Cause No. 46193

On Behalf of Petitioner,
DUKE ENERGY INDIANA, LLC

VERIFIED DIRECT TESTIMONY OF JOHN ROBERT SMITH, JR.

Petitioner's Exhibit 3

February 13, 2025

DIRECT TESTIMONY OF JOHN ROBERT SMITH, JR.
GENERAL MANAGER FOR NEW GAS GENERATION DEVELOPMENT
DUKE ENERGY BUSINESS SERVICES, LLC
ON BEHALF OF DUKE ENERGY INDIANA, LLC
BEFORE THE INDIANA UTILITY REGULATORY COMMISSION

I. INTRODUCTION

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is John Robert Smith, Jr., and my business address is 525 South Tryon Street, Charlotte, North Carolina 28202.

Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A. I am employed by Duke Energy Business Services, LLC, a service company affiliate of Duke Energy Indiana, LLC ("Duke Energy Indiana" or the "Company"), as the General Manager for New Gas Generation Development within the Project Management and Construction ("PMC") Department of Duke Energy.

Q. PLEASE BRIEFLY SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND PROFESSIONAL EXPERIENCE.

A. I received a Bachelor of Science in Civil Engineering from North Carolina State University in 1982. I am a registered Professional Engineer in North Carolina, maintaining registration since 1987. I started my career with Duke Energy's predecessor Duke Power in 1982 as a field engineer supporting construction of Catawba Nuclear Station. In 1988, I transitioned from engineering into project management working for Duke Energy, Fluor, The Shaw Group, and CB&I in

various roles focused on Engineering, Procurement, and Construction ("EPC") services for all forms of new generation installations throughout the United States and abroad. Upon returning to Duke Energy as Senior Project Director in 2018, I focused on managing EPC projects. I assumed my current position as General Manager for New Gas Generation Development at the beginning of 2023. In total, I have over 35 years of experience with responsibility for EPC and project management of new power plant construction projects.

Q. PLEASE SUMMARIZE YOUR RESPONSIBILITIES AS GENERAL MANAGER FOR NEW GAS GENERATION DEVELOPMENT.

A. In my role as General Manager for New Gas Generation Development, I provide leadership and direction for a team of project managers, engineers, sourcing resources, and estimators responsible for front-end development of new natural gas-fired generation projects (the "PMC Gas Development Team") in the jurisdictions where Duke Energy owns generation resources and provides electric service.

