

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION STAFF
RESPONSE TO DATA REQUEST

DATE PREPARED: January 11, 2009
DOCKET: UE-090704/UG-090705
REQUESTER: Public Counsel

WITNESS: David Nightingale
RESPONDER: David Nightingale
TELEPHONE: 360-664-1154

PC-6 Reference page 4 of Mr. Nightingale's cross-answering testimony. Is Mr. Nightingale aware that the referenced PPA was forecasted to produce significantly higher system production cost benefits and to have a significantly higher benefit ratio factor than the Mint Farm acquisition in all scenarios evaluated by PSE? If so, please explain the basis for his testimony that Public Counsel witness Norwood focused mainly on the financial burden of Mint Farm surplus capacity through 2011.

RESPONSE:

Mr. Nightingale is aware that the PPA had a higher Portfolio Benefit and Benefit Ratio factors than Mint Farm. It is unclear what the term "system production cost benefits" in this data request means as that term was not used by the Company in evaluating the resource alternatives.

Mr. Norwood's focus on the early years' financial burden of Mint Farm is apparent in his discussion of the need for the resource. For example, see Exhibit No. SN-1HCT, page 9, lines 5-6, and page 20, lines 2-3.

Moreover, Mr. Norwood agrees that Mint Farm "may ultimately benefit PSE's customers in the long run." See Exhibit No. SN-1HCT, page 21, line 4. This statement is a corollary to his focus on the short-term financial burden of Mint Farm. The short-term financial burden of acquiring Mint Farm is outweighed by the longer term financial advantages of that resource in the PSE portfolio, as Mr. Nightingale testifies.