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Attorneys for the applicant, Cat Creek Energy, LLC

STATE OF IDAHO
DEPARTMENT OF WATER RESOURCES

IN THE MATTER OF APPLICATIONS
FOR PERMIT NOS. 63-34403, 63-34652,
63-34897, AND 63-34900 IN THE NAME
OF CAT CREEK ENERGY, LLC

**SECOND DECLARATION OF
JAMES CARKULIS
(Redacted)**

James Carkulis declares as follows:

1. I previously signed the *Declaration of James Carkulis* filed May 15, 2020, in this matter, which sets forth my qualifications as a consultant for Cat Creek Energy, LLC (“Cat Creek”), and explains why financial information pertaining to the renewable power project being developed by Cat Creek in Elmore County, Idaho (the “Project”) is proprietary, highly confidential, and at great risk of misappropriation. If the Idaho Department of Resources (the “Department”) does not take great care to protect the confidentiality of such information, the Department could be responsible for a failure of the Project.

2. On May 28, 2020, the Director issued an Order Establishing Protective Order Procedure (the “Order”) instructing Cat Creek to “file complete Rule 40.05.f information regarding financial resources or, in the alternative, file a motion for protective order, along with the claimed protected or confidential information, for the Director’s in camera review.” This declaration is submitted in support of Cat Creek’s motion for protective order filed herewith.

3. In response to the Order, Cat Creek has carefully analyzed which information can be disclosed without placing the Project at undue risk of harm. This declaration identifies which information Cat Creek has elected to disclose publicly, which information Cat Creek is willing to disclose to parties who sign a protective agreement with adequate safeguards, and which information Cat Creek is willing to disclose only to the Director and his legal counsel for review.

4. Since the Order was issued, Cat Creek has disclosed publicly the following documents:
 - a. Project schedule.
 - b. Project major milestones.
 - c. Partially redacted construction budget.
 - d. Probable uses and sources of financing
 - e. Numerous construction design documents, including reservoir design, intake/discharge design, powerhouse design, hydraulic profile, electrical system design, substation arrangement, substation switching diagram, and transmission pole design.

5. Information that cannot be disclosed publicly is attached to this declaration as an appendix. This declaration identifies the information contained in each appendix and explains its confidentiality.

6. Two versions of this declaration are being filed with the Department—a redacted version and an unredacted version. The appendices to the unredacted version contain confidential information, whereas the appendices to the redacted version do not. The redacted version is being filed with the Department for publication and will be served upon the parties. The unredacted version is being filed under seal for review by the Director and his legal counsel only. Cat Creek determined which information must be filed under seal based on the risk of misappropriation and harm to the project if the confidential information gets into the wrong hands.

7. **Appendix A: Construction Budget.** Appendix A contains an itemized construction budget for the water right component of the Project, totaling \$1,306,407,500. This information is confidential because it contains competitive costing information that competitors and opponents of Cat Creek may use in developing competitive power projects, competing for power purchase agreements with public utilities, and competing for financing from debt and equity providers. Both the redacted and the unredacted versions of this declaration contain the construction budget; however, specific price figures have been omitted from the redacted version. Cat Creek has included in the redacted version a document titled “Redactions to ‘Construction Costs – Cat Creek Energy’” that provides a narrative explanation of why the redacted budget information is confidential.

8. **Appendix B: Project Finance Process Narrative.** Appendix B contains a narrative explanation of the financing process that Cat Creek is utilizing to obtain financing. While there is an established path to financing private power generation projects, the specific financing strategy for a particular project is highly confidential. Appendix B contains information that involves proprietary business strategies of Cat Creek that may be used by opponents of the project to impede development and by competitors of Cat Creek in developing competitive power projects, competing for power purchase agreements with public utilities, and competing for financing from debt and equity providers. In addition, Appendix B contains information that Cat Creek is required to keep confidential under third party agreements. These agreements commonly have substantial penalties for breach. Financing of the Project will go nowhere if Cat Creek is required to disclose in proceedings before the Department its resource elements, its banking relationships, planned equity infusion, and corporate structure.

DATED this 16th day of June, 2020.

I declare under penalty of perjury pursuant to the law of the State of Idaho that the foregoing is true and correct.

By: James Carkulis
JAMES CARKULIS

Appendix A

Unredacted Version: Construction Budget

Redacted Version: Partially Redacted Construction Budget
Narrative explanation of redacted items

Hard Construction Costs Cat Creek Energy Project

Cat Creek Pump Storage Hydro Budget Estimate

T S Sorenson P E June 2020

Task	Quantity	Units	Unit Price \$	Price \$	Total \$
1) Upper Reservoir					
a) Excavation	25,300,000	yds^3			
b) RCC Embankment	2,200,000	yds^3			
c) Non RCC Embankment	23,100,000	yds^3			
d) Geomembrane Cover	3,050,000	yds^3			
e) Geomembrane Liner	84,500,000	ft^2			
f) Drainage Piping	1	lump Sum			
					\$ 419,150,000
2) Intake					
a) Blasting	120,000	yds^3			
b) Excavation	130,000	yds^3			
c) Structural Concrete	2,000	lump Sum			
d) Fabricated Metal- Frame Work	1	lump Sum			
e) Fabricated Metal- Gates	6	each			
f) Fabricated Metal- Screens	80,000	Ft ^2			
g) Fabricated Metal- Inlet reducers	6	each			
h) Fabricated Metal- miscellaneous	1	lump Sum			
i) Electrical	1	lump Sum			
					\$ 17,740,000
3) Penstock					
a) Blasting	470,000	yds^3			
b) Excavation	470,000	yds^3			
c) Structural Concrete piers	1,700	yds^4			
d) Penstock -18 foot Diameter	18,500	ft			
e) Penstock Install	18,500	ft			
f) RCC backfill	135,000	yds^3			
					\$ 141,135,000
4) Powerhouse					
a) Blasting	180,000	yds^3			
b) Excavation	180,000	yds^3			
c) Structural Concrete	50,000	yds^3			
c) Dewatering	1	lump Sum			
d) Hydro/Pump/generator	6	each			
e) Mechanical Installation	6	each			
f) Mechanical auxiliaries	6	each			
g) Electrical I auxiliaries	6	each			
h) Fabricated Metal	1	lump Sum			
i) Switchgear	6	each			
j) Electrical Wiring	1	lump Sum			
k) Tail Race tunnels	1	lump Sum			
					\$ 428,000,000
5) Substation					
a) 13.8/230 kV transformers	6	units			

	b)	GISS Switches & other equipment	6	units			
	c)	Concrete, fencing, other materials	1	lump Sum			
	d)	Collector/Switch station	1	lump Sum			
							\$ 31,600,000
6) Transmission Line							
	a)	Dual Bundled 230 kV		miles			
	b)	Offsite		miles			
							\$ 28,500,000
7) Interconnection							
	a)	Substation					
	b)	Network Upgrades					
						Subtotal	\$ 1,066,125,000
8) Miscellaneous							
	a)	Engineering	1	lump Sum			
	b)	Permitting	1	lump Sum			
	c)	Environmental	1	lump Sum			
	c)	Legal, insurance, misc.	1	lump Sum			
	d)	Contingency, taxes, etc.		lump Sum			
							\$ 240,282,500
						Total Estimate	\$ 1,306,407,500

Appendix B

Unredacted Version: Project Finance Process Narrative

Redacted Version: Blank

CERTIFICATE OF MAILING

I certify that on this 16th day of June, 2020, the foregoing document was served on the following persons in the manner indicated.



Signature of person mailing form

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