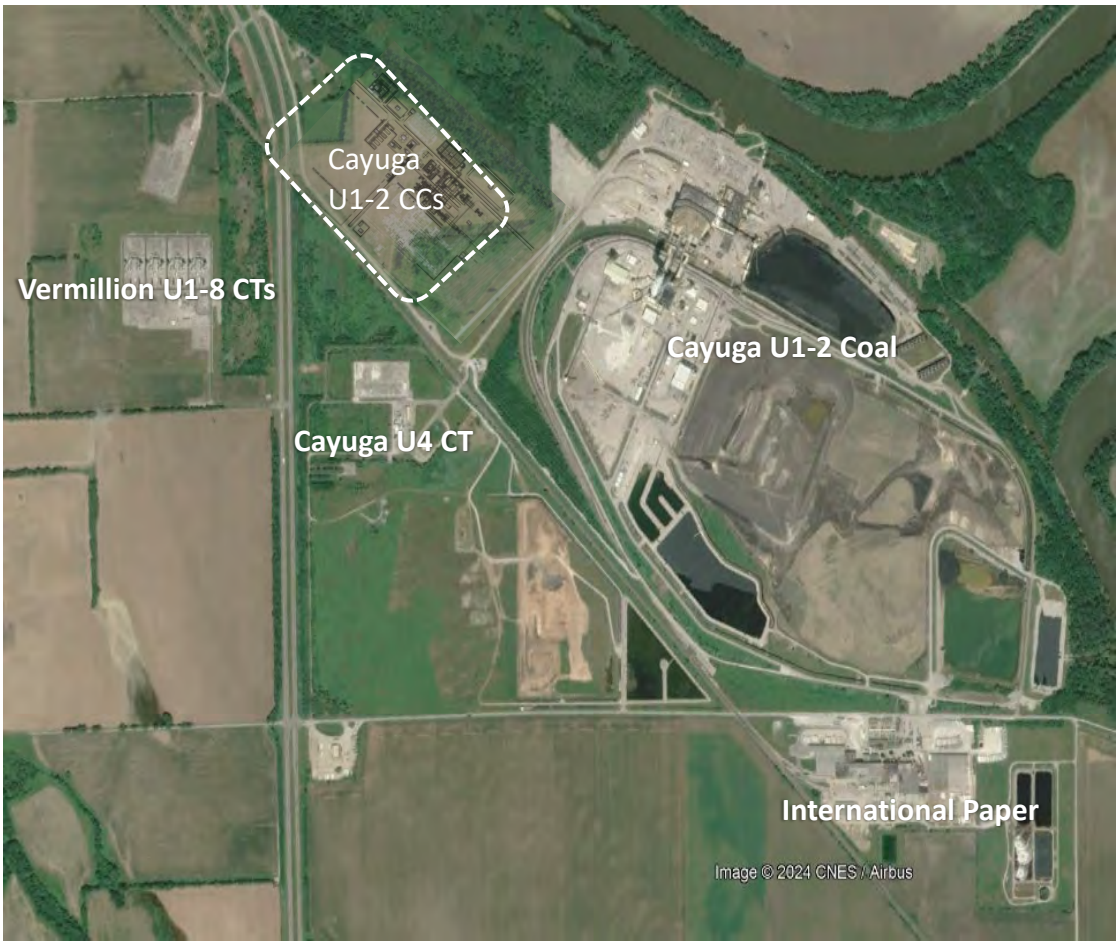
Once a Duke Energy jurisdiction identifies the need for a new gas-fueled resource in a resource plan, my team is responsible for developing conceptual designs that satisfy the need and the associated cost estimates to construct the new generating facility. My team also establishes and initiates project structure, including assisting with key regulatory approvals such as certificates of public convenience and necessity ("CPCN") to construct the resource. My team coordinates with internal stakeholders and multiple third parties to obtain all

necessary permits, and issues purchase orders and contracts related to the construction of the generation resource. We also manage the process to obtain pricing from major equipment suppliers and EPC providers and use the information to internally develop a comprehensive cost estimate. Once all necessary internal and regulatory approvals, permits, purchase orders, and contracts are in place, my team transitions responsibility to the team within PMC assembled to oversee and manage execution of the project plan to construct the facility.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?

A. The purpose of my testimony in this proceeding is to support Duke Energy Indiana's request for a CPCN to construct a 1,476 MW (winter rating) natural gas combined cycle ("CC") plant (the "Cayuga CC Project") on the site of the to-be-retired Cayuga Generating Station. Specifically, I will describe the proposed Cayuga CC Project, which will provide an incremental 471 MW of generation to Duke Energy Indiana's system. My testimony will also describe the contracting approach, cost estimate development and proposed construction schedule. See Figure 1 below for a site map showing the location of the Cayuga CC Project within the Cayuga Energy Complex.

Figure 1



II. PROPOSED CAYUGA CC PROJECT

Q. PLEASE DESCRIBE THE PROPOSED CAYUGA CC PROJECT.

A. The proposed Cayuga CC Project will include two natural gas-fired combustion turbine generators ("CTG") each paired with a heat recovery steam generator ("HRSG"), which utilizes the heat from the exhaust produced by the CTGs (that the exhaust stack would otherwise remove) to generate steam. The HRSGs individually produce and deliver the steam to two steam turbine generators

("STG") that produce additional electricity beyond that produced by the CTGs alone, making the combined-cycle configuration more efficient than a simple-cycle CTG. I will refer to each CTG/HRSG/STG in combination as a "1x1." Each 1x1 will have a winter rating of approximately 738 MW, for a combined capacity for the two 1x1s of approximately 1,476 MW (winter rating). The Cayuga CC Project will replace the combined capacity of 1,005 MW (winter rating) from two to be retired Cayuga coal-fired units and will allow the Company to cost-effectively leverage existing infrastructure at the Cayuga site, such as the transmission, water and wastewater facilities.

