

**REDACTED**

Docket No. UE 433

Exhibit PAC/1100

Witness: Timothy J. Hemstreet

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**PACIFICORP**

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**REDACTED**

**Direct Testimony of Timothy J. Hemstreet**

**February 2024**

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**ATTACHED EXHIBITS**

Exhibit PAC/1101—Rock River I Site Layout

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1                   **I.       INTRODUCTION AND QUALIFICATIONS**

2   **Q.     Please state your name, business address, and present position with PacifiCorp**  
3       **d/b/a Pacific Power (PacifiCorp or Company).**

4   A.    My name is Timothy J. Hemstreet. My business address is 825 NE Multnomah Street,  
5       Suite 1800, Portland, Oregon 97232. My present position is Vice President of  
6       Renewable Energy Development for PacifiCorp.

7   **Q.     Briefly describe your education and business experience.**

8   A.    I hold a Bachelor of Science degree in Civil Engineering from the University of Notre  
9       Dame in Indiana and a Master of Science degree in Civil Engineering from the  
10      University of Texas at Austin. I am also a Registered Professional Engineer in the  
11      State of Oregon. Prior to joining the Company in 2004, I held positions in engineering  
12      consulting and environmental compliance. Since joining the Company, I have held  
13      positions in environmental policy, engineering, project management, and  
14      hydroelectric project licensing and program management. In 2016, I assumed a role in  
15      renewable energy development, and in June 2019 I assumed the Managing Director  
16      role focusing on PacifiCorp's wind repowering effort, and assumed my current role in  
17      September 2022, in which I oversee the development of renewable energy resources  
18      that enhance and complement PacifiCorp's existing renewable energy resource  
19      portfolio.

20   **Q.     Have you testified in previous regulatory proceedings?**

21   A.    Yes. I have previously sponsored testimony in California, Idaho, Oregon, Utah,  
22      Washington, and Wyoming.

1                                   **II.     PURPOSE AND SUMMARY OF TESTIMONY**

2   **Q.    What is the purpose of your direct testimony?**

3   A.    The purpose of my testimony is to demonstrate the prudence of the Company's  
4        efforts to acquire and repower the Rock River I wind energy facility. My testimony  
5        provides detail on the Company's commercial and other arrangements related to Rock  
6        River I and explains their customer benefits. Specifically, for Rock River I my  
7        testimony addresses the background and relationship to the Company's earlier  
8        repowering efforts; relevant contracting arrangements, implementation status,  
9        permitting status, and schedule; and energy and financial benefits for customers that  
10       result from re-qualification for production tax credits (PTC).

11                Additionally, my testimony describes the Company's investments to construct  
12        a new Fall Creek Hatchery and describes how this project is consistent with the  
13        requirements of the Federal Energy Regulatory Commission (FERC) and the Klamath  
14        Hydroelectric Settlement Agreement (KHSA).

15   **Q.    Please summarize your Rock River I testimony.**

16   A.    PacifiCorp completed a significant repowering of its owned wind fleet in March  
17        2021, and the Company has built on these efforts by acquiring and repowering  
18        additional wind facilities adjacent to the Company's Foote Creek I facility, including  
19        Rock River I. This project will allow the Company to leverage existing long-term  
20        wind energy lease rights, facilities, and infrastructure in the area (including staff and  
21        contractor resources) that will provide customers with the enhanced benefits that  
22        come from repowering cost-effective, proven high-capacity-factor wind energy  
23        resources. Acquiring and repowering Rock River I is consistent with the Company's

1 2021 and 2023 Integrated Resource Plans, that identified the resource as beneficial to  
2 customers and included acquiring and repowering the project in the Company's  
3 least -cost, least risk preferred portfolio.<sup>1</sup> Construction of Rock River I began in the  
4 summer of 2023, and the project is expected to be commercially operational in  
5 December 2024.

