that we're talking about here,
5 interconnection, generation interconnection?
6 **A. Yes.**
7 Q. What section is that?
8 **A. That, I don't know off the top of my head;**
9 **but I can find them if you give me a minute --**
10 Q. Sure.
11 **A. -- if you would like me to.**
12 Q. Please.
13 **A. Let's see. So attachment O, page 601,**
14 **covers the small generator side; and attachment N,**
15 **page 463, covers the large generator side. So I can**
16 **navigate to either if you want me to, but here are**
17 **all the different agreements, including the large**
18 **generator interconnection agreement and the**
19 **different study agreements that they would sign.**
20 Q. Okay. So you just pointed to -- and let
21 the record reflect we're on page 15 of the PDF, in
22 the table of contents. Correct?
23 **A. Yes.**
24 Q. And you identified attachment N,
25 appendices to LGIP?

110	<p>1 A. Yes.</p> <p>2 Q. And then there's a series of appendices</p> <p>3 all listed out there?</p> <p>4 A. Yes.</p> <p>5 Q. So if attachment N is the appendices to</p> <p>6 the LGIP, where is the LGIP itself?</p> <p>7 A. Section 5 is the small generator, SGIP;</p> <p>8 and section 4, I believe it is -- yeah, section 4 is</p> <p>9 the large generator interconnection procedures.</p> <p>10 Q. Okay. So, again, we're on page 11 of the</p> <p>11 PDF; correct?</p> <p>12 A. Yes.</p> <p>13 Q. And you're identifying Roman numeral four,</p> <p>14 "large generation interconnection service"?</p> <p>15 A. Correct.</p> <p>16 Q. All right. And then on page 13 of the</p> <p>17 PDF, you pointed out that Roman numeral five</p> <p>18 identifies small generation interconnection service;</p> <p>19 correct?</p> <p>20 A. That's correct, yeah.</p> <p>21 Q. Okay. And this open access transmission</p> <p>22 tariff, this is for all FERC jurisdiction projects;</p> <p>23 correct?</p> <p>24 A. That's right.</p> <p>25 Q. So where could I find information about</p>	112	<p>1 Okay. So, Mr. Bremer, you identified that</p> <p>2 this is an agreement between PacifiCorp and Pavant</p> <p>3 Solar LLC.</p> <p>4 The item in parentheses after Pavant Solar</p> <p>5 LLC, that queue 450, do you see that?</p> <p>6 A. Yeah, I do.</p> <p>7 Q. Is that the number that this entity has in</p> <p>8 the queue --</p> <p>9 A. That's correct, yeah.</p> <p>10 Q. -- that we just looked at?</p> <p>11 Okay. Would you please turn to the page</p> <p>12 that's marked PAC 29.</p> <p>13 A. Okay.</p> <p>14 Q. There's a definition towards the bottom of</p> <p>15 the page, "point of interconnection"?</p> <p>16 A. Yes.</p> <p>17 Q. And there's -- there's a definition</p> <p>18 written out in this contract. I get that.</p> <p>19 Can you describe to me in kind of</p> <p>20 real-world terms, what would that actually look</p> <p>21 like? What would the point of interconnection</p> <p>22 actually look like physically?</p> <p>23 A. Well, that's the physical point on</p> <p>24 PacifiCorp's system where the customer's generating</p> <p>25 facility is actually physically connecting to</p>
111	<p>1 non-FERC jurisdiction projects and how to</p> <p>2 interconnect?</p> <p>3 A. Again, our generation interconnection</p> <p>4 procedures website is an excellent resource. We</p> <p>5 have been provided procedures from the states of</p> <p>6 Oregon, Utah, and Washington as to how certain</p> <p>7 projects should be handled.</p> <p>8 MS. HEALY GALLAGHER: All right. Thank</p> <p>9 you very much.</p> <p>10 (Exhibit 199 marked.)</p> <p>11 Q. BY MS. HEALY GALLAGHER: Okay.</p> <p>12 Mr. Bremer, you've been handed what's been marked</p> <p>13 plaintiff's Exhibit 199.</p> <p>14 Would you please take a look at that and</p> <p>15 just familiarize yourself with it.</p> <p>16 A. Okay.</p> <p>17 Q. Mr. Bremer, what is plaintiff's</p> <p>18 Exhibit 199?</p> <p>19 A. This is a -- This is an interconnection</p> <p>20 agreement which appears to have been amended. As</p> <p>21 the cover page indicates, there was an amendment on</p> <p>22 this agreement at some point. This is for a large</p> <p>23 generator qualifying facility for Pavant Solar LLC.</p> <p>24 Q. For the record, plaintiff's Exhibit 199</p> <p>25 has been Bates numbered PAC 14 through 96.</p>	113	<p>1 PacifiCorp's system.</p> <p>2 Q. And how do they actually physically</p> <p>3 connect?</p> <p>4 A. Well, I guess, typically, wires are run</p> <p>5 from the customer's facility to the point at which</p> <p>6 it interconnects through some sort of disconnecting</p> <p>7 device on PacifiCorp's system.</p> <p>8 Q. And you say typically it's wires, like</p> <p>9 wires connect the two?</p> <p>10 A. Yes.</p> <p>11 Q. Okay. Any other way that they connect?</p> <p>12 A. It's possible that a customer's substation</p> <p>13 -- a customer built and owned substation could be</p> <p>14 built right next to a PacifiCorp owned substation</p> <p>15 and they're tied together like that through --</p> <p>16 through a bus bar.</p> <p>17 Q. What's a bus bar?</p> <p>18 A. It's essentially a metal rod that connects</p> <p>19 the two, rather than a wire.</p> <p>20 Q. Would you take a look, please, at the page</p> <p>21 that's marked PAC 90 -- leading zeroes, but 90 is</p> <p>22 the last two.</p> <p>23 A. Okay.</p> <p>24 Q. The header on the page is "attachment B to</p> <p>25 QF LGIA scope of work."</p>

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1 **A. Yes.**
2 Q. Where in the course of the project -- Like
3 where does this scope of work come from? Who
4 generates this scope of work?
5 **A. The specifics of the way it's laid out**
6 **here come during the facility study. This is where**
7 **our project management team identifies who needs to**
8 **do what and on what schedule.**
9 Q. And please remind me: Is the feasibility
10 study done by your group or by the construction
11 group?
12 **A. So it's the facility study.**
13 Q. Facility study?
14 **A. And it's done by PacifiCorp project**
15 **management.**
16 Q. So that's not your group?
17 **A. It's not -- Well, I mean, it's still the**
18 **process, as all things are administered by my group;**
19 **but the study itself is put together by the**
20 **construction project management group.**
21 Q. Okay. And you said the scope of work
22 comes from the facility study?
23 **A. Yes.**
24 Q. So, in this agreement, Mr. Bremer, this
25 scope of work goes from page PAC 90 through PAC 96;

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1 correct?
2 **A. Yes.**
3 **(Sotto voce remarks.)**
4 Q. BY MS. HEALY GALLAGHER: Mr. Bremer, would
5 you take a look, please, back at plaintiff's
6 Exhibit 193.
7 **A. Okay.**
8 Q. It's the second to the last page of the
9 exhibit. Paragraph 7, do you see that?
10 **A. I do.**
11 Q. And so -- Well, first I'll ask: To your
12 knowledge and experience at PacifiCorp, do
13 individuals or do entities typically apply for
14 interconnection agreements?
15 **A. I mean, typically it's an entity name.**
16 Q. Have there been individuals?
17 **A. I can't recall.**
18 Q. Then we'll start off with this: Does
19 PacifiCorp have an interconnection agreement with an
20 entity called RaPower-3 LLC?
21 **A. No, not that I was able to find.**
22 Q. Does PacifiCorp have an interconnection
23 agreement with an entity named International
24 Automated Systems Inc.?
25 **A. No, not that I was able to find.**

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1 Q. Does PacifiCorp have an interconnection
2 agreement with a company called LTB1 LLC?
3 **A. No, not that I was able to find.**
4 Q. Does PacifiCorp have an interconnection
5 agreement with an entity called DCL16BLT Inc.?
6 **A. No, not that I was able to find.**
7 Q. Does PacifiCorp have an interconnection
8 agreement with someone named R. Gregory Shepard?
9 **A. No, not that I was able to find.**
10 Q. Does PacifiCorp have an interconnection
11 agreement with anyone named Neldon Johnson?
12 **A. No, not that I was able to find.**
13 Q. Does PacifiCorp have an interconnection
14 agreement with any entity -- with any person named
15 Roger Freeborn?
16 **A. No, not that I was able to find.**
17 Q. If you take a look at the list of
18 remaining entities in paragraph 7, does PacifiCorp
19 have an interconnection agreement with any of those
20 remaining entities?
21 **A. No, not -- again, not that I was able to**
22 **find.**
23 Q. And what -- what kind of search did you
24 undertake to determine that?
25 **A. Yeah. So I looked at the information that**

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1 **we keep that feeds into the queue list that we**
2 **looked at, the Excel version there. So every**
3 **interconnection application has to identify the**
4 **entity name and the primary contact person for that**
5 **entity. I was -- you know, just through searching**
6 **the spreadsheet, I was unable to find any of these**
7 **names in either of those locations.**
8 Q. Do you know, is there any way that
9 PacifiCorp tracks requests for information about how
10 to get an interconnection agreement, like
11 pre-application?
12 **A. No. We receive frequent requests for**
13 **information, whether it be through e-mail or**
14 **frequently phone calls; but, no, we don't track**
15 **that.**
16 MS. HEALY GALLAGHER: I will pass the
17 witness at this time.
18 MR. AUSTIN: Just a couple.
19 EXAMINATION
20 BY MR. AUSTIN:
21 Q. As I understand it, what -- Maybe more
22 than a couple.
23 As I understand it, there's a -- there's a
24 process in place at PacifiCorp whereby a power
25 purchase agreement is entered into and the

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1 connection agreement is typically negotiated in
 2 conjunction with that.
 3 Did I get that right?
 4 MS. HEALY GALLAGHER: I object to form.
 5 THE WITNESS: I mean, I can't speak to
 6 when the power purchase agreement negotiations
 7 happen. It's irrelevant to my process.
 8 Q. BY MR. AUSTIN: If there's no power
 9 purchase agreement, is there any reason for entering
 10 into the interconnect agreement?
 11 **A. I can't really say what an energy
 12 developer would be thinking.**
 13 Q. To your knowledge, does PacifiCorp enter
 14 into interconnect agreements with parties that it
 15 does not have a purchase agreement with?
 16 **A. I honestly don't know. I -- Again, I
 17 don't -- A power purchase agreement is irrelevant to
 18 signing an interconnection agreement. It's not a
 19 requirement. So I don't -- I really don't have any
 20 feel for that.**
 21 Q. Okay. Based on your years of experience
 22 in the industry, do you have any understanding with
 23 regard to whether or not you have ever negotiated or
 24 administered or handled an interconnection agreement
 25 with an entity that has not already entered into a

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1 power purchase agreement or at least in negotiations
 2 to do so?
 3 MS. HEALY GALLAGHER: I object to form.
 4 THE WITNESS: Have we ever signed an
 5 interconnection agreement with a customer that I
 6 know does not have a power purchase agreement?
 7 MR. AUSTIN: Yeah.
 8 THE WITNESS: Is that what you're asking
 9 me?
 10 MR. AUSTIN: Yes.
 11 THE WITNESS: Yes.
 12 Q. BY MR. AUSTIN: And under what
 13 circumstances? Is that typical?
 14 **A. I wouldn't -- I can't really say. It's --
 15 I wouldn't say it's typical, but...**
 16 Q. Well, so if I wanted to come to PacifiCorp
 17 and I said, "Look, I don't want to sell any power to
 18 you, but I do want to negotiate an interconnection
 19 agreement and I want to hook up to your" -- "to your
 20 grid," would PacifiCorp do that?
 21 **A. Yes.**
 22 Q. Would there be any benefit, that you can
 23 conceive of, to a business for doing that?
 24 **A. I don't want to speculate on what the
 25 energy developers would think.**

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1 Q. Could I send power to your grid if I
 2 didn't have an interconnection agreement?
 3 **A. Well, it -- Could you send power -- I
 4 mean, I guess are you saying could you -- could you
 5 interconnect to it, could you put a generator on our
 6 facility -- on our system --**
 7 Q. Yeah.
 8 **A. -- without an agreement? No.**
 9 Q. Okay. And are you aware of anybody
 10 donating, for free, power to PacifiCorp?
 11 **A. I -- I wouldn't know that.**
 12 Q. Have you ever negotiated an interconnect
 13 agreement that was specifically for charitable
 14 purposes?
 15 **A. I wouldn't know that either.**
 16 Q. I mean, there are substantial costs
 17 involved in going through the interconnection and
 18 transmission agreement process; isn't that fair?
 19 **A. It depends on your definition of
 20 "substantial."**
 21 Q. Well, how much do you make in a year?
 22 MS. HEALY GALLAGHER: Objection.
 23 MR. REICH: Objection.
 24 MS. HEALY GALLAGHER: That's
 25 argumentative.

