**EXHIBIT NO. \_\_\_(JCW-1T)**

**DOCKET NO. UG-151663**

**WITNESS:  JEFF C. WRIGHT**

**BEFORE THE**

**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

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| **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.

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

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

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

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

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

# II. THE BWMQ REPORT

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

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

(i) to examine potential pipeline transportation costs alternatives in the Puget Sound market;

(ii) to provide cost estimates, including the distribution integration costs, for an alternative and stand-alone LNG peaker plant;

(iii) to provide development cost estimates for this type of LNG project;

(iv) to validate the proposed cost allocations for the major capital cost components for the Tacoma LNG Facility;

(v) to provide a competitive market analysis for LNG fuel use in the Pacific Northwest geographic market; and

(vi) to provide an analysis of the potential costs and benefits for the PSE regulated gas ratepayers and the non-regulated LNG fuel market.

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.

**Confidential per
WAC 480-07-160**