Exh. BAE-5 Docket UG-230393 Witness: Betty A. Erdahl

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

DOCKET UG-230393

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

EXHIBIT TO TESTIMONY OF

BETTY A. ERDAHL

STAFF OF WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

PSE Response to WUTC Staff DR No. 020

September 8, 2023

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Docket UG-230393 Puget Sound Energy Tacoma LNG Tracker

WUTC STAFF DATA REQUEST NO. 020: DATA REQUESTS DIRECTED TO: Susan Free

REQUESTED BY: Crystal Oliver

Re: Gas Quality Impact on Project

Regarding Roberts's Testimony, Exh. RJR-1T, page 17 lines 15-18, "Contributing to the increased costs for the EPC contract were changes in pipeline gas quality over the previous 12 to 18 months such that the then-current pipeline gas quality was significantly different from the design basis for the Tacoma LNG Facility."

And Roberts's Confidential Exhibit 8C, Exh. RJR-8C, page 15, includes an overview of this issue, mitigation, and status noting that "Absent a change to the facility design, the LNG fuel may not satisfy the TOTE Fuel Supply Agreement." And outlines the scope of changes needed including: "redesign of amine flash drum, enclosed ground flare and fuel gas separator, modifications to piping, control valves, instrumentation, and electrical, new NGL stored liquids heater and effluent BTU analyzer, and additional engineering and project management" and notes that the estimate for the change is \$8 million.

- Please provide a copy of the executed change order to the CBI contract related to this.
- b. How much did costs increase due to these modifications?
- c. If the facility were being used <u>only</u> for liquefication & LNG storage to later be vaporized to meet peak-shaving needs would these changes and resulting additional costs have been necessary?
- d. If the changes would still have been necessary under the above scenario, how does PSE address/improve the gas quality used for PSE rate payers that is not liquefied and stored?
- What alternatives did PSE consider to these changes? Please provide contemporaneous documentation of the consideration of alternatives.

Response:

- Attached as Attachment A to Puget Sound Energy's ("PSE") Response to Public Counsel Data Request No. 020, please find Change Order 110 with Chicago Bridge and Iron ("CB&I").
- Costs increased \$5,432,280 due to these modifications.
- c. No.
- d. Not Applicable.
- e. PSE considered 7 possible design modifications in addition to a "do nothing" case. Attached as Attachment B to PSE Response to Public Counsel Data Request No. 020, please find the CB&I "Alternate Feed Gas Composition Review" (Document 210140-000-PR-TN-00002).

Witness Knowledgeable About the Response: Ronald J. Roberts