

MAJOR GAS & ELECTRIC CONSTRUCTION **PROJECTS**

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REDACTED
**ANNUAL BUDGET OF EXPENDITURES TO THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

Utility Name: Puget Sound Energy

Budget Report for the Year
Ended December 31, 2018

**STATE OF WASHINGTON
INDIVIDUAL MAJOR PROJECT CONSTRUCTION BUDGET**

(\$'s in 000's)

Name of Project: **Lower Baker Crest Improvements**

Description of Project: Part of Lower Baker Dam Crest Improvements program to meet our Federal Energy Regulatory Commission (FERC) 2008 license requirement. Dam Crest rehabilitation and upgrade of the spill way grates and operating mechanisms.

Location of Project: Skagit County, Washington

Anticipated In Service Date: [REDACTED]

Original Anticipated In Service Date: [REDACTED]

Date Project Started: [REDACTED]

Reason why project will be justified: Compliance with the FERC license agreement.

Previous Estimate of Total Project Expenditures as Amended [REDACTED]

Present Estimate of Total Project Expenditures [REDACTED]

Amount of Expenditures Made Prior to Budget Year [REDACTED]

Amount of Expenditures To Be Made in Budget Year [REDACTED]

Anticipated Expenditures After Budget Year [REDACTED]

Accounts to be charged with the expenditures under this authorization:

| <u>Account No.</u> | <u>Title</u> | <u>Amount</u> |
|--------------------|---------------------------------|---------------|
| 332 | Reservoirs, dams, and waterways | [REDACTED] |

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**STATE OF WASHINGTON
INDIVIDUAL MAJOR PROJECT CONSTRUCTION BUDGET**

(\$'s in 000's)

Name of Project: **Lower Baker Grouting Program**

Description of Project: Part of Lower Baker Dam Crest Improvements program to meet our Federal Energy Regulatory Commission (FERC) 2008 license requirement. This project addresses leakage from abutments and foundational drain system of the Dam.

Location of Project: Skagit County, Washington

Anticipated In Service Date: [REDACTED]

Original Anticipated In Service Date: [REDACTED]

Date Project Started: [REDACTED]

Reason why project will be justified: Compliance with the FERC license agreement.

Previous Estimate of Total Project Expenditures as Amended [REDACTED]

Present Estimate of Total Project Expenditures [REDACTED]

Amount of Expenditures Made Prior to Budget Year [REDACTED]

Amount of Expenditures To Be Made in Budget Year [REDACTED]

Anticipated Expenditures After Budget Year [REDACTED]

Accounts to be charged with the expenditures under this authorization:

| <u>Account No.</u> | <u>Title</u> | <u>Amount</u> |
|--------------------|------------------------------|---------------|
| 332 | Reservoirs, Dams & Waterways | [REDACTED] |

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(\$'s in 000's)

Name of Project: **Pierce County 230 kV Project**

Description of Project: Construct 230 kV substation with a 325 MVA transformer at the existing Alderton Substation site and rebuild 6 miles of the 55 kV line between White River and Alderton substations to a 230 kV line. This project may also involve relocation of the transmission line where the current right-of-way corridor will not accommodate a 230 kV transmission line.

Location of Project: Pierce County, Washington

Anticipated In Service Date: [REDACTED]
Original Anticipated In Service Date: [REDACTED]
Date Project Started: [REDACTED]

Reason why project will be justified: Resolve future overload problems. Peaking units at Frederickson currently utilized for stand-by backup.

Previous Estimate of Total Project Expenditures [REDACTED]
Present Estimate of Total Project Expenditures [REDACTED]
Amount of Expenditures Made Prior to Budget Year [REDACTED]
Amount of Expenditures To Be Made in Budget Year [REDACTED]
Anticipated Expenditures After Budget Year [REDACTED]

Accounts to be charged with the expenditures under this authorization:

| <u>Account No.</u> | <u>Title</u> | <u>Amount</u> |
|--------------------|-------------------------------|---------------|
| 353 | Station Equipment | [REDACTED] |
| 355 | Poles, towers, and fixtures | [REDACTED] |
| 356 | Overhead Conductors & Devices | [REDACTED] |

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INDIVIDUAL MAJOR PROJECT CONSTRUCTION BUDGET**

(\$'s in 000's)

Name of Project: **Eastside 230 kV Project
(formerly Lakeside Development and Sammamish-Lakeside-
Talbot 230kv)**

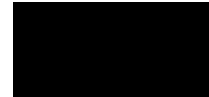
Description of Project: Construct new 230 kV Lakeside and install new breakers at Talbot and Sammamish substations and rebuild 32 miles of the Sammamish-Lakeside-Talbot transmission line to 230 kV.