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1 Q. BY MR. AUSTIN: I'd consider six figures
 2 substantial.
 3 Would you agree with me that there's a
 4 substantial cost involved in entering -- in going
 5 through the interconnection process?
 6 **A. I mean, not if you've got a massive
 7 project.**
 8 Q. Okay. So that we don't have to dicker
 9 over whether my paltry salary is substantial or not:
 10 This -- This interconnection agreement with Pavant
 11 Solar requires them to make a deposit of 362 -- or
 12 provide financial security of \$362,000. Is that
 13 right?
 14 **A. Can you tell me what page you're looking
 15 at?**
 16 Q. Yeah. It's PCC 00861.
 17 MS. HEALY GALLAGHER: For the record,
 18 plaintiff's Exhibit 199.
 19 THE WITNESS: Yes. \$362,000, yeah.
 20 Q. BY MR. AUSTIN: Okay. Is that an amount
 21 that is typical, within the range of normal,
 22 exorbitant, in your experience?
 23 **A. It seems typical.**
 24 Q. Okay. And so there have been, I presume,
 25 people that have gone through the interconnection

122	<p>1 negotiation process and then not ended up actually</p> <p>2 connecting to PacifiCorp's grid; is that right?</p> <p>3 A. Yes.</p> <p>4 Q. And in those circumstances, does</p> <p>5 PacifiCorp refund money that's been advanced?</p> <p>6 A. No. Well, if it's been advanced? Speak</p> <p>7 more on that. You mean the financial security?</p> <p>8 Q. Yeah.</p> <p>9 A. It depends if we -- if we've spent any</p> <p>10 money on design or procurement or construction</p> <p>11 activities of that money.</p> <p>12 Q. If I pay for a feasibility study, would</p> <p>13 that be refunded?</p> <p>14 A. No.</p> <p>15 Q. If I got partway through construction of a</p> <p>16 construction required by PacifiCorp in order to</p> <p>17 allow an interconnection, would PacifiCorp refund me</p> <p>18 what I had spent if I decided not to follow through</p> <p>19 with the interconnection agreement?</p> <p>20 A. Unlikely. I say that perhaps equipment</p> <p>21 that was procured, if it could be used elsewhere,</p> <p>22 perhaps it would be refunded; but any time, such as</p> <p>23 engineering, things like that, would not.</p> <p>24 Q. Okay. As I was looking at your -- at your</p> <p>25 -- What exhibit number is this PacifiCorp handout?</p>	124	<p>1 required as part of the study process.</p> <p>2 Q. What if I got all the way through the</p> <p>3 process for interconnection and everything was built</p> <p>4 and I decided to double the size of my power plant?</p> <p>5 Could I just rely on the original interconnection</p> <p>6 agreement?</p> <p>7 A. No. You would have to either withdraw</p> <p>8 your original and put in a new application for the</p> <p>9 amount total, or a second application with the delta</p> <p>10 between the original and the increased output.</p> <p>11 Q. So if I -- if I estimated wrong in terms</p> <p>12 of what my expected output was going to be on the</p> <p>13 low side, then I would have to start all over?</p> <p>14 A. Potentially. PacifiCorp's engineers study</p> <p>15 the system for the maximum output to maintain</p> <p>16 reliability of the system.</p> <p>17 Q. I mean, it could be that there would be</p> <p>18 duplication of expenses because transformers or</p> <p>19 other components that were adequate for a lower</p> <p>20 output would now no longer be adequate for a higher</p> <p>21 output; is that fair?</p> <p>22 A. That's -- Yes, it would be.</p> <p>23 Q. I mean, it wouldn't be very efficient to</p> <p>24 go through the process again every time you decided</p> <p>25 to increase your power output; is that fair?</p>
123	<p>1 A. 196.</p> <p>2 Q. 196. Thank you.</p> <p>3 As I was looking at this, it indicates on</p> <p>4 the left-hand side, on the first page, it says: "To</p> <p>5 protect the electric reliability and safety of all</p> <p>6 of our customers, we look at the big picture."</p> <p>7 And then below that, it says: "One of the</p> <p>8 things that PacifiCorp considers in determining what</p> <p>9 to require of applicants is the power size and type</p> <p>10 of generation connected to the circuit."</p> <p>11 Would it be -- And it goes on and lists a</p> <p>12 number of other factors.</p> <p>13 Would it be possible for you -- for a</p> <p>14 power plant owner to successfully work through the</p> <p>15 interconnection agreement process if they did not</p> <p>16 know how much energy output they would expect to</p> <p>17 transmit?</p> <p>18 A. No. That's a requirement of the</p> <p>19 application.</p> <p>20 Q. I mean, if they told you, "Well, maybe it</p> <p>21 could be between 2 and 200 kilowatts" -- or, pardon</p> <p>22 me -- "megawatt output," would that be an acceptable</p> <p>23 range for you to go through the interconnection</p> <p>24 process?</p> <p>25 A. No. The requested output amount is</p>	125	<p>1 A. Yeah. Yes, it is.</p> <p>2 Q. I mean, you can connect through net</p> <p>3 metering up to -- I think it's 2 megawatts, without</p> <p>4 going through the interconnection process; is that</p> <p>5 right?</p> <p>6 A. I don't know the specific number, but the</p> <p>7 net metering process -- there's also a process in</p> <p>8 place for net metering.</p> <p>9 Q. I mean, net metering, does it require a</p> <p>10 power purchase agreement, to your knowledge?</p> <p>11 A. I don't know.</p> <p>12 Q. You do know that the -- Well, let me just</p> <p>13 ask you: Do you know what the Utah law is with</p> <p>14 regard to when commercial businesses or individuals</p> <p>15 are permitted to connect through net metering?</p> <p>16 A. There's --</p> <p>17 MR. REICH: I'm going to object. Net</p> <p>18 metering is outside the scope on the topics of this</p> <p>19 deposition.</p> <p>20 Q. BY MR. AUSTIN: Well, it's in the scope of</p> <p>21 when a transmission and interconnection agreement is</p> <p>22 required. And so I'm just wondering if that's even</p> <p>23 something that you even -- Like do you reject</p> <p>24 interconnection applications based on the lack of</p> <p>25 need for them because net metering is available?</p>

126	<p>1 MS. HEALY GALLAGHER: I object to the</p> <p>2 form. It's confusing.</p> <p>3 THE WITNESS: There are circumstances</p> <p>4 where, if the interconnection customer has submitted</p> <p>5 an application that appears to be small enough to</p> <p>6 meet the net metering rules, I will confer with the</p> <p>7 net metering group to determine if it's eligible and</p> <p>8 if we should advise the customer that they could</p> <p>9 potentially go that way.</p> <p>10 Q. BY MR. AUSTIN: Yeah. I mean, in order to</p> <p>11 -- You've got on page 2 of this exhibit, you know, a</p> <p>12 categorization of the types of facilities that fall</p> <p>13 within FERC or PURP; right?</p> <p>14 A. PURPA.</p> <p>15 Q. PURPA. Excuse me. Yeah, PURPA.</p> <p>16 A. Yeah.</p> <p>17 Q. And one of the important things for you to</p> <p>18 know in terms of determining what's going to be</p> <p>19 required to execute an interconnection agreement is</p> <p>20 whether the applicant is a small generator, a large</p> <p>21 generator, or whether or not it falls within the</p> <p>22 PURPA regulations. Is that true?</p> <p>23 A. Yeah. It's -- Yes, that's something that</p> <p>24 we ask the customers to clarify for us during their</p> <p>25 application.</p>	128	<p>1 describing.</p> <p>2 Q. And, again, I know this is perhaps</p> <p>3 rhetorical: But if a power producer does not intend</p> <p>4 to transmit power through PacifiCorp's transmission</p> <p>5 system, there is obviously no need for an</p> <p>6 interconnection agreement; is that fair?</p> <p>7 A. Well, again, transmitting power and</p> <p>8 generation interconnection are two different -- If</p> <p>9 what you're asking is, if they don't intend to</p> <p>10 physically interconnect at all with PacifiCorp's</p> <p>11 system, then, no, there would be no reason to. But</p> <p>12 if -- But it's two different things there.</p> <p>13 Q. Do you know of anybody that has ever --</p> <p>14 Have you ever negotiated an interconnection</p> <p>15 agreement with anyone who expressed to you that it</p> <p>16 never had any intent to ever connect to the system?</p> <p>17 A. No.</p> <p>18 Q. Okay. Have you ever negotiated an</p> <p>19 interconnection agreement or been through the</p> <p>20 process with anyone who expressed to you that they</p> <p>21 intended to connect but they never intended to sell</p> <p>22 power to PacifiCorp?</p> <p>23 A. Yes.</p> <p>24 Q. And do you have any knowledge regarding</p> <p>25 the circumstances under which someone might do that?</p>
127	<p>1 Q. I mean, because there are some</p> <p>2 applications that you have to accept, right, in</p> <p>3 terms of you have to purchase power from some</p> <p>4 entities that fall within certain categorizations;</p> <p>5 is that right?</p> <p>6 A. I can't speak to the power purchase side</p> <p>7 of the agreement.</p> <p>8 Q. All right. Fair enough.</p> <p>9 But, in any event, it's mandatory -- it's</p> <p>10 essential to know whether or not entity is producing</p> <p>11 below 20 megawatts or over 20 megawatts; is that</p> <p>12 fair?</p> <p>13 A. Yes.</p> <p>14 Q. Okay. Have you ever seen an entity apply</p> <p>15 for an interconnection agreement for experimental or</p> <p>16 developmental solar energy production?</p> <p>17 A. You'd have to define what you mean by</p> <p>18 "experimental."</p> <p>19 Q. I mean, has anybody ever come to you and</p> <p>20 said, "We don't really know if it's going to work or</p> <p>21 not, but here's what we hope to achieve. Can we</p> <p>22 negotiate an interconnection agreement in advance of</p> <p>23 building anything?"</p> <p>24 A. To my knowledge, no, we have not had a</p> <p>25 formal application for something that you're</p>	129	<p>1 A. Yes. Such as a customer, a load customer,</p> <p>2 like an industrial customer that has a huge energy</p> <p>3 need, will put their own generator on the system to</p> <p>4 offset their power every month, so like essentially</p> <p>5 a large net metering project. They're not going to</p> <p>6 put energy onto PacifiCorp's system, but the</p> <p>7 generator is physically capable of doing so.</p> <p>8 Q. Okay. So sometimes they want the option</p> <p>9 of being able to generate?</p> <p>10 A. Well, the engineering staff will call for</p> <p>11 infrastructure to -- If energy flows on -- If energy</p> <p>12 starts to flow onto the system, it will cut it off</p> <p>13 immediately; so it's physically not possible. But</p> <p>14 the generator is -- The wires are connected that it</p> <p>15 -- that it is possible.</p> <p>16 Q. Okay. So let me make sure I understand.</p> <p>17 They have a generator, the wires are</p> <p>18 connected, and what's the purpose of that</p> <p>19 connection?</p> <p>20 A. Just to offset their -- the energy that</p> <p>21 they're having to pay for. So it's running at the</p> <p>22 same time as energy's flowing into their facility</p> <p>23 for their industrial load, so it's running in</p> <p>24 parallel.</p> <p>25 Q. Okay. So you're talking about</p>