6 **Q. Please summarize your Fall Creek Hatchery testimony.**

7 A. The Company is building a new fish hatchery adjacent to the Fall Creek  
8 Hydroelectric Plant, which is the remaining operating Company-owned hydro  
9 development within the Klamath Hydroelectric Project. The hatchery is necessary for  
10 the Company to meet its obligations under the KHSA, and a July 13, 2022,  
11 Memorandum of Agreement with the States of California and Oregon,  
12 to support continued fish production for an eight-year period following Klamath dam  
13 removal.<sup>2</sup> The facility has been designed in consultation with the California  
14 Department of Fish and Wildlife (CDFW) and the National Marine Fisheries Service  
15 (NMFS) specifically to meet fish production goals following the removal of Iron Gate  
16 Dam. Construction of the facility is nearly complete, and the new hatchery started  
17 accepting fish in November 2023 to ensure fish production would continue following  
18 the removal of Iron Gate dam which recently began in January 2024. The hatchery  
19 will fulfill the Company's obligations under the KHSA, and as a required  
20 implementation action of that agreement, protects customers from uncertain costs and  
21 risks related to further operation of the Klamath hydro assets.

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<sup>1</sup> *In re PacifiCorp 2021 Integrated Resource Plan*, at 295, 323 (<https://www.pacificorp.com/energy/integrated-resource-plan.html>).

<sup>2</sup> See KHSA 7.6.6 and Interim Measures 18-19.

1                   **III.     RELATION TO PRIOR REPOWERING PROJECTS**

2   **Q.     Please explain the background of the Rock River I wind energy project.**

3   A.     The Foote Creek Rim wind energy projects were the first utility-scale, commercial  
4           wind energy projects in the State of Wyoming. Rock River I is located adjacent to the  
5           Foote Creek Rim due to the extraordinary combination of geography and wind energy  
6           resources in this location that cause already robust winds to accelerate as they move  
7           over the elevated plateau of the Foote Creek Rim and the Rock River I project site.  
8           Development of wind energy facilities to take advantage of these favorable wind  
9           energy characteristics began in the early 1990s, and the Rock River I wind project is  
10          located approximately five miles northeast of the Foote Creek Rim projects and four  
11          miles northwest of the High Plains and McFadden Ridge projects. Rock River I was  
12          developed shortly after the Foote Creek Rim projects, and reached commercial  
13          operation in October 2001.

14                 Rock River I was originally constructed with 50 wind turbines (each turbine  
15                 with a nameplate capacity of one megawatt (MW)) with a total nameplate capacity of  
16                 50 MW. Rock River I was previously co-owned by Terra-Gen and Shell Wind Energy  
17                 Inc. (Shell) and its output was sold to the Company under a 20-year power purchase  
18                 agreement that expired in December 2021. The Rock River I project interconnects to  
19                 the Company's transmission system at the Foote Creek Substation.

20   **Q.     What does it mean to repower a wind energy facility?**

21   A.     Repowering a wind energy facility means upgrading the wind turbine generator  
22           (WTG) equipment at an existing wind energy project with more efficient equipment  
23           to increase the power generation from the facility and extend the life of the facility.

1 Specifically, repowering Rock River I involves installing new turbines while reusing  
2 other pre-existing facility infrastructure.

3 **Q. Please briefly describe PacifiCorp's effort to repower the Rock River I facility.**

4 A. Similar to the Company's effort to repower the neighboring Foote Creek I-IV  
5 facilities, repowering of Rock River I involves installing new WTGs to replace the  
6 smaller capacity turbines originally installed. The 19 new WTGs at Rock River I will  
7 be supported on new foundations and connected to the Foote Creek Substation with  
8 new energy collector circuits. The turbines will have updated switchgear and controls,  
9 and the new WTG locations will be linked by new turbine access roads. The Rock  
10 River I site layout is shown in Exhibit PAC/1101.

11 **Q. Will Rock River I benefit from PacifiCorp's prior efforts to repower adjacent**  
12 **facilities?**

13 A. Yes. The Rock River I facility will benefit from the Company's recent repowering  
14 effort at the nearby High Plans and McFadden Ridge projects, utilizing operations  
15 and maintenance staff contracted for that project to also operate the Rock River I  
16 facility. Thus, no additional operations facilities are needed to support project  
17 operations. Some project controls will also be housed at the Company's Foote Creek  
18 operations and maintenance building, which is nearby the Foote Creek Substation,  
19 where Rock River I will interconnect to the transmission system. This local  
20 infrastructure results in efficiencies and cost savings for the project since it can draw  
21 on existing infrastructure as well as Company staff and contractor resources.

