

**EXHIBIT NO. LEO-13CT
DOCKET NOS. UE-090704/UG-090705
2009 PSE GENERAL RATE CASE
WITNESS: LOUIS E. ODOM**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

**Docket No. UE-090704
Docket No. UG-090705**

**PREFILED REBUTTAL TESTIMONY (CONFIDENTIAL) OF
LOUIS E. ODOM
ON BEHALF OF PUGET SOUND ENERGY, INC.**

**REDACTED
VERSION**

DECEMBER 17, 2009

REVISED January 12, 2010

1 A. No. The original five-year term of the Vestas Wild Horse service agreement ends
2 in December 2011, beyond the end of the rate year.

3 **Q. If the Commission were to provide rate recovery on the basis of these**
4 **forecasts, budgets and pro formed expenditures, what assurance can the**
5 **Company provide that these are true and correct costs?**

6 A. As stated earlier in my rebuttal testimony, production O&M for the wind projects is
7 determined on the basis of safety, reliability, environmental, and lifecycle risk
8 objectives. The only costs forecast, budgeted, or pro formed for the facilities are
9 those that are known and/or foreseeable, and necessary to the successful operation
10 of the project. Comparing the forecast rate request from PSE's most recent power
11 cost only rate case, Docket No. UE-070565, with actual O&M costs from the rate
12 year period for Wild Horse provides a credible assessment of the Company's
13 success at budgeting wind facility O&M and executing on its plan. By way of
14 example, in 2007 the Commission granted the Company [REDACTED] in
15 production O&M to operate and maintain the Wild Horse wind facility for the rate
16 year September ~~2008~~ 2007 to August ~~2009~~ 2008. Actual expenditures during the same
17 period were [REDACTED]. Thus, expenditures for the Wild Horse project were
18 within ~~±.8~~ 0.1% of the cost recovery requested.

**REDACTED
VERSION**