<p style="text-align: right;">130</p> <p>1 circumstances where a connection is made so that 2 energy can be procured from PacifiCorp? 3 A. Well, they're trying to lessen the amount 4 of energy they're taking from PacifiCorp by 5 generating their own on-site generation. 6 Q. But that never goes back into PacifiCorp's 7 transmission system? 8 A. Right. And, again, the infrastructure 9 will be put in place to prevent it. 10 Q. Okay. I gotcha. 11 A. Okay. 12 Q. I gotcha. Okay. But you're not aware of 13 anybody who has sought an interconnection agreement 14 without circumstances like you just described, with 15 no intent to ever send power or transmit power to 16 PacifiCorp; is that fair? 17 A. Yeah, that's fair. 18 Q. Okay. Do I understand correctly -- and 19 maybe you already answered this -- an 20 interconnection agreement is not required for net 21 metering? Did I get that right? 22 A. A net metering agreement of some sort is 23 required. 24 Q. Okay. And you're not involved in those 25 arrangements at all?</p>	<p style="text-align: right;">132</p> <p>1 that right? 2 A. I suppose that's possible, yeah. 3 Q. I guess -- I guess what I'm getting at is: 4 It's a requirement of PacifiCorp that all applicants 5 comply with these standards as a precondition for 6 obtaining an interconnection agreement; is that 7 right? 8 A. Yes. 9 Q. Okay. And in terms of the -- in terms of 10 the connection, are you aware of any reason why 11 someone couldn't build a power transmission -- or a 12 power production facility and then finalize the work 13 related to interconnection thereafter? 14 A. Could you clarify that? Are you -- Are 15 you asking, could someone build a generating 16 facility and just have it done and then -- 17 Q. And then apply -- 18 A. -- submit it? I know of no reason why you 19 couldn't. 20 Q. Okay. And I don't know, but maybe you can 21 tell me: Have you seen circumstances where there's 22 an existing power production facility that is 23 applying for an interconnection agreement with 24 PacifiCorp? 25 A. Not outside of some sort of contractual</p>
<p style="text-align: right;">131</p> <p>1 A. I am not. 2 Q. Is that fair? 3 A. Yeah. 4 Q. Can you do a feasibility study if it's not 5 known how much power output there will be from an 6 applicant's power generation facility? 7 A. No. It's required. 8 Q. Can you do engineering and other studies 9 to determine what will be required, if you don't 10 have the information with regard to output? 11 A. No. 12 Q. There are established standards for 13 performance and design that are referenced in 14 PacifiCorp's materials, including design standards 15 of Western Electricity Coordinating Council, North 16 American Electrical Liability Corporation; is that 17 right? 18 A. Yes. 19 Q. And PacifiCorp; right? 20 A. Yes. 21 Q. So if I was designing a power plant, I 22 could, in the first instance, before even coming and 23 submitting my plans to PacifiCorp for an 24 interconnection agreement, have design work done 25 that would comply with these standards at least; is</p>	<p style="text-align: right;">133</p> <p>1 issue where maybe their current agreement is 2 terminating and they have to redo it. 3 Q. Right. So maybe they were selling to 4 somebody else and they would now want to sell to 5 PacifiCorp, for example? 6 A. Well, no. I'm talking, again, 7 specifically generation interconnection agreement, 8 so that something would have had to exist with 9 PacifiCorp already, but in some cases perhaps it's 10 terminating and they have to reapply. 11 There are generators that were connected 12 to PacifiCorp's system prior to the open access 13 transmission tariff, many -- you know, 20, 30, 40 14 years ago, and sometimes those agreements terminate; 15 and in order to maintain the interconnection, they 16 would have to go through the process almost as a new 17 application. 18 Q. Okay. Do you enter -- Does PacifiCorp 19 enter into these interconnection agreements with 20 entities outside of the state of Utah? 21 A. Well, we have transmission in a number of 22 western states; so, yes, if I'm understanding you 23 correctly. 24 Q. I guess what I'm trying to determine is 25 whether or not there are power generators that have</p>

<p style="text-align: right;">134</p> <p>1 choices with regard to who they want to sell their 2 power to in the geographic areas that PacifiCorp 3 operates in? 4 A. Again, I don't really want to speak to the 5 power purchasing agents. That's not my expertise. 6 Q. Well, I'm just wondering, are there times 7 -- You said the only time you could think of when 8 someone might be negotiating or going through the 9 interconnection process is when they had a previous 10 contract with PacifiCorp but things have changed in 11 terms of regulation. But have you ever been 12 involved in circumstances where someone who was 13 previously selling to someone else wanted to sell to 14 PacifiCorp? 15 A. The generation interconnection is -- 16 again, it's just to be physically interconnected to 17 PacifiCorp's system. Who they sell the power to is 18 irrelevant to that process. Either they're 19 connected to PacifiCorp's system or they're not. 20 Q. Right. And I'm just wondering if I would 21 have to go through this, if I would have to 22 negotiate an interconnection agreement, if I had 23 previously been connected to another transmission 24 network and I now wanted to connect to PacifiCorp's 25 in order to sell them power. Isn't that a necessary</p>	<p style="text-align: right;">136</p> <p>1 connected to PacifiCorp's network, and provides into 2 to California. 3 Did I get that right? 4 MS. HEALY GALLAGHER: Objection. 5 Misstates prior testimony. 6 Q. BY MR. AUSTIN: Maybe you didn't tell me 7 that. 8 A. No, I did not. 9 MR. AUSTIN: Okay. I think those are all 10 the questions that I have. 11 Yeah, that's all. Thank you. 12 MR. REICH: No questions. 13 MS. HEALY GALLAGHER: Quick follow-up. 14 THE WITNESS: Okay. 15 FURTHER EXAMINATION 16 BY MS. HEALY GALLAGHER: 17 Q. Why is it important to know the expected 18 output of any facility that's proposing to 19 interconnect with PacifiCorp? 20 A. Because that's -- that's the only way to 21 model the facility to understand what impact it will 22 have on PacifiCorp's existing infrastructure, to 23 know if the wires or the equipment will be 24 overloaded with the increased generation. If we 25 don't know specifically how big it is, it's -- we</p>
<p style="text-align: right;">135</p> <p>1 component in terms of selling power to PacifiCorp, 2 that you are connected to their transmission node? 3 A. Again, power purchase, I don't want to 4 comment on either from my perspective -- If it's not 5 physically interconnected with PacifiCorp's system, 6 no generation interconnection agreement is required. 7 If somehow it was physically connected to another 8 party's system and you wanted to switch it and, say, 9 build a new line so it's connected to PacifiCorp's 10 system, then, yes, it would be -- you would have to 11 go through the application process. 12 Q. Okay. So I hear you. So one way that I 13 could avoid, for example, entering into a power 14 purchase agreement or an interconnection agreement 15 is by selling power to somebody that's already 16 connected to PacifiCorp's system and has an existing 17 agreement? 18 A. I -- The way you phrased that, I don't 19 think I agree with it. Again, it's from -- from 20 generation interconnection, it's whose system is the 21 generator connected to. The power purchase 22 arrangements are irrelevant. 23 Q. Okay. So just so I'm clear: You told me, 24 for example, there's a company that you're aware of 25 that produces power in southern Utah, is not</p>	<p style="text-align: right;">137</p> <p>1 don't know. Every -- you know, every piece of 2 infrastructure on the electrical network has 3 capability, and if you don't know the increased 4 generation that will be flowing through it, you 5 can't make a determination if upgrades are 6 necessary. 7 (Sotto voce remarks.) 8 MS. HEALY GALLAGHER: Pass the witness. 9 MR. AUSTIN: I'm done. 10 MS. HEALY GALLAGHER: Anything more? 11 MR. REICH: Done. 12 MS. HEALY GALLAGHER: Mr. Bremer, thank 13 you so much for your time. 14 THE WITNESS: Thank you. 15 MS. HEALY GALLAGHER: We'll go off the 16 record for a ten-minute break to switch over and 17 start with our final witness. 18 (TIME NOTED: 2:12 P.M.) 19 20 21 22 23 24 25</p>

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1 VERONICA WHITESMITH,
 2 called as a witness, being duly sworn on oath, was
 3 examined and did testify as follows:
 4 EXAMINATION
 5 BY MS. HEALY GALLAGHER:
 6 Q. Hello, Ms. Whitesmith.
 7 **A. Hello.**
 8 Q. We met a moment ago; but, again, my name
 9 is Erin Healy Gallagher and I'm here representing
 10 the United States in this case.
 11 **A. Okay.**
 12 Q. If you would take a look, please -- We've
 13 marked a number of exhibits already here today.
 14 **A. Oh, here. Okay.**
 15 Q. If you could find plaintiff's Exhibit 193
 16 all the way at the bottom there.
 17 **A. Okay.**
 18 Q. Okay. Plaintiff's Exhibit 193 is the
 19 subpoena to PacifiCorp; right?
 20 **A. Um-hum.**
 21 Q. Yes?
 22 **A. Yes. Sorry.**
 23 Q. That's okay. And you're here to testify
 24 on behalf of PacifiCorp; correct?
 25 **A. Yes.**

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1 Q. And do you have a sense of what topics you
 2 are here to testify about?
 3 **A. Yes.**
 4 Q. What are those?
 5 **A. Transmission service requests and whether**
 6 **we've received requests from certain customers that**
 7 **are identified in the subpoena.**
 8 Q. Great. Okay. Before we head into those
 9 topics, I'll just talk to you a little bit about the
 10 ground rules for today that you may already have
 11 talked about with counsel, but just so we're on the
 12 same page today.
 13 So, in the deposition, I will ask you
 14 questions and you will answer them to the fullest
 15 extent of your memory and capacity.
 16 Our conversation will be recorded by the
 17 court reporter, so please speak loudly enough for
 18 her to hear you.
 19 Will you do that?
 20 **A. Yes.**
 21 Q. And you're doing a good job answering my
 22 questions with words rather than head nods or shakes
 23 or "uh-huh," "huh-uh," things like that.
 24 **A. Thanks.**
 25 Q. We do have a tendency in casual

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1 conversation to speak over one another, to finish --
 2 to start answering a question before the question is
 3 finished being asked. Today I'd ask that you try to
 4 let me finish my questions before you start your
 5 answers.
 6 Will you do that?
 7 **A. Yes.**
 8 Q. It's my obligation to ask understandable
 9 questions of you; so if at any time you don't
 10 understand the question that I'm asking, please let
 11 me know, and I will do my best to fix it.
 12 **A. I will.**
 13 Q. Thank you. Then, also, occasionally
 14 another attorney present may object to a question
 15 that I ask. Unless your attorney instructs you not
 16 to answer for reasons of privilege, just go ahead
 17 and answer the question.
 18 **A. Okay.**
 19 Q. And sometimes it will happen that you'll
 20 give an answer as completely as you can, but then
 21 later on you may remember additional information or
 22 different information that may change that answer.
 23 When it happens, if it happens, please let me know,
 24 and we can just go back and address that
 25 immediately.