III. THE PROPOSED FACILITY AND CONTRACTING STRATEGY

Q. PLEASE FURTHER DESCRIBE THE PLANNED CAYUGA CC PROJECT.

A. Given the Company's procurement activities, Duke Energy Indiana is proposing to construct the Project in phases with the first 1x1 ("CC 1") to be completed and in-service by September 1, 2029, and the second 1x1 ("CC 2") to be completed and in-service by May 29, 2030. Once CC 1 is in-service, Duke Energy Indiana plans to retire one coal-fired unit and to derate the second coal-fired unit until CC 2 is in-service in 2030 (to the extent MISO requires that derate). Note that even if the derate is required, during the remainder of the construction and testing period for CC 2, Duke Energy Indiana expects to be able to maintain the same 1,005 MW capacity as the two retiring coal units.

Duke Energy Indiana currently has a signed purchase order for the first CTG – a GE Vernova advanced class gas turbine 7HA.03 which will be capable of operating with a blend of 30% hydrogen (by volume) fuel. The Company is in the process of signing purchase agreements for the second CTG (another 7HA.03) and two STGs, all from GE Vernova. In addition, we are finalizing an EPC agreement with Kiewit Power Constructors, Co. ("Kiewit"), which will be procuring the HRSGs and constructing the Cayuga CC Project under a lump sum, turnkey contract.

As mentioned above, the Cayuga CC Project will have a winter capacity rating of 1,476 MW, larger than the to-be-retired coal units' winter capacity rating of 1,005 MW. To allow for the interconnection of the incremental MW, Duke Energy Indiana entered the 2023 MISO queue for an additional 500 MW. The interconnection process is further discussed by Company witness Karn.

The overall site will also include the existing Cayuga CT 4 (approximately 100 MW of natural gas peaking capacity) and together will be referred to as the Cayuga Energy Complex. The diesel generators located at Cayuga will also be retired on or about when the coal-fired units retire.

Q. DID DUKE ENERGY INDIANA CONSIDER OTHER OPTIONS FOR REPLACING THE CAYUGA COAL UNITS?

A. Yes. My team developed and submitted bids into both of Duke Energy Indiana's all source Requests for Proposals ("RFP") – including both a 1x1 CC and 2x1 CC for the site, with the support of our Owner's Engineer, Burns & McDonnell. As

explained by the testimony of Duke Energy Indiana witness Lee, in the 2022 RFP, a 1x1 advanced class CC was selected over a 2x1 CC that included a less efficient class CTG to increase confidence in maximum operating flexibility and to better ensure EPA Clean Air Act (CAA) Section 111(b) compliance.[1] In the Company's most recent 2023/2024 RFP, Duke Energy Indiana selected a second 1x1 advanced class CC over a 2x1 CC that was also bid. In addition to being a less efficient turbine, the 2x1 CC also would not have been available at the in-service date desired by the Company to support the retirement date for the coal units.

Once my team was informed that the 1x1 CC was selected by Duke Energy Indiana out of the 2022 RFP, we competitively bid out the major equipment that the Company is responsible for procuring, resulting in the purchase order for CTG 1. My team was informed in September 2024 that our second 1x1 CC bid was selected out of the second RFP. By this point, we also had a preferred EPC bidder and asked Kiewit to refresh its bid to include construction of both CC 1 and CC 2. My team expects to have signed purchase orders for the other CTG and both STGs by June 2025. To the extent the Company's cost estimate requires updating as a result of signing those purchase orders, the Company will provide support for any changes as part of this proceeding.

As described in the testimony of Company witness Karn, once the EPA's CAA 111(b) Rule was promulgated, the Company determined that the more

[1] CAA 111(b) sets New Source Performance Standards (NSPS) for greenhouse gas (GHG) emissions from new, modified, and reconstructed fossil fuel-fired power plants.

efficient turbines, that would meet the requirements of the rule, were the best choice for the Cayuga Energy Complex. Having the most efficient units on the market today to serve customers makes good sense whether or not the EPA's CAA 111(b) Rule remains the law, as explained in more detail by Company witness Gagnon.

Q. PLEASE DESCRIBE THE BENEFITS OF CONSTRUCTING ON A SITE ALREADY USED BY THE COMPANY FOR GENERATION.

A. Duke Energy Indiana already owns the property at the Cayuga site. Constructing the Cayuga CC Project on a site already used for generation provides cost savings and advantages for the Company and its customers and benefits the local economy.

