

**EXHIBIT NO. ___(RG-40C)
DOCKET NO. UE-072300/UG-072301
2007 PSE GENERAL RATE CASE
WITNESS: ROGER GARRATT**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

**Docket No. UE-072300
Docket No. UG-072301**

**THIRTY-NINTH EXHIBIT (CONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF
ROGER GARRATT
ON BEHALF OF PUGET SOUND ENERGY, INC.**

**REDACTED
VERSION**

REVISED DECEMBER 21, 2007

WASTEWATER TREATMENT PROGRAM OPERATING COSTS

Introduction

The operation of the City of Sumas wastewater treatment program will have several ongoing operating costs including the following:

1. Purchase by SCCLP of Sodium Chlorite (CE-125) to supply to the City of Sumas.
2. Consulting services of Chem E Solutions or another qualified chemical engineer to monitor and advise the City of Sumas and the City of Abbotsford on the operation and testing of the system when it is in operation.
3. Periodic Huntingdon Trunk Sewer Line cleaning by City of Abbotsford when needed.
4. AM Test Laboratory or other qualified water testing laboratory analysis of wastewater samples drawn from the City of Abbotsford system.

Projected Monthly Costs For Services Listed Above

Chemical Costs: (See Chem E Solution's Attachment Based On City of Sumas Daily Wastewater Flow Volumes) Current Monthly Costs Range From \$600 to \$3,000 Not Including Sales Tax Of 8.4%.

Consulting Services: Travel and Per Diem Rate of Jeff Stensland Is Per Day. Expected Visits When Plant is Operating: Once Per Month

Trunk Line Cleaning: Expected Extra Cleaning Estimated At Once Per Quarter If Needed. Vacuum Truck Cost Is \$1,700 Per Day

Am Test Laboratory: Typical Monthly Analysis Is \$400 Per Sample Based On Historical Average

Redacted

REVISED
DECEMBER 21, 2007

CONFIDENTIAL
Per WAC 480-07-160

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**Projected Annual Costs If Plant Operated For Six Months With A
City of Sumas Discharge To Huntingdon Of 200,000 Gallons Per Day**

Chemical Costs:	\$16,715
Consulting Services:	6,396
Trunk Line Cleaning:	3,400
AM Test Water Sampling:	<u>2,601</u>

TOTAL COSTS \$29,112

- Notes:**
1. Costs Include Washington Sales Tax Of 8.4%.
 2. Vacuum Truck Costs Based On Estimates Provided By The City Sumas And The City Of Abbotsford On An Eight Hour Service Call And Exchange Rate At Parity. Both Cities Usually Hire The Service Provider. Cost Assumes Two Service Calls In Six Months and No Cleaning When The Power Plant Is Not In Operation. Estimates Can Be Verified By Contacting Jim Gordon At The City Of Abbotsford and Rod Fadden At The City Of Sumas.

PreparedBy: Bruce Thompson
Senior Vice President
Sumas Cogeneration Company, L.P.

Date: October 29, 2007

SUMAS COGENERATION COMPANY, L.P.

City of Sumas Wastewater Treatment System Improvement Project Description,
Contractors, Construction Budget and Schedule and Permitting Requirements

Project Information

Name of Project: City of Sumas Wastewater Treatment System Improvement Project

Purpose of Project: Install A Chemical Injection System At City of Sumas Wastewater Treatment Plant To Automatically Pump and Feed Sodium Chlorite Into The City's Lift Station To Treat Wastewater

Results of Projects: Chemically Treat Wastewater Transported To The City of Abbotsford Huntingdon Sewer System With CD-125 Active Sodium Chlorite To Control The Formation And Buildup of Slime Which Is Caused By The Growth of Facultative Bacteria in a Negative Grade, Siphon Sewer Line in Huntingdon, B.C.

Contractors: **Chemical Engineers:** Jeff Stensland, ChemE Solutions Bellevue, WA
General Contractor: RCI Construction, Inc. Sumas, WA
Chemical Tank Supplier: Flow Products Incorporated Bellingham, WA

Construction Budget: Site Preparation
Chemical Storage Tank
Foundations, Wiring And
Freight
Electric Service And
Breaker Panel
Metal Roof, Trenching,
Concrete Repair, And
Backfill
Crane Service
Contractor Profit
Contingency 10%
Sales Tax 8.4%
TOTAL COSTS



\$39,495.00

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Permit Schedule: City of Sumas Is Responsible For Issuance of Building Permit To Themselves Since This Is A Municipal Project. No Building Permit Is Required From SCCLP Or RCI Construction, Inc. Expected Application Filing Date: November 1, 2007

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Permits to File:

- None: The City of Sumas Is Permitting Its Own Project

Construction Schedule: General Contractor: Three Weeks To Complete From Notice To Proceed
Project Expected Start Date: September 25, 2007
City of Sumas Awarded Construction Contract To RCI Construction, Inc. As Low Bidder
Completion Date: November 16, 2007

- Note:**
- 1.) Construction Costs Estimated By SCCLP And RCI Bid Quote 4220 Dated May 5, 2007 In The Amount of \$11,240 Not Including Sales Tax For Chemical Storage Building Improvements.
 - 2.) City of Sumas To Provide Tank Installation, All Wiring, And Plumbing And Bill SCCLP.
 - 3.) SCCLP Will Reimburse The City of Sumas For All Project Costs Which Are Expected To Be Less Than \$39,495.
 - 4.) SCCLP Will Be Responsible For Providing CE-125 (Sodium Chlorite) to The City of Sumas At No Cost To The City When The Power Plant Is In Operation.
 - 5.) SCCLP Will Be Responsible For Providing Consultant Support And Monitoring Services For The Start-Up Of the Wastewater Treatment System To The City of Sumas, Through Chem E Solutions of Bellevue, WA, At No Cost When The Power Plant Is In Operation.
 - 6.) SCCLP Will Be Responsible For Paying For Periodic City of Abbotsford Huntingdon Truck Line Cleaning When Required And Reimburse The City of Sumas For The Costs Billed By The City of Abbotsford.

Prepared By: Bruce Thompson
Senior Vice President
Sumas Cogeneration Company, L.P.

Date: October 29, 2007

Cc: C. Martin, NESCO
M. DiSpigno, DE&A
B. Bertschinger, CC
R. Van Diest, RCI
P. Tonella, OMR&B
E. Einowski, SR
D. Anderson, NESCO
B. Powell, OMR&B

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