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1 **A. Okay.**
 2 Q. Also, when you're answering a question, if
 3 you think there are documents that might help you
 4 answer it, let me know, and we can see if we have
 5 them here.
 6 **A. Okay.**
 7 Q. If at any time you want to talk to counsel
 8 for PacifiCorp today, that's fine. I'd like -- But
 9 I will ask that, if there's a question pending, go
 10 ahead and answer the question, and then we can take
 11 a break.
 12 **A. Okay.**
 13 Q. Ms. Whitesmith, is there anything that
 14 would prevent you from testifying to the full
 15 capacity of your recollection and knowledge of the
 16 facts today?
 17 **A. Not that I can think of.**
 18 Q. Okay. Are you on any medications or drugs
 19 that might interfere with memory or cognition?
 20 **A. No. No.**
 21 MS. HEALY GALLAGHER: Okay.
 22 (Exhibit 200 marked.)
 23 Q. BY MS. HEALY GALLAGHER: Ms. Whitesmith,
 24 I'm handing you what's been marked as plaintiff's
 25 Exhibit 200.

<p style="text-align: right;">142</p> <p>1 Would you take a look at that, please.</p> <p>2 A. Yes.</p> <p>3 Q. Oh, first, would you please tell me the</p> <p>4 city and state of your home residence.</p> <p>5 A. Vancouver, Washington.</p> <p>6 Q. Okay. And the city and state of your</p> <p>7 place of work?</p> <p>8 A. Portland, Oregon.</p> <p>9 Q. Okay. Back to plaintiff's Exhibit 200.</p> <p>10 A. Okay.</p> <p>11 Q. Would you -- It looks like you have a long</p> <p>12 time of service with PacifiCorp detailed in your</p> <p>13 résumé, but would you just sort of walk me through</p> <p>14 and tell me about your time there?</p> <p>15 A. So I started with PacifiCorp in 1997. I</p> <p>16 was an office clerk responsible for all the</p> <p>17 documentation managed by our hydro -- PacifiCorp's</p> <p>18 hydro resources group and the environmental services</p> <p>19 group. Within that position, I worked closely with</p> <p>20 hydro resources and then was then hired on to work</p> <p>21 as a project coordinator in hydro relicensing. I</p> <p>22 stayed there for seven years as coordinator, worked</p> <p>23 on Klamath relicensing, Lewis River relicensing, and</p> <p>24 then was looking for additional responsibilities and</p> <p>25 at that point took a job as an analyst within the</p>	<p style="text-align: right;">144</p> <p>1 loads and resources, related to our network</p> <p>2 customers.</p> <p>3 Q. Okay. So with respect to being part of</p> <p>4 the -- Well, actually, we'll start with this: Can</p> <p>5 you help me understand where transmission service</p> <p>6 fits into what PacifiCorp does?</p> <p>7 A. Well, so transmission -- we manage the</p> <p>8 wholesale transmission on the energy grid, on our</p> <p>9 portions of the grid within the balancing authority.</p> <p>10 In order to move -- for our customers to move their</p> <p>11 energy, they need acquire transmission rights,</p> <p>12 either in a wheeling capacity, like point-to-point</p> <p>13 service, or as a network integration transmission</p> <p>14 service, if they're actually serving load.</p> <p>15 Q. Okay. You said two things there that I'm</p> <p>16 going to follow up on: The wheeling capacity and</p> <p>17 network integration?</p> <p>18 A. Network integration trans -- Network</p> <p>19 integration transmission capacity.</p> <p>20 Q. What's the difference between those two</p> <p>21 things?</p> <p>22 A. So the wheeling is what we also refer to</p> <p>23 as, and if you look at our tariff, it's referred to</p> <p>24 as point-to-point service; and that's to move energy</p> <p>25 from point A to point B. You're not dropping it off</p>
<p style="text-align: right;">143</p> <p>1 transmission department and that was starting in</p> <p>2 2007.</p> <p>3 I started as an analyst working on the</p> <p>4 transmission service request queue. Over time, I</p> <p>5 progressed in that position, moved to the senior</p> <p>6 position, started managing the contracts as well as</p> <p>7 some aspects of the transmission service requests,</p> <p>8 and then in 2013 I assumed the position of the TSR</p> <p>9 manager.</p> <p>10 Q. And that's transmission service --</p> <p>11 A. Trans -- Yes, transmission service. And</p> <p>12 then with that position, in addition to transmission</p> <p>13 service requests, we managed certain WECC and FERC</p> <p>14 reporting requirements.</p> <p>15 Q. Okay. A couple -- couple questions in</p> <p>16 there.</p> <p>17 "TSR requests," that means --</p> <p>18 A. Hum-um.</p> <p>19 Q. No, no. TSR means transmission service</p> <p>20 request; correct?</p> <p>21 A. Correct.</p> <p>22 Q. Okay. And then you also said WECC?</p> <p>23 A. WECC, yeah, Western Electricity</p> <p>24 Coordinating Council. It's a regional entity that</p> <p>25 includes PacifiCorp. We report various information,</p>	<p style="text-align: right;">145</p> <p>1 anywhere. You might be moving it to a different</p> <p>2 customer, a different BA, someone somewhere like</p> <p>3 that; but you're not syncing it to a specific load.</p> <p>4 So if you're selling it to another market, you will</p> <p>5 use point-to-point service.</p> <p>6 Q. And how about -- What was the other one,</p> <p>7 network?</p> <p>8 A. Network service. That's -- We have</p> <p>9 certain load-serving entities within our balancing</p> <p>10 authority; they acquire network service to serve</p> <p>11 their network customers. So --</p> <p>12 Q. Go ahead.</p> <p>13 A. Yeah. So, through our process, they</p> <p>14 designate resources, various generators, to serve</p> <p>15 various loads that they have, that they also</p> <p>16 designate.</p> <p>17 Q. And what -- what is it that you mean by</p> <p>18 "load"?</p> <p>19 A. "Load," that's another customer that will</p> <p>20 use that -- that load for their own purposes, for</p> <p>21 their own either running of their business or</p> <p>22 whatever it may be.</p> <p>23 Q. So correct me if I'm wrong, but is load</p> <p>24 like used energy, like that is where the energy is</p> <p>25 going to power the lights in this office building?</p>

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1 **A. Yeah. Yeah. Yes.**
 2 Q. So, really quickly, how long have you been
 3 specifically involved in transmission services at
 4 PacifiCorp?
 5 **A. Since 2007. Almost ten years.**
 6 Q. So when I -- when I ask you a question
 7 today, if you are answering from any resource other
 8 than your personal knowledge, would you let me know?
 9 **A. Yes, I will.**
 10 Q. Okay. Great. Would you take a look,
 11 please, at what's been marked plaintiff's
 12 Exhibit 197.
 13 The title at the top of plaintiff's 197 is
 14 "transmission service request process." Do you see
 15 that?
 16 **A. Yes.**
 17 Q. Are you familiar with this document at
 18 all?
 19 **A. Yes.**
 20 Q. There's a lot of information on here
 21 that's not intuitive to me.
 22 **A. Okay.**
 23 Q. So could you walk me through. What --
 24 What is the transmission service request process?
 25 **A. So a transmission service request process**

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1 is outlined in our open access transmission tariff.
 2 We put this together to explain that process in more
 3 easier terms to understand.
 4 So it consists of an initial part, which
 5 is the application itself. When a customer wants to
 6 request transmission service, the tariff identifies
 7 three different things they need to do. One is
 8 submit a request on the open access same-time
 9 information system; so it's an electronic system
 10 that they put a request in on. And then they need
 11 to send us a written application, and that written
 12 application needs to contain certain pieces of
 13 information. And then, depending on the situation,
 14 a deposit equal to one month's service may be
 15 required. And once we receive that application --
 16 Q. Actually, can I stop you there real quick?
 17 **A. Oh, yes.**
 18 Q. So, first off, what are the kinds of
 19 things that the OASIS electronic application
 20 requires? What kind of information? What kind of
 21 documents?
 22 **A. So, on OASIS, it requires, well,**
 23 **obviously, the customer name, the point of receipt**
 24 **and point of delivery, the megawatts that they're**
 25 **requesting, the start date and the end date, and the**

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1 path that it will be generated on -- or that it will
 2 be transmitted on. Sorry.
 3 Q. And how about for the written application?
 4 **A. The written application is the same**
 5 **information as on OASIS, except there is additional**
 6 **information. I don't have the tariff, our tariff,**
 7 **with me that explains it in detail; but it gets more**
 8 **into what type of generator, what type of load, that**
 9 **sort of information.**
 10 Q. And under what circumstances would
 11 PacifiCorp require a deposit?
 12 **A. We require deposits of all new**
 13 **point-to-point transmission service requests and all**
 14 **new network customers. Existing network customers**
 15 **are not -- We -- The tariff allows us to waive the**
 16 **deposit requirement, and we do that with our**
 17 **existing network customers.**
 18 Q. And I think you said the deposit is one
 19 month's --
 20 **A. One month's service.**
 21 Q. -- service. And so what does -- what does
 22 "service" mean there?
 23 **A. So if you have -- if your request is for**
 24 **20 megawatts, you would -- the current monthly rate,**
 25 **I think, is around \$2600 per megawatt, so you'd**

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1 multiply 20 times 2600 and then gross it up for
 2 losses. So whatever -- I don't have a calculator,
 3 but whatever that is, is the deposit amount.
 4 Q. And, in that example, do you mean 20
 5 megawatts would be transmitted at one time or over
 6 the course of a whole month, or what do you mean?
 7 **A. That's what they're reserving on the line.**
 8 **Whether they actually transmit or not, that is the**
 9 **amount that will be available to the customer.**
 10 Q. In the course of one month?
 11 **A. In the course of one month -- or one year.**
 12 **This -- This process is really to long-term requests**
 13 **that are 12 months or longer, so...**
 14 Q. Oh, okay.
 15 **A. Yeah.**
 16 Q. So the deposit is about one month's
 17 service?
 18 **A. Yeah.**
 19 Q. But any transmission service request would
 20 be a request to transmit electricity for -- Sorry.
 21 Is it a request to reserve space on
 22 PacifiCorp's equipment for one year?
 23 **A. One year or longer. Usually they're**
 24 **longer, but at least one year.**
 25 Q. At least one year. Okay.

