EXHIBIT NO. ____ (PMR-3) DOCKETS UE-170033/UG-170034 2017 PSE GENERAL RATE CASE WITNESS: PATRICK M. RISKEN

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMMISSION,

Complainant,

v.

Docket UE-170033 Docket UG-170034

PUGET SOUND ENERGY,

Respondent.

EXHIBIT PMR-3 TO THE

CROSS-ANSWERING TESTIMONY OF

PATRICK M. RISKEN

ON BEHALF OF THE STATE OF MONTANA

NON-CONFIDENTIAL

August 9, 2017

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Dockets UE-170033 and UG-170034 Puget Sound Energy 2017 General Rate Case

NWEC-RNW-NRDC DATA REQUEST NO. 005

NWEC-RNW-NRDC DATA REQUEST NO. 005:

The testimony of Mr. Ronald Roberts discusses "decommissioning." Other PSE witnesses also utilize this word. Mr. Roberts defines "decommissioning" costs to mean an "estimate of costs to suspend operations, and remove some or all the above grade structures associated with Colstrip Units 1 & 2, followed by reasonable restoration in these areas." Page 41 of 76.

- a. Please provide any estimates, or identify their location if previously provided, of decommissioning costs associated with decommissioning that would entail removing "some" Colstrip units 1 and 2 above grade structures.
- b. Please provide any estimates, or identify their location if previously provided, of decommissioning costs associated with decommissioning that would entail removing "all" Colstrip units 1 and 2 above grade structures.
- c. What decision criteria would PSE use to determine whether to remove "some" or "all" above grade structures associated with Colstrip units 1 and 2?
- d. Is PSE aware of a thermal plant that has retired and the decommissioning of that plant involved removal of "some" of the plant's above ground structures? If so, please identify that facility or facilities.
- e. Is PSE aware of a thermal plant that has retired and the decommissioning of that plant involved removal of "all" of the plant's above ground structures? If so, please identify that facility or facilities.
- f. Do Colstrip units 1 or 2 have any below grade structures?
- g. Please describe in greater detail what PSE means when it uses the phrase "reasonable restoration." What benchmarks or standards would PSE use to determine whether "reasonable restoration" had been achieved?

Response:

- a. Estimates of decommissioning costs associated with decommissioning that would entail removing "some" Colstrip Units 1 and 2 above grade structures were provided in the Prefiled Direct Testimony of Ronald J. Roberts, Exhibit Nos. ___(RJR-20), (RJR-21), and (RJR-22).
- b. Decommissioning costs that would entail removing "all" Colstrip Units 1 and 2 above grade structures can be found in the exhibits listed in the response to subpart (a) above.
- c. No decision criteria has been identified at this time for determining whether to remove "some" or "all" above grade structures associated with Colstrip Units 1 and 2. Units 1 and 2 are jointly owned by Puget Sound Energy ("PSE") and Talen Energy and any decision would be a joint decision.
- d. PSE has not done a full review of retired thermal plants and their final decommissioning strategies. In selecting a consultant to provide bids for decommissioning costs, PSE has been made aware of a range of options that plant owners choose in decommissioning their facilities. Each individual plant makes choices based on varied criteria including cost, regulatory requirements, environmental compliance, future site plans, zoning, etc.
- e. Please see PSE's response to subpart (d) above.
- f. Yes, Colstrip Units 1 and 2 has below grade structures.
- g. PSE contracted with HDR in 2016 to provide a high level cost estimate for the decommissioning of Colstrip Units 1 and 2; in that estimate our assumption of decommissioning is to remove structures to grade level. "Reasonable restoration" includes meeting all federal, state, and local regulations and laws on decommissioning and taking into account the future potential uses of the property at Colstrip.