

**BEFORE THE WASHINGTON
UTILITIES & TRANSPORTATION COMMISSION**

In the Matter of the Application of

PUGET SOUND ENERGY

For an Order Authorizing the Sale of All of Puget Sound Energy's Interests in Colstrip
Unit 4 and Certain of Puget Sound Energy's Interests in Colstrip Transmission System

DOCKET UE-200115

**PAUL L. CHERNICK
ON BEHALF OF THE
WASHINGTON STATE OFFICE OF THE ATTORNEY GENERAL
PUBLIC COUNSEL UNIT**

EXHIBIT PLC-10

Puget Sound Energy Response to Public Counsel Data Request No. 43

October 2, 2020

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Docket UE-200115
Puget Sound Energy
Application Authorizing Sale of PSE Interest in Colstrip Unit 4**

PUBLIC COUNSEL DATA REQUEST NO. 043:

Please refer to Cindy L. Song, Exhibits CLS-4 through CLS-5.

Please explain how and why PSE changed its forecast of market replacement capacity price between the Quantitative Analysis of August 23, 2019 and the Quantitative Analysis of August 29, 2019.

Response:

For the analysis conducted prior to August 23, 2019, Puget Sound Energy (“PSE”) based a projected capacity price was based on a new frame peaker build. Building a new thermal resource to replace the lost capacity, however, would result in excess capacity given the small need, and the timing for a new build would also not meet the short-term capacity need. Therefore, PSE based the replacement cost of capacity resource on a short-term market request for proposals conducted by the PSE trade floor.