150	<p>1 If an entity does not have an</p> <p>2 interconnection agreement with PacifiCorp, is there</p> <p>3 any reason that there would be a transmission</p> <p>4 service request related to the entity?</p> <p>5 A. Yes, occasionally.</p> <p>6 Q. Okay. Can you explain that circumstance?</p> <p>7 A. Yes. Sometimes customers, interconnection</p> <p>8 customers, before they move -- get really far into</p> <p>9 the interconnection process, want to make sure they</p> <p>10 have the ability to reserve transmission. If</p> <p>11 there's no transmission, they can build their</p> <p>12 project but they can't get it anywhere, get the</p> <p>13 energy anywhere; so they will occasionally put in a</p> <p>14 transmission service request to see if it's even</p> <p>15 feasible to get the -- get the energy or get the</p> <p>16 transmission.</p> <p>17 Q. If an entity -- Well, I'll withdraw that.</p> <p>18 If an entity does not have a power</p> <p>19 purchase agreement with PacifiCorp, is there any</p> <p>20 reason for there to be a transmission service</p> <p>21 request with respect to that entity?</p> <p>22 A. No, but I -- Can I clarify that?</p> <p>23 Q. Sure.</p> <p>24 A. When a customer submits an application for</p> <p>25 a resource, they have -- they -- part of that</p>	152	<p>1 Q. The endpoint, I think you said?</p> <p>2 A. Point of delivery.</p> <p>3 Q. Point of delivery.</p> <p>4 A. That's the term.</p> <p>5 Q. Point of delivery. Why does PacifiCorp</p> <p>6 need to know the point of delivery?</p> <p>7 A. Well, we need to know where it's going,</p> <p>8 where -- it's entering the system, but where are you</p> <p>9 moving it to? It goes into also -- and I think it's</p> <p>10 the same answer as earlier -- do we have the</p> <p>11 transmission capability? Do we have the local area</p> <p>12 capability to handle it?</p> <p>13 Q. I may be skipping ahead a couple of boxes</p> <p>14 here. But if an application was submitted that did</p> <p>15 not provide a specific number of megawatts that is</p> <p>16 requested for transmission, what would happen to the</p> <p>17 application?</p> <p>18 A. We would not be able to consider that</p> <p>19 complete.</p> <p>20 Q. And if an application is not complete and</p> <p>21 is not corrected, is not made complete, what happens</p> <p>22 then?</p> <p>23 A. Then the customer has 30 days to correct</p> <p>24 it from the time we notify them. If they don't,</p> <p>25 then we deem them withdrawn; we no longer work on</p>
151	<p>1 process is that they attest that they either own or</p> <p>2 have the right to purchase the output of that</p> <p>3 resource. So if they don't attest to that, then we</p> <p>4 would not process their application. So I think</p> <p>5 that the answer is no.</p> <p>6 Q. Let's see. Let me make sure I understand.</p> <p>7 A. Okay.</p> <p>8 Q. We'll probably cover it later.</p> <p>9 A. Okay.</p> <p>10 Q. Okay. You mentioned that an entity would</p> <p>11 have to submit information on the expected number of</p> <p>12 megawatts --</p> <p>13 A. Yes.</p> <p>14 Q. -- that it would -- it wants to transmit?</p> <p>15 A. (Nods head.)</p> <p>16 Q. Why is that?</p> <p>17 A. Because when we look at it, we need to</p> <p>18 know how much they're requesting, whether we've got</p> <p>19 the available transmission capacity for it, whether</p> <p>20 the local area can handle that as well. So we need</p> <p>21 to know how much they're proposing to put on.</p> <p>22 Q. And correct me if I'm wrong, but it</p> <p>23 sounded like, as part of the application, PacifiCorp</p> <p>24 would also need to know where the energy was going?</p> <p>25 A. Yes.</p>	153	<p>1 the application.</p> <p>2 Q. And if a TSR application was made and</p> <p>3 there was no point of delivery identified, what</p> <p>4 would happen?</p> <p>5 A. The same thing. We would attempt to</p> <p>6 remedy it. If they didn't respond in the time we</p> <p>7 gave them, then the request would be considered</p> <p>8 withdrawn.</p> <p>9 Q. Okay. So let's take a couple of boxes</p> <p>10 over.</p> <p>11 A. Okay.</p> <p>12 Q. There's a gold diamond that says</p> <p>13 "application complete" on the first line. Do you</p> <p>14 see that?</p> <p>15 A. Yes.</p> <p>16 Q. And if the answer is yes, what happens?</p> <p>17 A. If the answer is yes, then we review the</p> <p>18 application within our transmission services group</p> <p>19 to make sure that we've got the available</p> <p>20 transmission capability. Regardless of whether we</p> <p>21 have it or not, we also send it to our planners for</p> <p>22 that particular area, have them take a look at it.</p> <p>23 And, at that point, we -- they or us recommend</p> <p>24 whether or not we need to proceed with a study.</p> <p>25 Q. And is that a system impact study?</p>

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1 **A. That would be a system impact study, yes.**
 2 Q. What -- What can you tell me about a
 3 system impact study?
 4 **A. Transmission system impact studies, the**
 5 **content is governed by the open access transmission**
 6 **tariff. They're a very high-level look at the**
 7 **request: One, are there any constraints in the**
 8 **area? Would we need to build infrastructure in**
 9 **order to complete -- you know, provide service for**
 10 **this request? And if the customer requests, we**
 11 **could look at redispatch options and certain other**
 12 **options, but it doesn't get into cost or anything**
 13 **like that.**
 14 Q. And there's a question here: "Is a system
 15 impact study needed?"
 16 **A. Um-hum.**
 17 Q. Why might it be needed, or why might not
 18 it be needed?
 19 **A. It might not be needed. Occasionally, we**
 20 **get requests that are very small. You have a tiny**
 21 **-- you know, a one-megawatt project that needs to --**
 22 **that's coming on in an area that's not constrained.**
 23 **We have the available transmission capacity, our**
 24 **planners have looked at it and they say, "Yeah, the**
 25 **system can handle it. Go ahead." So we would**

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1 approve it at that point.
 2 **If any of those things are missing, if we**
 3 **don't have the available transmission capacity**
 4 **and/or the planners have concerns about the system**
 5 **in that area, then we would need to do a study.**
 6 Q. And, actually, going along with that: Is
 7 there any lower or upper limit on megawatts to be
 8 transmitted?
 9 **A. No.**
 10 Q. Any number?
 11 **A. Any number. We see numbers all over.**
 12 Q. Okay. So if a system impact study is
 13 indicated, what happens next?
 14 **A. Then we send to the customer a system**
 15 **impact study agreement. They are required to sign**
 16 **that within 15 calendar days and provide a deposit**
 17 **of \$15,000. Once we receive that, then we set up a**
 18 **scoping meeting with the customer and our planners**
 19 **and talk about whatever the issues might be.**
 20 Q. And who is it that completes the system
 21 impact study?
 22 **A. The planners do the bulk of the work, the**
 23 **actual work. And then when it comes back to our**
 24 **group, we review it and route it for other review if**
 25 **necessary. We're kind of a project manager of it.**

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1 Q. And planners, that's -- those are
 2 PacifiCorp employees?
 3 **A. PacifiCorp planners, yeah, main grid and**
 4 **area planning.**
 5 Q. And what is the \$15,000 deposit for?
 6 **A. That is what we use to charge our time to.**
 7 Q. So does that pay for the study?
 8 **A. Yes. It pays for it, and then if there's**
 9 **anything left over at the end, we refund it to the**
 10 **customer.**
 11 Q. Let's see. I think we left off at the
 12 scoping meeting.
 13 **A. Yes, scoping meeting.**
 14 Q. Okay. Tell me about that.
 15 **A. So we hold a scoping meeting. It's open**
 16 **to the customer and to anyone in PacifiCorp that may**
 17 **have an interest in the request. We usually -- They**
 18 **usually go in a certain format where we introduce**
 19 **everybody and do a brief introduction to the request**
 20 **and then, at that point, let PacifiCorp planners ask**
 21 **whatever questions, clarifying questions, they have;**
 22 **and the customer also can give additional input.**
 23 Q. So then does the study take place?
 24 **A. Yes.**
 25 Q. Okay. And so what -- what does a typical

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1 system impact study end up looking like? What is it
 2 telling the customer?
 3 **A. It's telling the customer -- It depends on**
 4 **the situation, you know, the nature of the request;**
 5 **but, generally, it addresses two things: If there's**
 6 **no available transmission capacity, it will identify**
 7 **what is available, and it will identify the upgrades**
 8 **required to provide the service they are looking**
 9 **for.**
 10 Q. And what do you mean by "upgrades"?
 11 **A. Let's say they need to -- it's a vague**
 12 **example, but we need -- in order to provide the**
 13 **service, we have to build a new line from point A to**
 14 **point B, a new transmission line. It would identify**
 15 **that. Or we need to replace, you know, a ring bus**
 16 **or something; some physical on-the-ground facilities**
 17 **need to be in place.**
 18 Q. Who is it that takes on responsibility for
 19 the costs and construction of any upgrades?
 20 **A. That is -- It depends on the nature of the**
 21 **upgrades, whether they're what we call network**
 22 **upgrades or direct assigned facilities. PacifiCorp**
 23 **would take responsibility for the network upgrades**
 24 **on the customer for the direct assigned facilities.**
 25 Q. Okay. Once a system impact study is

158	<p>1 delivered to a customer, what happens next?</p> <p>2 A. Well, it depends on the results of the</p> <p>3 system impact study. Occasionally, we have a</p> <p>4 situation where we've done the study, the planners</p> <p>5 weren't sure at the outset if we could grant it,</p> <p>6 they do the study and the results come in, "Yeah, we</p> <p>7 don't need to do any upgrades," so at that point we</p> <p>8 would approve the request. If upgrades, genuine</p> <p>9 upgrades, are required, then we would move on to the</p> <p>10 facilities study phase.</p> <p>11 Q. Okay. Tell me about the facilities study</p> <p>12 phase.</p> <p>13 A. So, process-wise, it's very similar to the</p> <p>14 system impact study phase. We send an agreement to</p> <p>15 the customer. They have 15 days to sign. The</p> <p>16 deposit is \$50,000. Again, it's refundable, minus</p> <p>17 the actual costs. More people will be involved in a</p> <p>18 facilities study within PacifiCorp. We'll hold a</p> <p>19 scoping meeting. We usually don't include the</p> <p>20 customer in that, although they are welcome to</p> <p>21 attend if they want; but it will include many more</p> <p>22 engineering disciplines within PacifiCorp, rather</p> <p>23 than just planning -- you know, metering and</p> <p>24 protection and controls and substation engineering.</p> <p>25 And from there we'll develop a scope of work and a</p>	160	<p>1 what the request is, the work that needs to be</p> <p>2 completed, what the schedule is, what the costs are,</p> <p>3 what's direct assigned, what's network upgrades, and</p> <p>4 what the payment provisions will be. And then, as</p> <p>5 an appendix, it usually has the schedule and the</p> <p>6 actual scope of work.</p> <p>7 Q. So correct me if I'm wrong, but it sounds</p> <p>8 like some of the costs might be borne by PacifiCorp</p> <p>9 and some of the costs might be borne by the</p> <p>10 customer?</p> <p>11 A. Possibly, yes.</p> <p>12 Q. And how -- how about the transmission</p> <p>13 services agreement?</p> <p>14 A. Yeah. There's two types of transmission</p> <p>15 service agreements; so, depending on whether it was</p> <p>16 point-to-point or network, we would develop an</p> <p>17 agreement. For our point-to-point agreement, we</p> <p>18 have a pro forma version in our tariff, and it would</p> <p>19 be a matter of filling it in and sending it to the</p> <p>20 customer. The network is a little -- a little more</p> <p>21 free-form. We'd fill it in with the customer's</p> <p>22 information, their point of delivery, what their</p> <p>23 resources are, and what their loads are.</p> <p>24 Q. So do you have -- Does the tariff include</p> <p>25 anything for the network customer?</p>
159	<p>1 cost estimate and schedule for construction.</p> <p>2 Q. Actually, I want to make sure I got that</p> <p>3 right.</p> <p>4 Out of the facilities study comes cost</p> <p>5 estimate, scope of work, and schedule?</p> <p>6 A. Yes.</p> <p>7 Q. Was there anything else?</p> <p>8 A. No. Those are the primary.</p> <p>9 Q. And, again, it's PacifiCorp employees who</p> <p>10 are doing the facilities study?</p> <p>11 A. Yes.</p> <p>12 Q. What happens once PacifiCorp submits the</p> <p>13 facilities study to the customer?</p> <p>14 A. We usually set up a review meeting with</p> <p>15 the customer to go over the results of the study;</p> <p>16 and if it's favorable to the study -- to the</p> <p>17 customer, if they decide they -- They can decide to</p> <p>18 withdraw at any point in this process; but if, after</p> <p>19 that, they decide, "Yeah, we want to move forward,"</p> <p>20 we'll put together a transmission service agreement</p> <p>21 and a construction agreement for the customer.</p> <p>22 Q. And talk about the construction agreement.</p> <p>23 A. The construction agreement is -- we have a</p> <p>24 template for it. It's pretty straightforward. It's</p> <p>25 between PacifiCorp and the customer. It outlines</p>	161	<p>1 A. There's a space for it but it is blank, so</p> <p>2 they're conforming.</p> <p>3 Q. What do you mean? I'm sorry, I'm just</p> <p>4 trying --</p> <p>5 A. I mean we don't have a pro forma network</p> <p>6 agreement.</p> <p>7 Q. Okay. So once the customer signs the</p> <p>8 transmission service agreement and the</p> <p>9 construction --</p> <p>10 A. The construction agreement will assign --</p> <p>11 So taking just the transmission service agreement:</p> <p>12 They'll sign the transmission service agreement,</p> <p>13 assuming they want to move forward with it, and</p> <p>14 we'll look at the filing requirements. If it's a</p> <p>15 network agreement, we will need to file it with</p> <p>16 Federal Energy Regulatory Commission. And the</p> <p>17 point-to-point agreement, so long as it doesn't you</p> <p>18 know -- if it's in accordance with the tariff</p> <p>19 agreement, we can report it on a spreadsheet report</p> <p>20 that we do.</p> <p>21 So there -- there's that. And then we'll</p> <p>22 hold on to that until the request goes into service.</p> <p>23 At the same time, when we have the construction</p> <p>24 agreement, once that's signed and if there's any</p> <p>25 payment provisions up front or any of the initial</p>

