

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION STAFF  
RESPONSE TO DATA REQUEST

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| DATE PREPARED: | November 14, 2012  | WITNESS:   | David C. Gomez |
| DOCKET:        | UE-121373          | RESPONDER: | David C. Gomez |
| REQUESTER:     | Puget Sound Energy | TELEPHONE: | (360) 664-1240 |

**PSE Data Request No. 012 to WUTC Staff:**

Re: David C. Gomez, Exhibit No. \_\_\_\_ (DCG-1HCT), page 8, lines 7-10.

Please reconcile Staff's interpretation of the word "resupply" with the explanation that "[r]esupply rights enable the facility owner to provide the purchasing utility with power from an alternate source when the unit output from the coal-fired facility is reduced or curtailed for any reason."

**RESPONSE:**

The quote cited by the Company above comes from the Attorney General's informal opinion in PSE's Exhibit No. \_\_ (RG-8HC) at 452. The opinion also assumes that, "given the nature of resupply rights, such rights would be exercised intermittently over the multi-year term of a power purchase agreement, on an as-needed basis." This additional element of the informal opinion supports Staff's interpretation of "resupply" as an event triggered by an abnormal circumstance of limited duration which prevents delivery from the CCTF. Staff's issue and concern with the PPA is that the term "resupply" is not defined at all. Without a definition, PPA power may be supplied from any source other than the CCTF for purely economic reasons and not for an operational contingency. A definition of "resupply" should be included in the PPA to provide adequate protection to ratepayers as required in RCW 80.04.570(4). The PPA should further include notice to PSE concerning when "resupply" conditions are invoked for purposes of applying the equity adder.