

**BEFORE THE WASHINGTON
UTILITIES & TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY

Respondent.

DOCKETS UE-220066, UG-220067, and UG-210918 (*Consolidated*)

**ROBERT L. EARLE
ON BEHALF OF THE
WASHINGTON STATE OFFICE OF THE ATTORNEY GENERAL
PUBLIC COUNSEL UNIT**

EXHIBIT RLE-5

Puget Sound Energy Response to WUTC Staff Data Request No. 92

July 28, 2022

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**Dockets UE-220066 & UG-220067
Puget Sound Energy
2022 General Rate Case****WUTC STAFF DATA REQUEST NO. 092:**

REQUESTED BY: David Gomez

Re: Tacoma LNG

Since the outlet pressure reduction project at the North Tacoma Gate Station has not been completed, the current vaporization injection capability of the Tacoma LNG project into PSE's distribution system is at 76 percent of its design capacity (50,000 Dth/day). Staff's Data Request No. 38 to PSE asks the Company to provide the workpaper relied on to create Table 1; "Allocation of Capital Costs (\$1,000s) for the Tacoma LNG Facility", contained in the confidential prefiled direct testimony of PSE witness Ron Roberts. Staff's questions below refer to the workpaper relied on to create Table 1 in Roberts' prefiled direct.

- a. Identify where in PSE's response to Staff Data Request No. 38 the Company incorporated the current send out capacity of the Tacoma LNG project of 50,000 Dth/day in its allocation of capital costs to peak shaving, TOTE, and unsubscribed unregulated customers (Open Capacity).
- b. Explain the inconsistent assumption of 1.96 million gallons a year of LNG for peak shaving referred to in FSEIS Tables 2-1, 4-3 and 2.8 in the Background Section above and the 5.1 million gallons per year referred to in the *LNG Financial Model 20160919 (C)* workpaper as illustrated in Figure 1 in the Background Section.
- c. Explain the inconsistent assumption of 6.31 days of send out (peak shaving) per year in Figure 1 in the Background Section versus the assumption in Table 2.6 in the Background Section of 10 days (240 hrs.).
- d. Explain why Figure 2 in the Background Section refers to 6.6 million gallons of LNG per year for peak shaving yet Figure 1 refers to 5.1 million gallons of LNG per year for peak shaving.

Response:

Although the information included in WUTC Staff Data Request No. 092 comes from a confidential file, the specific information referenced comes from a tab that was not marked as confidential. Therefore, the information is not treated as confidential in this response.

Attached as Attachment A to Puget Sound Energy's ("PSE") Response to WUTC Staff Data Request No. 090 is the Background Section that was provided with this data request.

PSE objects to WUTC Staff Data Request No. 092 to the extent it relies on incorrect information in the "Background Section".

- a. The allocation of capital costs between peak-shaving and other uses would not change, whether the assumption of send out capacity was 50,000 Dth/day or 66,000 Dth/day. 100% of the vaporization equipment is allocated to peak-shaving. It should be noted that the facility can, as currently built, vaporize 66,000 Dth/day. However, the demand on the connected Tacoma distribution system cannot absorb more than 50,000 Dth/day under design peak conditions. If the connected load on the Tacoma distribution system were to increase, more of the 66,000 Dth/day could be absorbed. It should also be noted that vaporization could be spread over 24 hours per day or limited to only a few hours in the morning or evening, thus to the extent that less than 50,000 Dth/day are utilized, vaporization can occur over more days.
In addition, the hourly impact should be considered. Even if the Tacoma distribution system might only absorb 50,000 Dth for an entire 24 hour design peak period, the full vaporization capability of the plant can be utilized for the very high demand early morning hours. As a general rule on a design peak event, customer demand in early morning hours (5-9 AM) can account for 6% (each hour) of the total daily use. ($50,000 * 6\% = 3,000$ Dth per hour). Thus, the full 66,000 Dth/day vaporization capability of 2,750 Dth per hour would be utilized. ($66,000 / 24 = 2,750$ Dth per hour). While the full 66,000 vaporization capability would not be used throughout the entire day, it would be utilized for several hours in the morning.
- b. The Final Supplemental Environmental Impact Statement was prepared by the Puget Sound Clean Air Agency ("PSCAA") and published by the agency in March 2019; it was not "submitted by PSE on March, 29, 2019," as the Background Section states. The 5.1 million gallons per year in PSE's workpapers in this case (Figure 1 in the Background Section) consists of 4.875 million gallons per year of peak-shaving into the PSE system at Tacoma LNG and .270 million gallon vaporized into the PSE system at Gig Harbor.
- c. The 6.31 days of peak-shaving represents the number of days of peak-shaving when LNG is vaporized at the maximum daily rate of 66,000 Dth per day. In the FSEIS, prepared by PSCAA, 10 days or 240 hours was analyzed by PSCAA, which could be because LNG can be vaporized at a lower rate over a longer period of time.

- d. The total of 6.570 million gallons shown in Figure 2 consists of the 5.1 million gallons discussed in part b (4.875 million gallons of LNG for vaporization and .270 million gallons of LNG for Gig Harbor) as well as 1.425 million gallons for keeping Puget LNG whole for diverted gas volumes on the days that vaporization occurs.