1 **Q. Will the larger blades from the new turbines increase the potential for avian**  
2 **impacts at Rock River I?**

3 A. Monthly monitoring conducted at Rock River I over the last several years shows no  
4 significant avian impacts. Although the larger blades and greater rotor-swept area will  
5 increase the overall risk zone of the repowered wind turbines, this does not  
6 necessarily correlate with an increased risk of avian impacts. The significant  
7 reduction in the number of turbines that will be deployed at the site also means that  
8 less of the overall project site area will be covered by wind turbines. To further  
9 mitigate any potential impacts, the new turbine locations have been sited to avoid  
10 areas of higher avian use such as the edges of the plateaus, and existing overhead  
11 energy collector lines will be upgraded to implement design improvements intended  
12 to reduce avian exposure risk.

13 The Company also performs monthly monitoring at all Company-owned  
14 Wyoming wind facilities and reports to both the Wyoming Game and Fish  
15 Department and the United States (U.S.) Fish and Wildlife Service. Once repowering  
16 concludes, the Company will begin this monthly monitoring at Rock River I to  
17 determine if the new turbines cause additional impacts to avian species and will  
18 engage with the appropriate agencies to discuss and, if prudent and practicable,  
19 implement additional avoidance, minimization, or mitigation measures. The  
20 Company has prepared an Eagle Conservation Plan and will develop a Bird and Bat  
21 Conservation Strategy for the new turbines in consultation with both the Wyoming  
22 Game and Fish Department and the U.S. Fish and Wildlife Service.



1 **IV. CONTRACTING, PERMITTING STATUS, SCHEDULE, AND COST**

2 **Q. What commercial arrangements has PacifiCorp made to acquire and repower**  
3 **Rock River I?**

4 A. The Company negotiated a Purchase and Sale Option Agreement (PSOA) with  
5 Terra-Gen and Shell to acquire 100 percent of their interests in the Rock River I  
6 facility including the project's wind energy lease rights, transmission and access  
7 easements, and interconnection agreement. Under the PSOA, Terra-Gen and Shell  
8 removed the original 50 turbines from the site and completed site restoration activities  
9 in preparation for repowering of the site by the Company. The Company closed on  
10 the acquisition of the facilities under the PSOA on February 10, 2023. Repowering  
11 construction activities began in the second quarter 2023, in support of a planned late  
12 2024 in-service date for the project.

13 **Q. What other commercial arrangements has PacifiCorp made with respect to**  
14 **Rock River I?**

15 A. The Company executed a safe harbor purchase agreement and a turbine supply  
16 agreement with General Electric International, Inc. (GE) in which GE will supply and  
17 commission WTGs suitable for the site. The Company has also executed a balance of  
18 plant wind energy construction services contract. The Company has also executed a  
19 turbine full-service agreement with GE under which GE will maintain the repowered  
20 turbines consistent with negotiated pricing and terms.

21 **Q. What is the status of necessary permitting to begin construction of the**  
22 **repowering projects?**

23 A. The Company has received the necessary Federal Aviation Administration no-hazard  
24 determinations to install the larger new turbines at the site. The Company has also

1 received a Conditional Use Permit and related building permits for the repowering  
2 effort from Carbon County, Wyoming.

3 **Q. What is the anticipated construction schedule for Rock River I?**

4 A. For Rock River I, the Company began construction in the summer of 2023, with  
5 turbine deliveries and turbine commissioning activities occurring in 2024. The Project  
6 is anticipated to be fully online and serving customers in November 2024. Major  
7 Project milestones are indicated below:

	<u>Milestone</u>	<u>Completion Date</u>
8	Wyoming CPCN Approval	September 2022
9	Project Acquisition	February 2023
10	Construction Mobilization	April 2023
11	Turbine Foundation Completion	November 2023
12		
		<u>Anticipated Date</u>
13	Access Road Completion	May 2024
14	Complete Turbine Deliveries	June 2024
15	Mechanical and Electrical Completion	August 2024
16	Turbine Commissioning Completion	December 2024
17	Final Completion/Site Restoration	July 2025
18		

19 **Q. What is the construction status of Rock River I?**

20 A. Rock River I construction commenced in the summer of 2023 after receiving the  
21 Carbon County building permit. The turbine foundations were completed last fall and  
22 turbine deliveries will occur in spring 2024, following by turbine installation and  
23 commissioning.