162	<p>1 provisions are met, we'll assign it to a project 2 manager within PacifiCorp; and, at that point, I'm 3 mostly out of it. They move forward and start doing 4 the work, procuring the materials, and building the 5 facilities. 6 Q. If there is a construction agreement, the 7 work identified in the construction agreement has to 8 be completed before the customer may transmit power; 9 correct? 10 A. Correct. Yes. 11 Q. So even if a transmission service 12 agreement and a construction agreement are signed on 13 the same day, the customer might not be permitted to 14 start transmitting -- 15 A. Correct. 16 Q. -- immediately? 17 A. Until the facilities are in service, yes. 18 Q. And who is it that decides whether the 19 facility is good to go? 20 A. That is the project manager and his group. 21 I don't know their process. I don't know what -- 22 what the criteria are on that. 23 Q. So correct me if I'm wrong, but this 24 process that we've just walked through, Exhibit -- 25 plaintiff's Exhibit 197, is that for non PacifiCorp</p>	164	<p>1 A. Many -- Not off the top of my head. Many 2 -- Many people. Many people. 3 MS. HEALY GALLAGHER: So this will be 4 next, please. 5 (Exhibit 201 marked.) 6 Q. BY MS. HEALY GALLAGHER: Handing you 7 what's been marked plaintiff's Exhibit 201. 8 Just take a look at that, please, and let 9 me know when you're done. 10 For the record, plaintiff's Exhibit 201 is 11 Bates marked PAC 224 through 253. 12 Ms. Whitesmith, plaintiff's Exhibit 201 13 looks like it's entitled "service agreement for 14 network integration transmission service under 15 PacifiCorp's open access transmission tariff, volume 16 number 11." 17 Did I read that correctly? 18 A. Yes. 19 Q. What is this document? 20 A. This is a network integration transmission 21 service agreement for PacifiCorp Energy Supply 22 Management. 23 Q. So that's -- Let's see. So there are two 24 entities in paragraph 1, both called PacifiCorp as 25 far as I can see?</p>
163	<p>1 related entities? 2 A. It is for PacifiCorp and non PacifiCorp 3 related. 4 Q. Okay. So, to my understanding, there is a 5 component of PacifiCorp itself that may make 6 transmission service requests? 7 A. Yes. 8 Q. Can you tell me about that? 9 A. We -- Yeah, they're -- PacifiCorp Energy 10 Supply Management is their current name. They 11 are -- We treat them like -- even though they are in 12 the same company, there is a wall between us and we 13 treat them like any other customer. They're 14 affiliated with us, so we need to note that; but 15 aside from that, they follow the exact same 16 processes as any other customer, and we respond in 17 the same way. 18 Q. So why does PacifiCorp Energy Supply 19 Management exist? 20 A. Because they serve the majority of the 21 load within PacifiCorp's balancing authority area, 22 so they're a separate -- They buy and sell energy; 23 we don't. They need to procure transmission, like 24 anybody else, to move their energy. 25 Q. Do you know who they buy energy from?</p>	165	<p>1 A. Yes. 2 Q. So can you tell me: So which is the 3 Energy Supply Management? 4 A. So the two entities are transmission 5 function and PacifiCorp on behalf of its merchant 6 function. The merchant function is PacifiCorp 7 Energy Supply Management. 8 Q. Okay. Plaintiff's Exhibit 201. Is this 9 the kind of service agreement that another network 10 integration customer, who was not PacifiCorp's ESM, 11 the same agreement that they would enter into? 12 A. Similar. Similar form, yeah. 13 Q. Sure. And there might be different -- a 14 different scope of work -- 15 A. Right. 16 Q. -- or construction required, but -- 17 A. Yes. 18 Q. -- the general provisions are the same? 19 A. Yes. 20 (Exhibit 202 marked.) 21 Q. BY MS. HEALY GALLAGHER: Ms. Whitesmith, 22 handing you what's been marked plaintiff's 23 Exhibit 202. 24 Would you take a look at that, please, and 25 let me know when you're ready.</p>

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1 **A. Yes.**
 2 Q. Plaintiff's Exhibit 202 has the title
 3 "transmission consulting agreement offer."
 4 Did I read that right?
 5 **A. Yes.**
 6 Q. What is this?
 7 **A. This is notifying customers that, for our**
 8 **existing network customers, we have a separate**
 9 **consulting agreement that they may request, and the**
 10 **consulting agreement would be used to evaluate**
 11 **resources prior to submitting formal transmission**
 12 **service requests.**
 13 Q. But that's only for existing network
 14 customers?
 15 **A. Yes.**
 16 MS. HEALY GALLAGHER: Next, please.
 17 (Exhibit 203 marked.)
 18 Q. BY MS. HEALY GALLAGHER: All right. I'm
 19 handing you what's been marked plaintiff's
 20 Exhibit 203.
 21 Would you take a look at that and let me
 22 know when you're ready.
 23 **A. Yes.**
 24 Q. What is plaintiff's Exhibit 203?
 25 **A. It is the facility connection requirements**

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1 **for transmission systems.**
 2 Q. So what does that mean?
 3 **A. I can -- I am not very familiar with this**
 4 **document; it doesn't come into play in my work. But**
 5 **it looks like PacifiCorp's requirements for**
 6 **connection either between transmission systems or to**
 7 **a transmission system.**
 8 Q. Okay. So help me understand: I saw
 9 "transmission," so I thought, "I'm going to ask
 10 Veronica."
 11 How is this different than your work?
 12 **A. This, if you're talking interconnection**
 13 **between two transmission systems -- say, within our**
 14 **balancing authority you've got a customer that has**
 15 **their own transmission system and PacifiCorp has its**
 16 **own transmission system -- those systems need to**
 17 **connect at some point. I believe that this would**
 18 **provide that information, although I would need to**
 19 **read it.**
 20 Q. Sure. Understood. And if you know, help
 21 me understand, like how would -- how would another
 22 entity have a transmission system? Is that like
 23 another utility?
 24 **A. Another utility, another entity of any --**
 25 **of any kind. It's kind of getting out of my area to**

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1 **talk about it.**
 2 Q. Fair enough. It's out of mine too.
 3 Would you take a look, please, at what's
 4 already been marked plaintiff's Exhibit 196. Just
 5 take a look at that and let me know when you're
 6 ready.
 7 **A. Yes.**
 8 Q. We spoke to Mr. Bremer earlier about the
 9 generation interconnection aspect of this brochure,
 10 but is there any part of this brochure in
 11 plaintiff's Exhibit 196 that has to do with your
 12 work in transmission?
 13 **A. Not directly.**
 14 Q. How indirectly, if so?
 15 **A. Indirectly, because many of the requests**
 16 **that come into the transmission queue are associated**
 17 **with generation interconnection projects. I am**
 18 **aware to a certain extent of what the**
 19 **interconnection requirements are. I'm not**
 20 **responsible for them, but I do keep an eye on what**
 21 **-- what they're working on, as much as it relates to**
 22 **my work.**
 23 MS. HEALY GALLAGHER: Okay. We'll go off
 24 the record for five minutes, just take a quick
 25 stretch break.

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1 (Recess.)
 2 MS. HEALY GALLAGHER: Okay. Back on the
 3 record, please.
 4 Q. BY MS. HEALY GALLAGHER: All right.
 5 Ms. Whitesmith, what we've done is put plaintiff's
 6 Exhibit 198 into a disk drive; so what you're
 7 looking at right now are the files on plaintiff's
 8 Exhibit 198.
 9 Do you see a file that looks like the open
 10 access transmission tariff?
 11 **A. Yes.**
 12 Q. Would you open that, please.
 13 **A. (Complies.)**
 14 Q. Oh, actually, could you read out the file
 15 name for me.
 16 **A. Yeah. 20161005_OATT master.PDF.**
 17 Q. Great. Open that up, please.
 18 **A. (Complies.)**
 19 Q. All right. And Adobe is telling us that
 20 this document is 751 pages; right?
 21 **A. Yes.**
 22 Q. Okay. Would you please find in the table
 23 of contents of this document the sections that apply
 24 to your work, the transmission services.
 25 **A. The sections that apply to my work**