From a construction perspective, it is efficient for the new plant to be able to reuse the existing water intake, switchyard (with some modifications needed), wastewater pond and outfall. Furthermore, as described by Company witness Karn, the Cayuga CC Project can take advantage of the netting of emissions from the existing coal-fired units from an air permitting perspective, as well as utilizing MISO's Generator Replacement Request process for interconnecting with the grid. The Company expects that only needing to seek an incremental 500 MW interconnected at the site will result in a smoother, less costly, and faster process than having to enter the queue with the full site output. However, as I discuss later, Duke Energy Indiana does not yet have a Generator Interconnection Agreement in place for the proposed Cayuga CC Project – which is part of the

reason the Company has proposed certain project reserves to cover the possible network upgrades until they are known.

In addition, the Cayuga site is located within Duke Energy Indiana's service territory and reusing this site will help to replace lost property tax base resulting from the retirement of the coal-fired units. Vermillion County will benefit from additional investment within the area and by maintaining Duke Energy Indiana as a community partner, as further discussed by Company witness Pinegar.

Q. PLEASE DESCRIBE WHAT DUKE ENERGY INDIANA CONSIDERS TO BE THE MAJOR COMPONENTS OF THE CAYUGA CC PROJECT.

A. The CTGs, STGs and generator step up transformers ("GSU") are major pieces of equipment the Company is procuring as their availability must be ensured to achieve the desired in-service dates. In addition to this major owner-furnished equipment, the EPC contract makes up the most significant portion of the cost of the proposed Cayuga CC Project. The EPC contractor will be responsible for procuring the HRSGs (which include duct firing) as part of its scope. Other major and critical components of the project include the reconfiguration and use of existing water resources, supply of the new natural gas facilities, and the modification, new design and upgrades required for the transmission interconnection. While not necessarily physical components, the water and air permitting as well as obtaining necessary regulatory approvals are critical components that will facilitate the completion of a successful project.

Q. PLEASE DESCRIBE THE COMPANY'S COMPETITIVE BIDDING PROCESS FOR THE CAYUGA CC PROJECT.

A. In 2024, the Company conducted a competitive bid event with major United States of America gas turbine vendors, which has helped my team gain full understanding of current market conditions.

My team performed the technical and commercial evaluation of the CTG bids, selecting GE Vernova as the best fit for the Company's needs.

For the STG, Duke Energy Indiana also conducted a competitive process and received bids from several vendors. After review, my team again determined that GE Vernova was the best fit for Duke Energy Indiana's project.

The Company issued a competitive RFP seeking an EPC contractor for the Cayuga CC Project, ultimately selecting Kiewit as the EPC contractor for this project.

Q. HAS THE COMPANY'S COMPETITIVE BIDDING PROCESS COMPLIED WITH IND. CODE § 8-1-8.5-5?

A. Yes. Duke Energy Indiana competitively bid the major components of the Cayuga CC Project, as well as the EPC contract. As required by Ind. Code § 8-1-8.5-5(e)(1)(A), these bids and/or contracts were then used for the estimated costs of the proposed facility in this proceeding. Furthermore, as required by Ind. Code 8-1-8.5-5(e)(1)(B), Kiewit's EPC bid met the technical, commercial and other specifications required by Duke Energy Indiana for the proposed facility.

Q. HOW WOULD YOU DESCRIBE DUKE ENERGY INDIANA'S CONTRACTING STRATEGY FOR THIS PROJECT?

A. My team considered both risks to the Company and its customers as part of its contracting strategy for the Cayuga CC Project. Duke Energy Indiana has employed a variety of contracting strategies in the past – however, with the current market conditions, supply chain constraints and recent rapid price escalation, we currently believe the best choice is to procure the major equipment needed for the Cayuga CC Project early and to obtain firm lump sum, turnkey pricing from our EPC. With a major construction project spanning multiple years, there will be uncertainties and risks, both known and unknown, but Duke Energy Indiana has put itself and its customers in the best position possible to avoid or mitigate price increases and schedule impacts through its contracting strategy. Furthermore, the Company prioritizes safety for its employees and contractors. This priority factored into our selection of Kiewit, a seasoned EPC contractor with safety performance nearly 10x the national average.[2]

Q. PLEASE EXPLAIN THE STATUS OF THE EPC CONTRACT.

A. As mentioned above, the Company has selected Kiewit as the EPC contractor for this project. As also mentioned above, Duke Energy Indiana expects to enter into a lump sum, turnkey agreement for the EPC portion of the Cayuga CC Project. At the time of the Limited Notice to Proceed ("LNTP") being provided to Kiewit

[2] See About Us | Kiewit Corporation (last visited Jan. 24, 2025).