24 **Q. What is the forecasted cost of Rock River I?**

25 A. The cost of acquiring and repowering the Rock River I facility is estimated at  
26 approximately [REDACTED] on a total-Company basis, which is equal to  
27 approximately [REDACTED] on an Oregon-allocated basis. However, in this current  
28 Oregon general rate case, only calendar year 2024 in-service amounts are included in

1 revenue requirement. Therefore, \$99.3 million of the total [REDACTED] on a  
2 total-Company basis and \$26.7 million of the [REDACTED] on an Oregon-allocated  
3 basis are included in revenue requirement for recovery in this general rate case. The  
4 additional [REDACTED] total Company and [REDACTED] Oregon allocated will put into  
5 service in 2025. The additional [REDACTED] includes items such as final project  
6 completion scope items, completion of as-built drawings and anticipated punch list  
7 items, and site restoration and revegetation.

8 **Q. Does the acquisition and repowering of Rock River I result in customer benefits?**

9 A. Yes. Acquisition and repowering of the Rock River I project  
10 will benefit customers, as more fully detailed in the direct testimony of Company  
11 witness Thomas R. Burns.

12 **V. REQUALIFICATION FOR PRODUCTION TAX CREDITS**

13 **Q. What benefits will customers realize from Rock River I once repowered?**

14 A. Given the extraordinary wind resource in the area, Rock River I will provide  
15 significant energy benefits to customers: the Rock River I facility is estimated to  
16 provide a very high net capacity factor of [REDACTED] percent. This net capacity factor will  
17 ensure that the facility contributes to system capacity needs.

18 **Q. Will Rock River I qualify for PTCs?**

19 A. Yes. Repowering will requalify the Rock River I facility for PTCs, which will be  
20 passed on to the Company's customers.

21 **Q. What is the value of the PTC for Rock River I?**

22 A. For 2023, the value of the federal PTC was 2.8 cents per kilowatt-hour, or \$28 per  
23 megawatt-hour. This PTC value is adjusted annually based upon an inflation index,  
24 and the PTC is available for energy produced during the 10-year period after the wind

1 facility begins commercial operation. Under the Inflation Reduction Act of 2022,  
2 Rock River I is expected to qualify for 110 percent of the value of the federal PTC  
3 given the location of the facility in Carbon County, which is expected to meet the  
4 definition of an “energy community” under the law.

5 **Q. Are there other requirements that Rock River I must satisfy to qualify for the**  
6 **PTC?**

7 A. Yes, the repowered Rock River I facility must be in service before the end of 2025 to  
8 meet the Internal Revenue Service continuous efforts safe harbor and qualify for the  
9 PTC by completing construction within four calendar years. Repowering at Rock  
10 River I will not incorporate retained components from the existing wind turbines at  
11 the site. Thus, there are no requirements related to the Internal Revenue Service  
12 “80/20” test—a test that was applicable to the repowering of the majority of  
13 PacifiCorp’s wind fleet in which the foundations and towers were retained.

14 **Q. Will repowering increase the overall generating capacity of Rock River I?**

15 A. No. The existing Rock River I interconnection will be fully used but the generating  
16 capacity of Rock River I will not be expanded as a result of repowering. The wind  
17 turbine equipment that will be used at Rock River I has been optimized to make full  
18 use of the existing interconnection capacity and the Company does not at this time  
19 anticipate increasing the interconnection capacity for the facility.

20 **Q. What is the anticipated generation that Rock River I will produce?**

21 A. The Company retained the engineering consulting firm Black & Veatch, Inc. (Black  
22 & Veatch) to evaluate the energy production expected from Rock River I. To  
23 complete this assessment, Black & Veatch used site wind data, wind turbine location

1 data, operational performance data, and other available site-specific information to  
2 model the expected generation from Rock River I. The wind model also evaluated  
3 generation losses resulting from the wake losses at each turbine location. Wake losses  
4 are the reduction in generation at turbines downwind of other turbines due to reduced  
5 wind speed and increased turbulence in the airflow—or wake—behind a turbine. At  
6 Rock River I, the estimated annual energy production of the facility is expected to be  
7 [REDACTED] gigawatt-hours after repowering. The technical analysis documenting the  
8 expected generation from Rock River I is provided in Confidential Exhibit  
9 PAC/1102.