170	<p>1 directly are part 2, "point-to-point transmission</p> <p>2 service."</p> <p>3 Q. Just real quick: So Adobe is telling us</p> <p>4 -- This is on page 7; correct?</p> <p>5 A. Yes -- No, six.</p> <p>6 Q. Oh, sorry. I'm looking -- I'm looking up</p> <p>7 here in the upper left-hand corner.</p> <p>8 A. Oh, yes.</p> <p>9 Q. That's all right. Okay. So you --</p> <p>10 A. Yeah, it's page 7.</p> <p>11 Q. Page 7. Got it.</p> <p>12 Okay. So, nonetheless, it's Roman numeral</p> <p>13 two, "point-to-point transmission service," in the</p> <p>14 table of contents?</p> <p>15 A. Correct.</p> <p>16 Q. Okay. How about any others?</p> <p>17 A. On page 9, Roman numeral three, "network</p> <p>18 integration transmission service."</p> <p>19 Q. Okay. Are there any others?</p> <p>20 A. There are other areas in the appendices</p> <p>21 and in part 1, that may or may not apply directly,</p> <p>22 may not always apply. These always apply.</p> <p>23 Q. Okay. Could you take a look at the list</p> <p>24 of appendices.</p> <p>25 A. Yes. Schedule 1 -- So on page 13 of the</p>
171	<p>1 PDF, schedules 1, 2, 3 and 3A; and then on page 14</p> <p>2 of the PDF, schedule 4, 5, 6, 7, 8, 9, 10, and 11</p> <p>3 may apply. And --</p> <p>4 Q. Go ahead.</p> <p>5 A. And also attachment A, attachment A1,</p> <p>6 attachment B, attachment C to a certain extent,</p> <p>7 attachment D, attachment E, and attachment F; and</p> <p>8 then also on page 15 of the PDF, attachment H,</p> <p>9 inasmuch as it relates to transmission service; and</p> <p>10 then attachment -- through attachment M.</p> <p>11 Q. Okay. Let's see. And are there any -- It</p> <p>12 looks like the attachment is the main document and</p> <p>13 then an attachment might have appendices. Is that</p> <p>14 right?</p> <p>15 A. Most of them don't. I think attachment N</p> <p>16 has appendices.</p> <p>17 Q. Oh, I see. Okay.</p> <p>18 A. But that doesn't apply to my work.</p> <p>19 Q. Okay. So, again, in this open access</p> <p>20 transmission tariff, these are the general rules</p> <p>21 that apply? These are pro forma documents --</p> <p>22 A. Yes.</p> <p>23 Q. -- that are used in the course of</p> <p>24 transmission service requests?</p> <p>25 A. Yes.</p>
172	<p>1 Q. Okay. All right. You can close that.</p> <p>2 A. (Complies.)</p> <p>3 Q. And do you see a file name that looks like</p> <p>4 it is a native Excel file for the transmission</p> <p>5 service queue?</p> <p>6 A. Yes.</p> <p>7 Q. Which one?</p> <p>8 A. The one entitled tsr_queue.xlsx.</p> <p>9 Q. Okay. Would you open that, please.</p> <p>10 A. (Complies.) The first -- Okay.</p> <p>11 Q. Go ahead.</p> <p>12 A. The first one on here, it's not clear what</p> <p>13 queue it is; it just says "PacifiCorp queue," but --</p> <p>14 because this doesn't specify which queue, whether</p> <p>15 it's generation or transmission.</p> <p>16 Q. Okay. So now the file that you</p> <p>17 double-clicked on is open; correct?</p> <p>18 A. Correct.</p> <p>19 Q. What's -- What's the title of this file?</p> <p>20 A. "PacifiCorp Transmission Services,</p> <p>21 long-term firm request queue," and the tab that I'm</p> <p>22 on says "inactive requests."</p> <p>23 Q. Is there another tab?</p> <p>24 A. Yes. There's another tab, which is</p> <p>25 "PacifiCorp Transmission Services long-term firm</p>
173	<p>1 request queue, active requests."</p> <p>2 Q. And the active requests, the tab name is</p> <p>3 TSR queue; correct?</p> <p>4 A. Correct.</p> <p>5 Q. So, if we could, could you walk me through</p> <p>6 the columns and explain to me what information is in</p> <p>7 these columns?</p> <p>8 A. Column -- Column A is titled "queue," and</p> <p>9 these are the queue numbers that have been assigned.</p> <p>10 Q. So, for example, if an entity submitted an</p> <p>11 application for transmission service request, this</p> <p>12 queue number would be assigned to that?</p> <p>13 A. Correct, yes, once the application is</p> <p>14 complete.</p> <p>15 Q. Aha, once the application is complete.</p> <p>16 A. Right. "OASIS A rev," this is the number</p> <p>17 that is generated on OASIS. "Company," this is who</p> <p>18 submitted the request. The date the request was</p> <p>19 received. This is what we call the completed</p> <p>20 application date; it's the actual date assigned to</p> <p>21 the transmission request.</p> <p>22 Q. And that's in column D?</p> <p>23 A. Yeah. Oh, I'm sorry. I misread. I</p> <p>24 apologize. This is the OASIS request received date.</p> <p>25 Q. Is in column D?</p>

174	<p>1 A. Yeah, in column D. And that's the date 2 the customer submitted the request on OASIS. 3 Q. Okay. 4 A. Oops. The "written application" is the 5 date that we received the written application from 6 the customer. It may be different from the OASIS 7 request received. 8 "Control area" is column F, and that is 9 what part of the PacifiCorp system is it in: Is in 10 the east or the west? 11 Q. And what's -- I mean, aside from the 12 obvious -- 13 A. Yeah. 14 Q. -- what is east and what is west? 15 A. So we have two balancing authority areas: 16 We have our western balancing authority area, which 17 encompasses PacifiCorp's area in Oregon, Washington, 18 part of northern California, and part of Idaho; the 19 eastern portion or the eastern balancing authority 20 -- authority area is Utah, southern Idaho, Wyoming, 21 and I believe that's it. 22 Q. All right. How about the next column? 23 A. The next column is "product." The product 24 is what is -- the OASIS term for whether it's 25 network or point-to-point transmission service.</p>
175	<p>1 Q. Okay. So if something says "NT," what 2 does that mean? 3 A. "NT," that means network. 4 Q. And what's the entry for point-to-point? 5 A. "PTP." 6 Q. Okay. 7 A. And then "OASIS status," this is the 8 current OASIS status as of right now. And most of 9 these say "confirmed," and that means that it's been 10 approved and is in service. 11 Q. So the transmission service request has 12 been approved? 13 A. Correct. 14 Q. Okay. 15 A. The next column, column I, is "POR." That 16 stands for point of receipt, and that identifies the 17 OASIS -- what the customer entered for the point of 18 receipt on OASIS. 19 Q. And what are the options in the "point of 20 receipt" column? 21 A. Yeah, there are a lot of options. They're 22 pre-identified. They're -- The customer has to 23 select from a drop-down on OASIS. So usually it's 24 kind of indicative a little bit of the area of the 25 system. PACE is generally the Utah area. PACW is</p>
176	<p>1 the western area. 2 Q. Could you click on the "filter" button -- 3 A. Yes. 4 Q. -- in that column. Oh, I do see there are 5 many there. 6 A. There are many. There's many all across 7 the system. 8 Q. Oh, you can -- 9 A. Yeah, sorry. 10 Q. No, that's fine. 11 Is there a way that you could identify 12 which ones are in Utah? 13 A. Yeah -- Yes. Generally -- if you'll give 14 me a minute. 15 PACE is our primary Utah point of receipt 16 or point of delivery, but there are others that may 17 have interconnections, Glen Canyon, Four Corners, 18 Donder Pavant. 19 (Reporter request.) 20 THE WITNESS: D-O-N-D-E-R. MDGT, 21 MWMDWP -- 22 Q. BY MS. HEALY GALLAGHER: Hang on. If you 23 could just go slowly for the court reporter. 24 A. Yeah, I'm sorry. -- and MPAC are in Utah. 25 Nutt is in Utah. Pavant, Pinto, Red Butte, and Red</p>
177	<p>1 Butte load. 2 Q. And are those abbreviated in the -- 3 A. Yeah, they're abbreviated. That's how 4 they're shown in OASIS. 5 Q. So that's REDB? 6 A. REDB and REDBL. 7 Q. Okay. 8 A. I believe that's it. 9 Q. So, for all of these entries on this list, 10 what are these the names of? 11 A. They're the names of points on the system, 12 scheduling points that may cover a certain area of 13 the system. 14 Q. And are these points PacifiCorp 15 facilities? 16 A. Not always. Yes, they are, but they -- 17 especially if it's a point that we share with 18 another balancing authority area, like the Four 19 Corners point that I mentioned, it may also be a 20 point on someone else's system. 21 Q. So how does electricity get to one of 22 these points? 23 A. A customer will have to deliver it to that 24 point or find a way to get it delivered to that 25 point.</p>

178	<p>1 Q. So might there be another utility that</p> <p>2 might get it there, or could it be the customer's</p> <p>3 own equipment that gets it there?</p> <p>4 A. There -- There could be --</p> <p>5 Q. Either?</p> <p>6 A. -- either.</p> <p>7 Q. Okay. So that's point of receipt in</p> <p>8 column 1; correct?</p> <p>9 A. Correct.</p> <p>10 Q. And then in J, "point of delivery"?</p> <p>11 A. That's -- That's similar, only it's where</p> <p>12 the energy is going.</p> <p>13 Q. And the entries, correct -- The same names</p> <p>14 will be in point of delivery that are in point of</p> <p>15 entry; correct?</p> <p>16 A. Correct. The same options are available</p> <p>17 to the customer for point of delivery as for point</p> <p>18 of receipt.</p> <p>19 Q. That's a better way to say it.</p> <p>20 A. I just want to make sure.</p> <p>21 Q. And so, similarly, once electricity is</p> <p>22 delivered to one of these points of delivery, it</p> <p>23 would be up to someone else -- it would be up to</p> <p>24 another entity besides PacifiCorp -- to get it to</p> <p>25 its final destination, if that's not its final</p>	180	<p>1 A. (Complies.)</p> <p>2 Q. If I wanted to find out which company had</p> <p>3 an active transmission service request, how would I</p> <p>4 do that?</p> <p>5 A. Which company? Well, we have the</p> <p>6 companies listed here, so you'd be able to see it;</p> <p>7 and you could use the filter to choose whichever</p> <p>8 company you're looking for.</p> <p>9 Q. Okay. And by choosing the filter, do you</p> <p>10 mean the tiny gray box with the down arrow at the</p> <p>11 bottom right-hand corner of the company header?</p> <p>12 A. Yes. Oops.</p> <p>13 Q. And if I wanted to find out -- Withdrawn.</p> <p>14 Okay. We're done with that. We'll take a</p> <p>15 second.</p> <p>16 MR. MORAN: Yeah. Thanks, Erin.</p> <p>17 Q. BY MS. HEALY GALLAGHER: Okay. Would you</p> <p>18 take a look, please, back at plaintiff's</p> <p>19 Exhibit 193.</p> <p>20 A. Yes.</p> <p>21 Q. And I'm looking at the second to last</p> <p>22 page, paragraph 7.</p> <p>23 There's a list of persons and entities in</p> <p>24 there. Do you see that?</p> <p>25 A. Yes.</p>
179	<p>1 destination?</p> <p>2 A. It may be PacifiCorp as well. It could be</p> <p>3 another entity. It depends on what they're doing</p> <p>4 with the energy.</p> <p>5 Q. Okay. All right. And then how about</p> <p>6 column K?</p> <p>7 A. Column K is megawatts. This is where the</p> <p>8 customer identifies how many megawatts they intend</p> <p>9 to -- they want to transmit.</p> <p>10 Q. Okay. And how about "start" and "end"</p> <p>11 there?</p> <p>12 A. "Start" is the date they're requesting</p> <p>13 service to start, and "end" is the date they want it</p> <p>14 to end.</p> <p>15 Q. And if there is an entry on this first</p> <p>16 sheet for active requests, those are currently</p> <p>17 operative?</p> <p>18 A. They -- Correct.</p> <p>19 Q. Okay. Could you click on the archive</p> <p>20 sheet.</p> <p>21 A. Yes.</p> <p>22 Q. Do we have the same column headers?</p> <p>23 A. Yes.</p> <p>24 Q. Okay. Could you go back, please, to the</p> <p>25 TSR queue sheet.</p>	181	<p>1 Q. Okay. I'll start off by asking: To your</p> <p>2 knowledge, is there any transmission -- transmission</p> <p>3 service agreement involving an entity named</p> <p>4 RaPower-3 LLC?</p> <p>5 A. Not to my knowledge.</p> <p>6 Q. Has RaPower-3 LLC made any transmission</p> <p>7 service request application?</p> <p>8 A. No, not to my knowledge.</p> <p>9 Q. Is there any transmission service</p> <p>10 agreement in place with respect to International</p> <p>11 Automated Systems Inc.?</p> <p>12 A. Not to my knowledge.</p> <p>13 Q. Has International Automated Systems Inc.</p> <p>14 made any transmission service request application?</p> <p>15 A. Not to my knowledge.</p> <p>16 Q. Has LTB1 LLC made any transmission service</p> <p>17 request application?</p> <p>18 A. Not to my knowledge.</p> <p>19 Q. Is there any transmission service</p> <p>20 agreement in place with respect to LTB1 LLC?</p> <p>21 A. Not to my knowledge.</p> <p>22 Q. Is there any transmission service</p> <p>23 agreement in place with respect to DCL16BLT Inc.?</p> <p>24 A. Not to my knowledge.</p> <p>25 Q. Has an entity named DCL16BLT made a</p>