Location of Project: King County, Washington

Anticipated In Service Date:

Original Anticipated In Service Date:

Date Project Started:



Reason why project will be justified: Increase transmission system reliability and capacity. Relieve loading on Talbot Hill during NERC contingency outages.

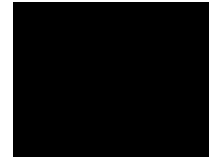
Previous Estimate of Total Project Expenditures

Present Estimate of Total Project Expenditures

Amount of Expenditures Made Prior to Budget Year

Amount of Expenditures To Be Made in Budget Year

Anticipated Expenditures After Budget Year



Accounts to be charged with the expenditures under this authorization:

| <u>Account No.</u> | <u>Title</u> | <u>Amount</u> |
|--------------------|-------------------------------|---------------|
| 350 | Property Purchase | |
| 353 | Station Equipment | |
| 355 | Poles, towers, and fixtures | |
| 356 | Overhead conductors & devices | |
| 397 | Communications | |

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INDIVIDUAL MAJOR PROJECT CONSTRUCTION BUDGET**

(\$'s in 000's)

| | |
|---------------------------------------|---|
| Name of Project: | New Data Centers |
| Description of Project: | Replacement of PSE's data center locations in Bothell and Bellevue. |
| Location of Project: | King County, Washington |
| Anticipated In Service Date: | |
| Original Anticipated In Service Date: | |
| Date Project Started: | |
| Reason why project will be justified: | Eliminate risk to recover and support 24X7 availability in our current Bellevue and Bothell Data Centers if and or when a disaster occurs. Over the next five to ten years PSE must replace the Bellevue and Bothell data centers in order to meet the business critical needs, technology and business recovery, growth and planned technology deployment including business continuity and disaster recovery. |

| | |
|--|--|
| Previous Estimate of Total Project Expenditures | |
| Present Estimate of Total Project Expenditures | |
| Amount of Expenditures Made Prior to Budget Year | |
| Amount of Expenditures To Be Made in Budget Year | |
| Anticipated Expenditures After Budget Year | |

Accounts to be charged with the expenditures under this authorization:

| <u>Account No.</u> | <u>Title</u> | <u>Amount</u> |
|--------------------|-------------------|---------------|
| 303 | Computer Software | |
| 3912 | Computer Hardware | |
| 350 | Land | |
| 361 | Structure | |

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INDIVIDUAL MAJOR PROJECT CONSTRUCTION BUDGET**

(\$'s in 000's)

| | | |
|--|--|---------------|
| Name of Project: | LNG* | |
| Description of Project: | Development, permitting and construction of a Liquefied natural gas facility to provide LNG as (1) a peaking resource for PSE gas customers and (2) transportation fuel to marine and land based markets.* | |
| Location of Project: | Pierce County, Washington | |
| Anticipated In Service Date: | | |
| Original Anticipated In Service Date: | | |
| Date Project Started: | | |
| Reason why project will be justified: | The plant will provide Gas system peaking resource. Plant capacity will be contracted prior to construction. | |
| Previous Estimate of Total Project Expenditures | | |
| Present Estimate of Total Project Expenditures | | |
| Amount of Expenditures Made Prior to Budget Year | | |
| Amount of Expenditures To Be Made in Budget Year | | |
| Anticipated Expenditures After Budget Year | | |
| Accounts to be charged with the expenditures under this authorization: | | |
| <u>Account No.</u> | <u>Title</u> | <u>Amount</u> |
| 361.0 | Structures and Improvements | |
| 376.3 | Distribution Mains (Steel) | |

* This page discloses the roughly 43% of the costs associated with the peaking portion of the LNG business that will be regulated; the transportation fuel portion of

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INDIVIDUAL MAJOR PROJECT CONSTRUCTION BUDGET**

(\$'s in 000's)

| | | |
|--|---|---------------|
| Name of Project: | AMI Meter Deployment and supporting Network Infrastructure | |
| Description of Project: | Deployment of AMI meters and modules with supporting radio network and software via targeted service area multi-year roll out. Addresses end-of-life of the AMR network and modules. | |
| Location of Project: | Company wide | |
| Anticipated In Service Date: | | |
| Original Anticipated In Service Date: | | |
| Date Project Started: | | |
| Reason why project will be justified: | Replacement of the network is needed to address the approaching end-of-life of the Automated Meter Reading (AMR) network and the AMR module assets. The design life for these assets is 15 years old; PSE initiated deployment of these assets starting in 1998. The new meters and radio network will provide PSE a technology foundation that allows for future capabilities above what the existing AMR system provides including expansion of PSE's existing Conservation Voltage Reduction (CVR) program, new operational efficiencies, and enhanced service to customers. | |
| Previous Estimate of Total Project Expenditures | | |
| Present Estimate of Total Project Expenditures | | |
| Amount of Expenditures Made Prior to Budget Year | | |
| Amount of Expenditures To Be Made in Budget Year | | |
| Anticipated Expenditures After Budget Year | | |
| Accounts to be charged with the expenditures under this authorization: | | |
| <u>Account No.</u> | <u>Title</u> | <u>Amount</u> |
| 303 | Computer Software | |
| 370 | Electric Meter | |
| 381 | Gas Meter | |
| 382 | Gas Meter Installation | |
| 397 | Communication Equipment | |

