

**Exh. DCG-16
Dockets UE-190334, UG-190335,
and UE-190222
Witness: David C. Gomez**

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

**AVISTA CORPORATION, d/b/a
AVISTA UTILITIES,**

Respondent.

**DOCKETS UE-190334, UG-190335,
and UE-190222 (*Consolidated*)**

**EXHIBIT TO
TESTIMONY OF**

David C. Gomez

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

*Avista response to Staff Data Request No. 9, Attachment A,
Thomas Dempsey CS2 Status January 3, 2019*

October 3, 2019

From: [Dempsey, Tom C](#)
To: [Farmer, Glen](#)
Subject: RE: CS2 Status
Date: Thursday, January 3, 2019 7:59:17 AM
Attachments: [image001.jpg](#)

Thanks Glen

From: Farmer, Glen
Sent: Thursday, January 03, 2019 7:59 AM
To: Dempsey, Tom C <Tom.Dempsey@avistacorp.com>
Subject: RE: CS2 Status

Yes, that all looks correct and accurate.
Glen

From: Dempsey, Tom C
Sent: Thursday, January 03, 2019 7:55 AM
To: Farmer, Glen <Glen.Farmer@avistacorp.com>
Subject: RE: CS2 Status

Thanks

Good morning Jason,

The unit is online; currently limited at 200 MW.

T4

- The unit is gassing the same as before- steadily increasing.
- As of now we are keeping it limited to 200 MW.
- We located an oil filtering system at Hermiston Generating Station that they are willing to lend us. The current plan is to bring the unit down periodically, open the 500 kV and generator breakers and then process the oil to remove accumulated gases .
- We are hoping that at some point that gassing activity levels off. If it does we will then increase load in step increments.

T3

- Siemens will be on site in a couple of weeks to help us determine our course of action with that transformer. If we choose to repair it, it is likely that it will be going to Brazil.
- I have asked Mike to get shipping costs, time frames, and investigate methods for transporting the transformer. I think last time we chose to rail it across the US last time instead of barging it up the Columbia via the Panama canal.

Single Phase Option

- I sent a job description and job package to Black and Veatch a couple of weeks ago. They

are going to get me a quote for a project to analyze and price the process for replacing the 3 phase setup with a single phase unit installation

Power Supply

- I spoke with Todd yesterday. He suggested to me that he was going to put the unit in a 200 MW for the balance of the year at this point. I told him that I thought that was a reasonable move- but things are highly uncertain at this point.

If I had to guess what is going to happen:

I think we continue to gas at the same rate- no leveling off. As we get to summer the rates increase and we ultimately decide to take the unit off line. We ship T3 down to Brazil and disassemble it to find a deeply imbedded problem. We ultimately decide not to fix it. We decide to go with the single phase option at a cost of about **\$15 million** for the long term solution. The unit ultimately stays off line until July of 2020- so about a 1-year outage. I do think that we can have the pads and isophase bus in place and ready to go before the four single phase transformers are delivered.

Better case scenario- We continue to gas at the same rate and keep the units available until we are ready to begin the outage to change out the transformers in April of 2020.

Best case scenario- The unit levels off and we get back to full load. Siemens finds a fixable problem but we still send it to Brazil to get the top replaced.

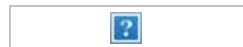
What I don't know is where insurance fits into these decisions yet.

From: Thackston, Jason
Sent: Thursday, January 03, 2019 6:30 AM
To: Dempsey, Tom C <Tom.Dempsey@avistacorp.com>
Subject: CS2 Status

Good morning, Thomas. I hope you enjoyed the holidays. I'm back in the office today and will review your Colstrip documents. In the meantime, can you please give me an update on the Coyote situation when you have a chance?

Thanks - Jason

Jason Thackston
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