182	<p>1 transmission service request application?</p> <p>2 A. Not to my knowledge, no.</p> <p>3 Q. Has -- Is there a transmission service</p> <p>4 agreement in place with respect to R. Gregory</p> <p>5 Shepard?</p> <p>6 A. No, not that I'm aware of.</p> <p>7 Q. Has R. Gregory Shepard made any</p> <p>8 transmission service request application?</p> <p>9 A. Not that I'm aware of.</p> <p>10 Q. Is there any transmission service</p> <p>11 agreement in place with respect to Neldon Johnson?</p> <p>12 A. Not to my knowledge.</p> <p>13 Q. Has Neldon Johnson made any transmission</p> <p>14 service request application?</p> <p>15 A. Not to my knowledge.</p> <p>16 Q. Has Roger Freeborn made any transmission</p> <p>17 service request application?</p> <p>18 A. No. I'm not aware of any.</p> <p>19 Q. Is there any transmission service</p> <p>20 agreement in place with respect to Roger Freeborn?</p> <p>21 A. No.</p> <p>22 Q. Would you take a look, please, at the</p> <p>23 other entities identified in that paragraph 7.</p> <p>24 Is there any transmission service</p> <p>25 agreement in place with respect to any of those</p>	184	<p>1 A. It can happen, but there will be penalties</p> <p>2 assessed. To do it legally without any penalties,</p> <p>3 they'd have to go through the transmission service</p> <p>4 request process.</p> <p>5 Q. What kinds of penalties?</p> <p>6 A. There's unauthorized use, and I would need</p> <p>7 to look at the -- it's getting a little out of my</p> <p>8 area as well, but I'd need to look at the tariff.</p> <p>9 Q. But you think the information's in the</p> <p>10 tariff?</p> <p>11 A. Right. Unauthorized use and unreserved</p> <p>12 capacity, yeah, they would be charged for that.</p> <p>13 MS. HEALY GALLAGHER: I'll pass the</p> <p>14 witness.</p> <p>15 EXAMINATION</p> <p>16 BY MR. AUSTIN:</p> <p>17 Q. Hey, how are you?</p> <p>18 A. Good.</p> <p>19 Q. Do you know what the IPP switcher is?</p> <p>20 A. I've heard of it.</p> <p>21 Q. Can you tell me what your understanding</p> <p>22 is?</p> <p>23 A. Only that it exists. There's an IPP</p> <p>24 plant, but I don't know -- I'm not familiar with</p> <p>25 anything other than that.</p>
183	<p>1 entities?</p> <p>2 A. Not to my knowledge. I'm not aware of</p> <p>3 any.</p> <p>4 Q. Have any of those entities made a</p> <p>5 transmission service request application?</p> <p>6 A. No.</p> <p>7 Q. How did you determine whether there was a</p> <p>8 transmission service agreement in place with respect</p> <p>9 to any of the people or entities in paragraph 7?</p> <p>10 A. The transmission service agreement. I</p> <p>11 reviewed what we call our electronic quarterly</p> <p>12 report, and that's the report where we identify all</p> <p>13 of our agreements, our transmission agreements. It</p> <p>14 wasn't there. And I also reviewed our electronic</p> <p>15 document management system to see if there was</p> <p>16 anything under these names there, and there wasn't.</p> <p>17 Q. How did you determine that none of these</p> <p>18 people or entities had submitted TSR application?</p> <p>19 A. I reviewed the TSR queue that we looked at</p> <p>20 to see if we'd had anything. I also reviewed the</p> <p>21 electronic document management system to see if</p> <p>22 there was anything that had somehow been missed.</p> <p>23 Q. Outside of the TSR process, is there any</p> <p>24 way that a person or entity could transmit</p> <p>25 electricity on PacifiCorp equipment?</p>	185	<p>1 Q. Do you know what a switch yard is?</p> <p>2 A. Basically.</p> <p>3 Q. What's your understanding as it relates to</p> <p>4 transmission of power?</p> <p>5 A. It's -- It's another -- From my</p> <p>6 perspective, switch yards are sometimes listed as a</p> <p>7 point of receipt or a point of interconnection.</p> <p>8 Q. Okay. And you've been involved in</p> <p>9 transmission agreements that deal with using</p> <p>10 PacifiCorp's transmission network to move power from</p> <p>11 one geographic region to another?</p> <p>12 A. Correct.</p> <p>13 Q. And that is something that requires the</p> <p>14 applicant to declare or provide information</p> <p>15 regarding how much power they wish to transmit?</p> <p>16 A. Correct.</p> <p>17 Q. And on what schedule and things of that</p> <p>18 nature?</p> <p>19 A. When they put the request in for long-term</p> <p>20 service, it's assumed that it will be long-term.</p> <p>21 Q. Okay. Have you been involved in</p> <p>22 transmission -- power transmission requests whereby</p> <p>23 power is transmitted from Utah to other geographic</p> <p>24 regions, using PacifiCorp's transmission lines, such</p> <p>25 as transmission or power to California?</p>

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1 **A. Not to California.**

2 Q. Do you know what -- Do you know whether

3 the Intermountain Power Project transmits power

4 across PacifiCorp's lines to California?

5 **A. I do not know that.**

6 Q. Do you know whether or not -- Pardon me.

7 Have you been involved in a transmission

8 consulting agreement for Sun Smart Solar?

9 **A. No, I have not.**

10 Q. Have you been involved or are you aware of

11 a transmission agreement regarding Energy Capital

12 Group LLC?

13 **A. No.**

14 Q. Are you aware of every planned or possible

15 solar power production facility in Utah?

16 **A. No.**

17 Q. I mean, you only -- you and your office

18 become involved when there's somebody who knows how

19 much power they want to transmit and where; is that

20 fair?

21 **A. From my position, yes. Once -- Yeah.**

22 Q. And --

23 **A. I can't speak for my whole office, but**

24 **from --**

25 **(Reporter request.)**

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1 THE WITNESS: In my position, yes. I

2 can't speak for my whole office, but from what I do.

3 Q. BY MR. AUSTIN: And so, in every instance

4 where -- Well, tell me whether or not you know

5 whether or not a separate agreement is required with

6 PacifiCorp to use its transmission system prior to

7 the transmission agreement being entered.

8 **A. Can you restate that.**

9 Q. Yeah. Let me -- Let me just state it

10 differently.

11 Is an interconnection agreement a

12 prerequisite for a transmission agreement?

13 **A. Not necessarily, no.**

14 Q. Okay. And are there circumstances where

15 someone is permitted to enter into a transmission

16 agreement without ever entering into a

17 interconnection agreement?

18 **A. Yes. Customers may request a transmission**

19 **service agreement. There's nothing in our tariff to**

20 **prohibit that without a generation interconnection**

21 **request.**

22 Q. Are there circumstances where transmission

23 agreements are entered into so that companies can

24 move power, not just from Utah to other states, but

25 through Utah from other states and terminating in

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1 other states?

2 **A. I'd have to look at every -- I don't know**

3 **every agreement we have offhand; but, yeah, that's**

4 **-- that could happen.**

5 Q. I mean, there's an existing network of

6 transmission lines in the United States; is that

7 true?

8 **A. Correct. Yeah.**

9 Q. And one of the things you're office does

10 is handle requests to use PacifiCorp's existing

11 network to move power from one part of the country

12 to another part of the country; is that correct?

13 **A. Correct. Yeah.**

14 MR. AUSTIN: Okay. That's all that I

15 have. Thank you.

16 MR. REICH: No questions.

17 MS. HEALY GALLAGHER: Then that's it.

18 Thank you very much.

19 THE WITNESS: Thank you.

20 (DEPOSITION ADJOURNED AT 3:38 P.M.)

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1 CERTIFICATE OF WITNESS

2

3

4 I, BRUCE GRISWOLD, do hereby certify that I

5 have read the foregoing portion of the transcript of

6 my deposition taken on Tuesday, the 15th day of

7 November 2016, and that the said transcript is true

8 and correct except for such corrections as I may

9 have noted.

10

11

12

13 _____

14 BRUCE GRISWOLD

15

16

17

18 Subscribed and sworn to before me

19 this ____ day of _____, 20__.

20

21

22

23 _____

24 Notary Public, State of _____

25 My Commission Expires: _____

<p style="text-align: right;">190</p> <p style="text-align: center;">CERTIFICATE OF WITNESS</p> <p>1</p> <p>2</p> <p>3</p> <p>4 I, KRISTOPHER BREMER, do hereby certify that I</p> <p>5 have read the foregoing portion of the transcript of</p> <p>6 my deposition taken on Tuesday, the 15th day of</p> <p>7 November 2016, and that the said transcript is true</p> <p>8 and correct except for such corrections as I may</p> <p>9 have noted.</p> <p>10</p> <p>11</p> <p>12</p> <p>13 _____</p> <p>14 KRISTOPHER BREMER</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19 Subscribed and sworn to before me</p> <p>20 this ____ day of _____, 20__.</p> <p>21</p> <p>22</p> <p>23 _____</p> <p>24 Notary Public, State of _____</p> <p>25 My Commission Expires: _____</p>	<p style="text-align: right;">192</p> <p style="text-align: center;">CERTIFICATE</p> <p>1</p> <p>2 I, MARILYNN HOOVER, a Certified Shorthand</p> <p>3 Reporter in Oregon, do hereby certify that, pursuant</p> <p>4 to Rule 30(B)(6) of the Federal Rules of Civil</p> <p>5 Procedure, BRUCE GRISWOLD, KRISTOPHER BREMER, and</p> <p>6 VERONICA WHITESMITH personally appeared before me at</p> <p>7 the time and place mentioned in the caption herein;</p> <p>8 that the witnesses were by me first duly sworn on</p> <p>9 oath and examined upon oral interrogatories</p> <p>10 propounded by counsel; that said examination,</p> <p>11 together with the testimony of said witnesses, was</p> <p>12 taken down by me in stenotype and transcribed</p> <p>13 through computer aided transcription; that the</p> <p>14 witnesses did reserve reading and signing; and that</p> <p>15 the foregoing transcript constitutes a full, true</p> <p>16 and accurate record of said examination of and</p> <p>17 testimony given by said witnesses and of all other</p> <p>18 oral proceedings had during the taking of said</p> <p>19 deposition and of the whole thereof.</p> <p>20 Witness my hand at Portland, Oregon, this 2nd</p> <p>21 day of December 2016.</p> <p>22</p> <p>23 _____</p> <p>24 MARILYNN HOOVER, RPR</p> <p>25 CSR No. 04-0387; Exp. 03/31/2017</p>
<p style="text-align: right;">191</p> <p style="text-align: center;">CERTIFICATE OF WITNESS</p> <p>1</p> <p>2</p> <p>3</p> <p>4 I, VERONICA WHITESMITH, do hereby certify that</p> <p>5 I have read the foregoing portion of the transcript</p> <p>6 of my deposition taken on Tuesday, the 15th day of</p> <p>7 November 2016, and that the said transcript is true</p> <p>8 and correct except for such corrections as I may</p> <p>9 have noted.</p> <p>10</p> <p>11</p> <p>12</p> <p>13 _____</p> <p>14 VERONICA WHITESMITH</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19 Subscribed and sworn to before me</p> <p>20 this ____ day of _____, 20__.</p> <p>21</p> <p>22</p> <p>23 _____</p> <p>24 Notary Public, State of _____</p> <p>25 My Commission Expires: _____</p>	