(currently scheduled within the first six months of 2025), Duke Energy Indiana expects to receive final pricing for the project. As Kiewit has noted in its pricing proposal, its "estimate is based on receiving a Limited Notice to Proceed to release engineering activities on June 2, 2025, with a Full Notice to Proceed on or before October 1, 2025. We have included our best estimate required to align with those dates but will require a true-up of the pricing up or down by the LNTP in June 2025."[3] At that time, the Company can update its cost estimate in this proceeding to reflect the final lump sum pricing.

Q. COULD THERE BE OTHER UPDATES TO THE COMPANY'S COST ESTIMATE WHILE THIS PROCEEDING IS PENDING?

A. That is possible. Duke Energy Indiana may also be able to update its estimate during this proceeding as it finalizes contracts for the remaining CTG, two STGs, and to the extent it receives any firm network upgrade requirements from MISO through the GIA process.

The Company also expects to be able to adjust the assumption included in the cost estimate related to the project reserve included in the cost estimate. This amount was included to cover the uncertainty related to entering into final contracts for major equipment, the final EPC agreement, and MISO's required network upgrades. As these amounts are known – either during this proceeding or through the Commission's ongoing review process – Duke Energy Indiana will be

[3] See Confidential Workpaper 2-JRS

able to adjust its cost estimate to reflect known cost changes and reduction in risk as a greater percentage of the cost estimate becomes firm.

Q. HOW HAS THE COMPANY ESTIMATED TRANSMISSION NETWORK UPGRADES IF IT IS STILL IN THE MISO QUEUE FOR THE ADDITIONAL 500 MW?

A. As included in Confidential Workpaper 12-JRS, our transmission team reviewed the network upgrades required by MISO for projects in the 2020 queue and determined that, on average, projects were required to construct projects at a cost of approximately $0.27/watt. The team then multiplied that amount by the 500 MW in the queue for the Cayuga CC Project, resulting in the approximately $138 million included in the Company's estimate in this proceeding. Of course, as we receive information from MISO on what actual network upgrades will be and the expense, we can update the Company's estimate.

As mentioned above, to the extent this information is received from MISO after the record closes in this proceeding, the Company will be able to report on the outcome as part of its semi-annual ongoing review and rider proceedings.

Q. HOW DOES DUKE ENERGY INDIANA INTEND TO OVERSEE CONSTRUCTION AT THE SITE?

A. The Cayuga CC Project can be broken down into Duke Energy Indiana scope and EPC contractor scope. Duke Energy Indiana is responsible for procuring certain major equipment (CTGs, STGs, GSUs, Unit Auxiliary Transformers), as well as the distributed control system (DCS) for monitoring, controlling and

communicating with the plant, the high voltage breakers for transmission interconnection, and the on-site transmission modifications. The gas pipeline and metering facilities will be provided by CenterPoint.[4] The EPC contractor is responsible for everything within the scope of its contract, including procurement of the HRSG, construction, commissioning and performance testing through final completion of the Cayuga CC Project.

Duke Energy Indiana intends to use its PMC team to oversee the EPC contractor's work and progress through meetings, full-time site presence, as well as additional visits and required reporting. Reporting will consist of progress reporting on a percent complete basis, as well as key critical milestones and critical path monitoring against the established baseline schedule. PMC will be engaged with the contractor on a daily basis and will receive various reports on a weekly and monthly basis, and monthly meetings will be held with key project stakeholders to review progress and concerns being addressed by the collaborative team. If and as required, reporting and meetings will be increased should extra mitigating strategies be necessary to minimize significant deviations from the project plan. Work will be paid for based on the completion of discretely defined billing milestones representing the value of completed work.