## 10 VI. FALL CREEK HATCHERY BACKGROUND AND CURRENT STATUS

11 **Q. Please explain the background of the Fall Creek Hatchery project.**

12 A. The Fall Creek Hatchery project fulfills an obligation of the Company arising out of  
13 the KHSA. The KHSA was signed by numerous tribes, governmental agencies, the  
14 states of California and Oregon, the Company, and other stakeholders on  
15 February 18, 2010, and amended on April 6, 2016, and November 30, 2016. The  
16 KHSA resolved the issues surrounding the relicensing of the Klamath Hydroelectric  
17 Project (FERC Project. No. P-2082) through the transfer of the Lower Klamath  
18 Project developments (J.C. Boyle, Copco No. 1, Copco No. 2, and Iron Gate) to the  
19 Klamath River Renewal Corporation (KRRC) and the States of California and  
20 Oregon, which are now undertaking their removal. FERC formally split the Klamath  
21 Hydroelectric Project into two licenses in March 2018 and in doing so created the  
22 Lower Klamath Project (P-14803). In July 2021, FERC issued a license transfer order  
23 that, when it became effective, would transfer the license for the Lower Klamath

1 Project from the Company to the KRRC and the states of California and Oregon as  
2 co-licensees. On November 17, 2022, FERC issued a license surrender order for the  
3 Lower Klamath Project and on December 1, 2022, the KRRC, California, and Oregon  
4 formally accepted that surrender order and the Company transferred the license to the  
5 Lower Klamath Project and associated real property to the KRRC, California, and  
6 Oregon on the same date. The Company retains ownership of the Fall Creek  
7 development including the water rights, diversion works, canals, powerhouse, and the  
8 property on which the new hatchery will be constructed. The Company continued to  
9 operate the Lower Klamath Project as a contract operator until the last facility ceased  
10 operation on January 21, 2024, thus allowing the Company's customers to benefit  
11 from the generation from the Lower Klamath Project facilities until they were  
12 decommissioned. Removal of the Lower Klamath Facilities began in 2023 with  
13 removal of the Copco No. 2 facility, which was completely removed last fall.

14 The original Fall Creek Hatchery facilities were constructed following the  
15 completion of Copco No. 1 Dam in 1918. This hatchery was operated by the  
16 California Department of Fish and Wildlife from approximately 1918 to 1948, and  
17 then sporadically thereafter. Because of the age of the facility and the lack of routine  
18 use, the existing Fall Creek Hatchery was not in suitable condition to meet current  
19 fish-rearing or worker safety requirements and was not capable of rearing the number  
20 of fish that need to be raised to meet established production goals.

21 **Q. Why is the Company required to build the Fall Creek Hatchery?**

22 A. The KHSA obligated the Company to implement a suite of interim measures to  
23 address water quality and aquatic species impacts of the Lower Klamath Project

1 facilities until their removal. One of these, Interim Measure 19, required the  
2 Company to develop a plan in consultation with CDFW and NMFS to continue to  
3 meet established fish production goals for a period of eight years after the removal of  
4 Iron Gate Dam. Implementation includes the development of designs, specification,  
5 permits, and construction as necessary to meet mitigation production goals  
6 established by CDFW and NMFS. Interim Measure 20 requires the Company to fund  
7 hatchery operations and maintenance costs for a period of eight years after removal of  
8 Iron Gate Dam.

9 The KHSA also requires that the Company have the hatchery production  
10 continuity measures in place before Iron Gate Dam is removed and the existing water  
11 supply to the Iron Gate Hatchery from Iron Gate Reservoir is no longer available.  
12 Given the scheduled removal of Iron Gate Dam beginning in January 2024,  
13 construction of Fall Creek Hatchery occurred largely in 2023 so that the facility  
14 would be operational when needed to continue fish rearing. Completion of Fall Creek  
15 Hatchery is scheduled for spring 2024, but the facility is now rearing fish that have  
16 been moved to the new facility from Iron Gate Hatchery.

