

**EXHIBIT NO. ___(JCW-1T)
DOCKET NO. UG-151663
WITNESS: JEFF C. WRIGHT**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

PUGET SOUND ENERGY

**for (i) Approval of a Special Contract for
Liquefied Natural Gas Fuel Service with
Totem Ocean Trailer Express, Inc. and
(ii) a Declaratory Order Approving the
Methodology for Allocating Costs
Between Regulated and Non-regulated
Liquefied Natural Gas Services**

DOCKET NO. UG-151663

**PREFILED TESTIMONY (NONCONFIDENTIAL) OF
JEFF C. WRIGHT
IN SUPPORT OF SETTLEMENT**

OCTOBER 7, 2016

**PREFILED TESTIMONY (NONCONFIDENTIAL) OF
JEFF C. WRIGHT**

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**PREFILED TESTIMONY (NONCONFIDENTIAL) OF
JEFF C. WRIGHT**

I. INTRODUCTION

Q. Please state your name, business address, and occupation.

A. My name is Jeff C. Wright. My business address is 1155 15th Street NW, Suite 1004, Washington, DC 20005-2706. I am President of Brown, Williams, Moorhead & Quinn, Inc. (“BWMQ”), an energy consulting firm based in Washington, DC.

Q. Please describe your education, relevant employment experience, and other professional qualifications.

A. I have over 35 years of experience in the natural gas pipeline, storage and liquefied natural gas (LNG) industries. I have testified as a leading energy expert before the House Energy & Commerce Committee, Subcommittee on Energy and Power, Senate Committee on Energy & Natural Resources, as well as the House Natural Resources Committee, Subcommittee on Water and Power. I have also represented the U.S. Government/Federal Energy Regulatory Commission in presentations on federal siting procedures to numerous foreign delegations, including but not limited to, Russia, India, Indonesia, Singapore and Mexico. I have also met regularly with his regulatory counterparts in Canada and Mexico. Prior to joining BWMQ, I was the Director of the Office of Energy Projects at the Federal Energy Regulatory Commission from 2009 to 2015. Prior to becoming Director, I served as the office’s Deputy Director from 2007 to 2009.

1 My career at the Federal Energy Regulatory Commission spanned 35 years of
2 increasing responsibility. I worked on many of the important interstate pipeline,
3 storage and LNG infrastructure projects during my career at the Federal Energy
4 Regulatory Commission. I supervised the analysis and subsequent approval of all
5 natural gas pipeline facilities between 2007 and 2015, including (i) 79.8 billion
6 cubic feet (Bcf) per day of pipeline capacity, 5,789 miles of pipeline, 3.8 million
7 horsepower of compression at an estimated cost of \$38 billion; (ii) 775 Bcf of
8 storage capacity, 28.5 Bcf per day of deliverability, and 729,819 horsepower of
9 compression; and (iii) five LNG export terminals with a combined liquefaction
10 capacity of 9.2 Bcf per day. I also oversaw the authority to site interstate electric
11 transmission facilities under the Energy Policy Act of 2005.

12 During my tenure with the Federal Energy Regulatory Commission, I directed a
13 staff of 340 technical professionals responsible for analyzing applications to
14 construct and operate natural gas pipelines, natural gas storage, and LNG
15 terminals (for the export and/or import of natural gas); licensing non-federal
16 hydroelectric projects, the administration and compliance with the licenses, and
17 the safety of the dams under the agency's authority; and, overseeing the authority
18 to site interstate electric transmission facilities under the Energy Policy Act of
19 2005.

20 I have a Master of Business Administration from the University of Maryland,
21 December 1989. I have a Bachelor of Arts in Economics from the College of
22 William and Mary, May 1979.

1 **Q. Please summarize the purpose of your prefiled direct testimony.**

2 A. My testimony introduces a report prepared by BWMQ, as technical consultant to
3 the independent mediator in this proceeding, Mr. Don Trotter (“Mediator”), for
4 the parties to the mediation (“Mediation Parties”). The report entitled “BWMQ
5 Final Report on PSE Tacoma LNG Project for Mediation Parties” (the “BWMQ
6 Report”) was provided by BWMQ to the Mediation Parties on September 29,
7 2016.

8 **II. THE BWMQ REPORT**

9 **Q. Please describe the report prepared for the Mediation Parties by BWMQ.**

10 A. In July 2016, the Mediation Parties retained BWMQ to provide assistance in
11 analyzing the evidence presented by PSE in Docket No. UG-151663. The focus
12 of BWMQ’s work in this proceeding was:

- 13 (i) to examine potential pipeline transportation costs alternatives in
14 the Puget Sound market;
- 15 (ii) to provide cost estimates, including the distribution integration
16 costs, for an alternative and stand-alone LNG peaker plant;
- 17 (iii) to provide development cost estimates for this type of LNG
18 project;
- 19 (iv) to validate the proposed cost allocations for the major capital cost
20 components for the Tacoma LNG Facility;
- 21 (v) to provide a competitive market analysis for LNG fuel use in the
22 Pacific Northwest geographic market; and
- 23 (vi) to provide an analysis of the potential costs and benefits for the
24 PSE regulated gas ratepayers and the non-regulated LNG fuel
25 market.

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The BWMQ Report addresses each of these issues in detail. Please see Exhibit No. ____ (JCW-2C) for a copy of the BWMQ Report.

III. CONCLUSION

Q. Does this conclude your prefiled testimony?

A. Yes.