[4] CenterPoint will be filing the pipeline construction and gas transportation service contract, once completed, with the Commission for review. Costs associated with this contract are not included in the cost estimate in this proceeding.

This high level of engagement from the PMC team will help facilitate the Company's reporting to the Commission on construction as it proceeds through the ongoing review process.

IV. ESTIMATED CONSTRUCTION SCHEDULE

Q. PLEASE DESCRIBE PETITIONER'S CONFIDENTIAL ATTACHMENT 3-A (JRS).

A. Petitioner's Confidential Attachment 3-A (JRS) is a copy of the current estimated construction schedule for the Cayuga CC Project provided by Kiewit. This schedule drives toward an in-service date for CC 1 of September 2029 and for CC 2 of May 2030.

Q. PLEASE LIST THE KEY ACTIVITIES FOR THE CAYUGA CC PROJECT.

A. Duke Energy Indiana has a signed purchase order from GE Vernova for the first CTG and is working on reaching final agreement on the second CTG and both STGs in early 2025. Duke Energy Indiana will complete the procurement of the major equipment within its scope by 3Q 2025 in order to support the EPC contractor's expected schedule.

Also in 2025, Kiewit will begin engineering activities, leading up to June when Duke Energy Indiana expects to issue the LNTP to Kiewit. At that time, Duke Energy Indiana will receive updated lump sum, turnkey pricing on the EPC contract (certain activities within the EPC remain subject to escalation given market conditions until LNTP), which the Company will file in this proceeding to

the extent there is a significant change. The Company intends to issue a full notice to proceed ("FNTP") to Kiewit upon issuance of a CPCN in this proceeding, estimated to be in October 2025, based on the 240 day schedule in Indiana Code 8-1-8.5. Upon FNTP, Kiewit will begin mobilization for the initial site work activities and begin to release purchase orders to suppliers. The focus for the remainder of 2025 will be procurement and engineering activities, while the field team will be mobilizing and establishing facilities to support the on-site management for construction.

In 2026, Kiewit will ramp up its construction activities beginning with the major civil activities including the installation of erosion control features and site grading. Once rough grading is complete, focus will be on the excavations and installation for the underground services, both mechanical and electrical, and then to the major equipment foundations. Home office engineering will remain focused on completing the procurement of balance of plant equipment and materials and completing engineering drawings and document for construction. Major equipment foundations will continue into 2027 in preparation to begin receiving the major equipment shipments. Most construction activities will shift to above ground installations including buildings, raw water and discharge water tie-ins, pipe racks and pipe, electrical raceway and cable, transmission interconnecting bus lines and shifting to major equipment installation later in the year. Engineering will shift their focus to providing field construction support. The resource peak for the project and main focus in 2028 will be the installation of the

major equipment, CTGs, STGs, HRSGs and transformers. Building construction, major piping system and electrical cabling will continue as the construction shifts from a bulk installation plan, to one focused on system completion in support of upcoming start-up and commissioning. Engineering will be completing construction support and focused on commissioning support. 2029 will start off with first fire for the first CTG that will initiate the hot-start activities continuing through the various commission and testing steps, culminating with the performance testing and declaration of in-service for CC 1. As CC 1 is completing it's testing in late 2029, CC 2 will be prepared for its first fire and continuing testing to achieve an in-service date in mid-2030. Once both units are successfully completed, engineering, with support from construction will complete project as-built documentation for delivery to Duke Energy Indiana prior to final completion. The Company will work to ensure continuous operations from Cayuga to the grid, scheduling tie-ins in a way that maintains service for customers.

Q. IS THE COMPANY REQUESTING THAT THE COMMISSION MAINTAIN ONGOING REVIEW OF THE CAYUGA CC PROJECT CONSTRUCTION AS IT PROCEEDS?

A. Yes. As set forth in Indiana Code 8-1-8.5-6, the Company requests ongoing review of the construction as it proceeds. As explained in the testimony of Company witness Sufan, Duke Energy Indiana is requesting to set up a new semi-annual rider under which ongoing review may be accomplished. It is our

recommendation that ongoing review be conducted during those semi-annual rider filings.