17 **Q. Why was it necessary to build a new hatchery?**

18 A. Iron Gate Hatchery was completed in 1962, concurrent with the completion of Iron  
19 Gate Dam, and had been in continuous operation since that time. The cold-water  
20 supply to Iron Gate Hatchery was provided by Iron Gate Reservoir through intake  
21 structures in the dam itself. With the removal of Iron Gate Dam, which began with  
22 reservoir drawdown starting on January 11, 2024, there is no longer a cold-water

1 supply for Iron Gate Hatchery and it is no longer possible to raise Chinook and Coho  
2 salmon at that location.

3 **Q. Did the Company consider other means of meeting its hatchery obligations**  
4 **under the KHSA?**

5 A. Yes. The Company, in coordination with the KRRC and CDFW and NMFS,  
6 evaluated a suite of alternatives to the Fall Creek Hatchery. Alternatives considered  
7 included ways to keep the Iron Gate Hatchery functioning using alternative water  
8 supplies, building new facilities to rear fish at different locations, and using other  
9 existing hatchery facilities in Oregon and California. The use of Iron Gate Hatchery,  
10 with modifications to address the impacted water supply after dam removal, was not  
11 feasible because Klamath River water temperatures are too warm in the summer to  
12 rear salmon and there are no suitable local surface or groundwater sources that could  
13 support the hatchery. Development of hatchery facilities at other locations was also  
14 evaluated, but the lack of infrastructure and access at these remote sites made  
15 operations, staffing, and security challenging. Other existing hatchery facilities in  
16 Oregon and California were investigated but found to be operating at capacity and  
17 therefore unavailable to assist in meeting hatchery production goals. Even if capacity  
18 were available, using out-of-basin facilities to raise fish would have created biological  
19 challenges related to increased straying in returning adults, inter-basin transfer, and  
20 potential fish disease issues.

21 Ultimately, building a new facility at the existing Fall Creek Hatchery site was  
22 determined to be the best option. The main reasons for this choice are that there is an  
23 adequate volume of water available to support the fish to be raised at the new facility,



1 that water is of high quality, and, because it comes from spring-fed sources, is near  
2 optimal temperatures for rearing fish throughout the year. CDFW also has had  
3 experience with successfully raising fish at this location. Additionally, the Company  
4 continues to own this property, facilitating construction in a timeline that meets the  
5 requirements of the KHSA.

6 **Q. Does construction of the Fall Creek Hatchery facility allow the Company to meet**  
7 **its obligations under the KHSA?**

8 A. Yes. Constructing the Fall Creek Hatchery facility will fulfill the Company's  
9 obligation under the KHSA to provide funding for implementation of the mitigation  
10 plan developed under Interim Measure 19. The fish raised at the Fall Creek Hatchery  
11 will help mitigate for fisheries impacts associated with dam removal activities and  
12 help provide ongoing fish harvest opportunities for Klamath Basin Tribes as well as  
13 commercial and sport fishing stakeholders. The agreed-upon fish production levels  
14 will help bolster populations of Coho and Chinook as they recolonize areas upstream  
15 of Iron Gate Dam.

16 **Q. Has the project been approved by relevant regulatory agencies?**

17 A. Yes. Plans for the construction of the Fall Creek Hatchery were submitted to FERC  
18 for approval and FERC approved the plans and issued an authorization to the  
19 Company to proceed with construction on December 21, 2022. Other approvals and  
20 permits are in place from the U.S. Army Corps of Engineers, the California State  
21 Water Board, CDFW, U.S. Fish and Wildlife, NMFS, and the California State  
22 Historic Preservation Officer.

1 **Q. What is the cost of the hatchery?**

2 A. Total cost for the new facility is approximately \$36.5 million on a total-Company  
3 basis, or approximately \$9.8 million on an Oregon-allocated basis. This includes all  
4 planning, design, permitting, materials, construction, oversight, and project  
5 management costs. This cost does not include operations costs following completion.

6 **Q. Where are operational costs captured?**

7 A. Operational costs for the Fall Creek Hatchery are to be paid by the Company as  
8 required by KHSA Interim Measure 20. These operational costs are consistent with  
9 those previously expended for the operation of the Iron Gate Hatchery and have been  
10 included in the Company's budget as a routine operations and maintenance cost since  
11 the KHSA was executed in 2010.