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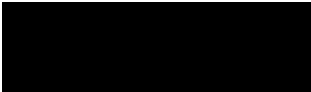
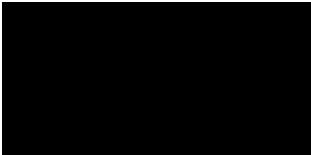

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(\$'s in 000's)

| | | |
|--|---|--|
| Name of Project: | Bonney Lake High Pressure Reinforcement | |
| Description of Project: | This project is to install 2 miles of 12" high pressure (HP) pipe to reinforce the Bonney Lake and Lake Tapps area. | |
| Location of Project: | Pierce County, Washington | |
| Anticipated In Service Date: |  | |
| Original Anticipated In Service Date: | | |
| Date Project Started: | | |
| Reason why project will be justified: | Future growth associated with Tehaleh and Falling Waters development is driving significant growth in the area. | |
| Previous Estimate of Total Project Expenditures as Amended |  | |
| Present Estimate of Total Project Expenditures | | |
| Amount of Expenditures Made Prior to Budget Year | | |
| Amount of Expenditures To Be Made in Budget Year | | |
| Anticipated Expenditures After Budget Year | | |
| Accounts to be charged with the expenditures under this authorization: | | |
| <u>Account No.</u> 376 | <u>Title</u> Distribution Main | <u>Amount</u>  |

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(\$'s in 000's)

Name of Project: **Integrated Work Management**

Description of Project: Enable full lifecycle tracking of PM work orders for targeted work and proactively manage communications to AMI-enabled customers regarding outage occurrences and restoration. Also includes enhancing the repeatable nature of field estimating and design via the use of mobile design, compatible units, repeatable design assemblies, and integrated estimating tools.

Location of Project: King County, Washington

Anticipated In Service Date: [REDACTED]
Original Anticipated In Service Date: [REDACTED]
Date Project Started: [REDACTED]

Reason why project will be justified: This project will improve our planning, estimating, and scheduling ability that will lead to reduced operational expenses.

Previous Estimate of Total Project Expenditures as Amended [REDACTED]
Present Estimate of Total Project Expenditures [REDACTED]
Amount of Expenditures Made Prior to Budget Year (Actual \$) [REDACTED]
Amount of Expenditures To Be Made in Budget Year [REDACTED]
Anticipated Expenditures After Budget Year [REDACTED]

Accounts to be charged with the expenditures under this authorization:

| <u>Account No.</u> | <u>Title</u> | <u>Amount</u> |
|--------------------|--------------|---------------|
| 303 | Software | [REDACTED] |
| 3912 | Hardware | [REDACTED] |

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(\$'s in 000's)

Name of Project: **Shuffleton Relocation**

Description of Project: Relocation of the Shuffleton facility, currently located on the southern end of Lake Washington in Renton, to the existing South King and Kent Fleet Operations sites.

Location of Project: King County, Washington

Anticipated In Service Date: [REDACTED]
Original Anticipated In Service Date: [REDACTED]
Date Project Started: [REDACTED]

Reason why project will be justified: The Shuffleton facility is at the end of its useful life and needs to be re-built. City of Renton development code regulates improvements based upon appraised value, which severely limits the allowed improvements on the property as it is currently configured. In addition, the existing site is located in an area undergoing significant commercial and residential redevelopment, which has imposed new operational and logistical challenges on PSE functions performed at this location. Relocation to the Kent sites will remedy these challenges.

Previous Estimate of Total Project Expenditures as Amended [REDACTED]
Present Estimate of Total Project Expenditures [REDACTED]
Amount of Expenditures Made Prior to Budget Year (Actual \$) [REDACTED]
Amount of Expenditures To Be Made in Budget Year [REDACTED]
Anticipated Expenditures After Budget Year [REDACTED]

Accounts to be charged with the expenditures under this authorization:

| <u>Account No.</u> | <u>Title</u> | <u>Amount</u> |
|--------------------|------------------------------|---------------|
| 389.0 | Property Purchase | [REDACTED] |
| 390.0 | Structure & Improvement | [REDACTED] |
| 391.1 | Office Furniture & Equipment | [REDACTED] |
| 391.2 | Hardware | [REDACTED] |

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