Q. WHAT TYPE OF REPORTING WILL DUKE ENERGY INDIANA PROVIDE IN ITS SEMI-ANNUAL RIDER FILINGS?

A. Duke Energy Indiana intends to provide the Commission with insight into construction progress at the site, as well as any necessary changes to the expected in-service date or the cost estimate. I expect that the Company will also provide an updated construction schedule as part of its ongoing review filings.

V. COST ESTIMATE

Q. PLEASE DESCRIBE PETITIONER'S CONFIDENTIAL ATTACHMENT 3-B (JRS).

A. Petitioner's Confidential Attachment 3-B (JRS) is the detailed cost estimate for the Cayuga CC Project.

Q. WHAT IS THE COMPANY'S BEST ESTIMATE OF THE TOTAL COST OF CONSTRUCTION FOR THE CAYUGA ENERGY COMPLEX?

A. As detailed on Petitioner's Confidential Attachment 3-B (JRS), the estimated cost of the Cayuga CC Project is $2.97 billion, plus AFUDC, property taxes and project reserve. The Company has separated out the items it expects may change over time, specifically AFUDC, transmission network upgrades and project reserves. When those items are included, the total best estimate for the Cayuga CC Project is $3.33 billion. As I discussed earlier in my testimony, Duke Energy Indiana intends to reflect known changes to its estimate during this proceeding,

for example, when firm purchase orders are signed for major equipment, when MISO network upgrades are known and when the Company gives Kiewit the LNTP. As the estimate becomes firmer, there could also be adjustments to the amount the Company has set aside for project reserves.

My team is responsible for development of the project and associated schedule and cost estimate and have high confidence the work completed to-date supports this estimate being considered AACE Class 3 quality, with an accuracy range of -20%/+30%. The Company's current estimate for contingency and project reserves reflects this accuracy level. However, Duke Energy Indiana expects that this cost estimate will be further refined throughout this proceeding as large contracts are awarded.

Q. HAS DUKE ENERGY INDIANA SUPPORTED ITS COST ESTIMATE IN THIS PROCEEDING WITH DETAILED WORKPAPERS?

A. Yes, it has. Filed with my testimony are workpapers that include the purchase order with GE Vernova for the CTG, the bid for the second CTG, the bid for the STG, the EPC bid, and contingency analysis, along with other supporting information.

Q. WERE COSTS INCLUDED FOR THE NATURAL GAS PIPELINE IN THIS PROCEEDING?

A. No. CenterPoint Energy is constructing the pipeline that will interconnect the Cayuga CC Project with the REX interstate pipeline for Duke Energy Indiana. As part of the contract between Duke Energy Indiana and CenterPoint (to be filed

with the Commission), the Company will be billed over a twenty-year period for the transportation of gas to Cayuga and expects to seek to recover the transportation costs through its FAC proceedings as it does with other natural gas transportation costs.

In addition, Duke Energy Indiana has contracted with REX for firm transportation as part of the recent REX "open season" process. Duke Energy Indiana has discussed its efforts to procure firm transportation in its FAC testimony. Please see the testimony of Company witness McClay for additional information.

VI. CONCLUSION

Q. IN CONCLUSION, DO YOU BELIEVE THE COMPANY'S BEST ESTIMATE OF CONSTRUCTION COSTS FOR THE CAYUGA CC PROJECT IS REASONABLE AND SHOULD BE APPROVED?

A. Yes, I do. My team has put forth considerable effort to develop a firm cost estimate that will not be subject to the kind of price inflation and supply chain risks we have been seeing in the industry recently. By procuring major equipment up front and entering into a lump sum, turnkey EPC contract for construction, the Company is trying to ensure a smooth construction process with minimal surprises along the way. Of course, any major construction project will have unknown events and issues arise along the way. However, through our deliberate contracting strategy, we hope those events and issues will not have a significant impact on either price or in-service dates.

Q. WERE PETITIONER'S CONFIDENTIAL ATTACHMENTS 3-A (JRS) AND 3-B (JRS) PREPARED BY YOU OR AT YOUR DIRECTION?

A. Yes, they were.

Q. DOES THIS CONCLUDE YOUR PREFILED DIRECT TESTIMONY?

A. Yes, it does.

VERIFICATION

I hereby verify under the penalties of perjury that the foregoing representations are true to the best of my knowledge, information and belief.

Signed: Bobby Smith _____ Dated: 02/13/2025

Bobby Smith