12 **Q. What is the construction status of the project?**

13 A. Following a competitive bid process in 2022, the Company selected a contractor to  
14 build the new Fall Creek Hatchery. A construction contract was executed and a  
15 limited notice to proceed was issued on August 26, 2022, to allow for the contractor  
16 to order long-lead time items (*e.g.*, pre-fabricated buildings) and secure necessary  
17 subcontracts. Following receipt of the approval from FERC on December 21, 2022,  
18 the Company issued a full notice to proceed on December 28, 2022. The contractor  
19 mobilized to the site on January 23, 2023, to begin construction. The hatchery was  
20 completed to a degree sufficient to allow it to begin receiving eggs and fish from Iron  
21 Gate Hatchery in November 2023 and final completion is expected in March 2024.

1 **Q. How does construction of the facility benefit Oregon customers?**

2 A. Implementation of the KHSA, of which this project is one element, benefits Oregon  
3 customers by achieving a fair and balanced outcome related to the relicensing  
4 proceeding for the Klamath Hydroelectric Project, and addresses costs, risks, and  
5 liabilities associated with ongoing operation of the four dams that are being removed.

6 **Q. Is the Company transferring the hatchery to the Klamath River Renewal  
7 Corporation as it did the Lower Klamath Project?**

8 A. No. The Company is not transferring the Fall Creek Hatchery or the property on  
9 which the hatchery will be built to the KRRC. The Company will continue to own  
10 both the new hatchery and the property for the foreseeable future.

11 **VII. CONCLUSION**

12 **Q. Please summarize your testimony.**

13 A. Repowering Rock River I leverages federal PTC benefits to renew not only one of  
14 Wyoming's first utility-scale wind plants, but also expands wind operations in one of  
15 the most favorable wind energy locations in the Country, while increasing customer  
16 benefits and savings.

17 Construction of the Fall Creek Hatchery supports implementation of the  
18 KHSA, and benefits Wyoming customers by achieving a fair and balanced outcome  
19 related to the numerous costs, risks, and liabilities associated with ongoing operation  
20 and removal of the four dams.

21 **Q. What is your recommendation?**

22 A. I recommend the Commission: (1) find that acquiring and repowering the Rock River  
23 I wind project and building the Fall Creek Hatchery are prudent and provide ample

1 customer benefits; and (2) allow the Company to recover the cost of these  
2 investments in retail rates.

3 **Q. Does this conclude your direct testimony?**

4 **A. Yes.**

Docket No. UE 433  
Exhibit PAC/1101  
Witness: Timothy J. Hemstreet

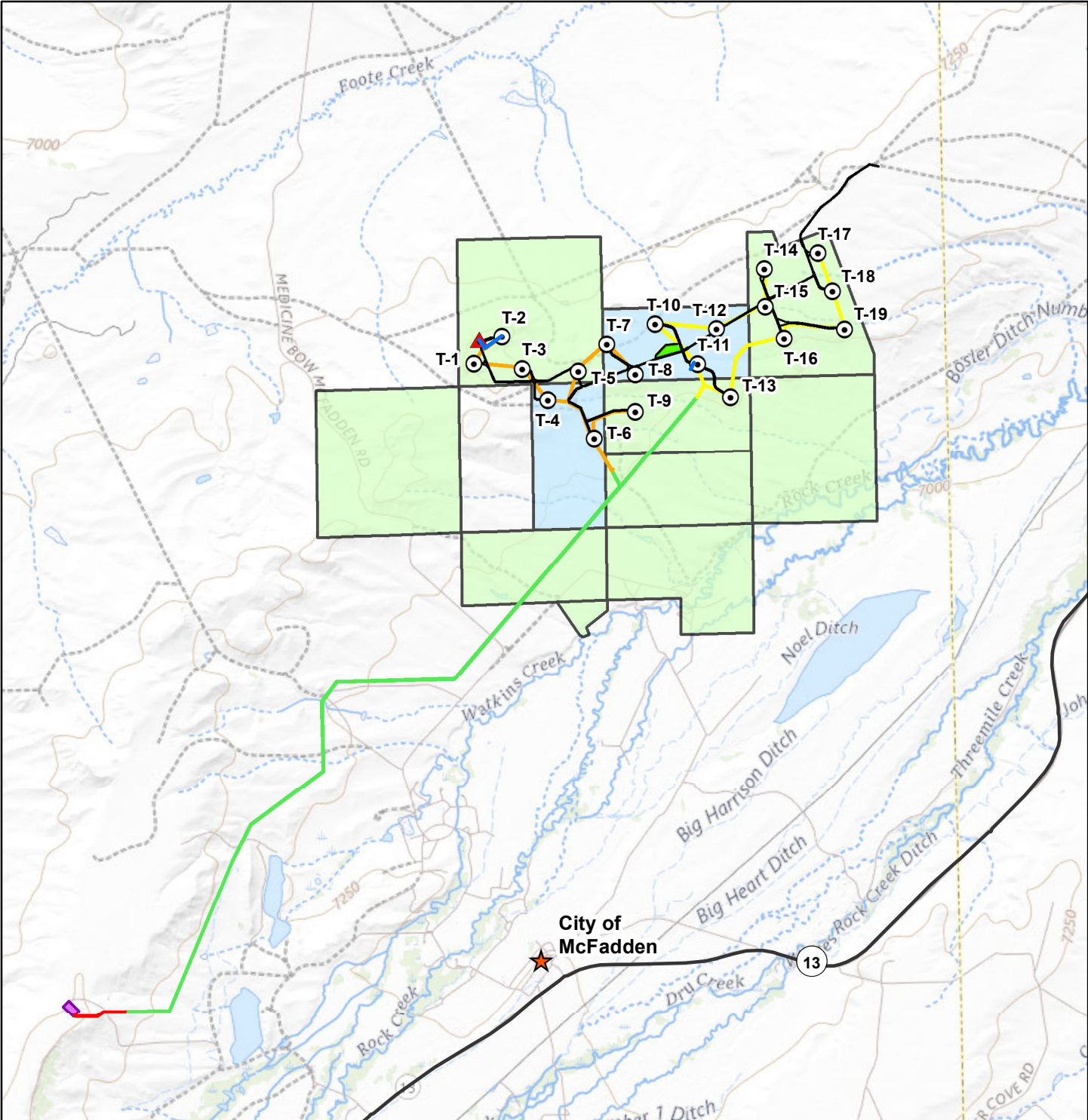
**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**PACIFICORP**

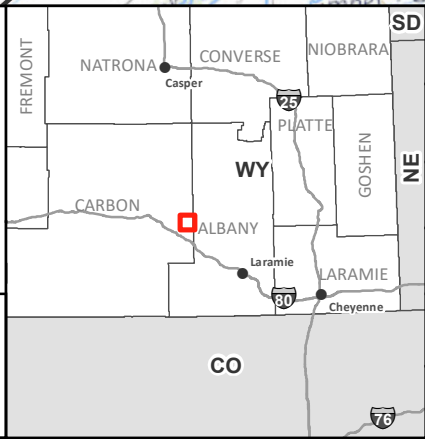
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**Exhibit Accompanying Direct Testimony of Timothy J. Hemstreet  
Rock River I Site Layout**

**February 2024**



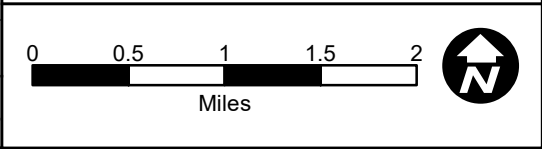
- MET Tower
- Structure
- Roadway
- Existing Overhead Transmission Line
- Feeder 1
- Feeder 2
- LV AC Cable
- UG Feeders
- Laydown Area
- Substation
- Rocky River Ranches
- State of Wyoming



**FIGURE 1: VICINITY MAP**  
**ROCK RIVER REPOWER PROJECT**  
**CARBON COUNTY, WYOMING**  
 Project No. 193579D.000



Sources:  
USGS (2019)  
ESRI (2021)



**REDACTED**  
Docket No. UE 433  
Exhibit PAC/1102  
Witness: Timothy J. Hemstreet

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

**PACIFICORP**

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**REDACTED**

**Exhibit Accompanying Direct Testimony of Timothy J. Hemstreet  
Rock River I Energy Production Analysis**

**February 2024**

**THIS EXHIBIT IS CONFIDENTIAL IN ITS  
ENTIRETY AND IS PROVIDED UNDER  
SEPARATE COVER**