

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-190529 & UG-190530
Puget Sound Energy
2019 General Rate Case**

AWEC DATA REQUEST NO. 001:

Please reference the Direct Testimony of Margaret Hopkins. How did the Company come to the knowledge that the Bothell data center is located in a flood-plain?

Response:

Puget Sound Energy (“PSE”) has rented space at the North Creek campus in Bothell for its call center since 1999. The call center building (Building G) is adjacent to the Bothell Data Center building (Building H). PSE became aware of flooding risks at the North Creek campus in late 2007, due in part to a storm which caused flooding and threatened access to the call center due in large part to debris that accumulated at a bridge.

In 2008, PSE began evaluating sites for its data center. PSE retained COZA Technologies to explore siting of PSE’s primary and secondary data centers. The Bothell North Creek campus (Building H) was included in that review. While a copy of the COZA report has not been identified, PSE does have an internal email from 2012, indicating that COZA noted the flood risk at North Creek in their report. See Item 3 in Attachment A to PSE’s Response to AWEC Data Request No. 001, Flooding notes for Bothell.doc.

**ATTACHMENT A to PSE's Response to
AWEC Data Request No. 001**

From: Bolton, Brett
Sent: Friday, November 09, 2012 12:58 PM
To: Chao, John
Cc: Richardson, Michael L; Lohse, Brandon; Hurwitz, Larry; Doyle, Dan; Wolf, Rudiger
Subject: RE: PSE Bothell IT/ Call & Data Center Buildings G&H flood exposures

John, I'm responding to the recent information regarding the Bothell campus flood exposures. Let's meet soon to discuss further.

The following summary info may be helpful as we initiate a review:

1. The initial lease was executed March 21, 1999, for our original space in the newly constructed H building. Insurance provisions were coordinated with R&C. Those provisions have carried through the subsequent lease amendments as we've taken additional space at the campus over the years.
2. As you may already know, a storm in December, 2007, particularly highlighted flooding risks, as access to the call center was threatened. Stack up of debris at a bridge was reported to be the key factor. The developer/landlord initiated actions to address/mitigate. They hired GeoEngineers who identified various items in a stability analysis report, and who supervised the remediation. Key remediation items included raising the entire levy system, construction of "wing walls," "bridge panels," and other improvements. I've attached their summary for your consideration.
3. In September of 2008 CSS began working with a consultant, COZA Technologies. This consultant was hired by Rudy to explore siting of PSE's primary/secondary data center(s). The Bothell location was ultimately included in that review which, of course, highlighted the flood risk. The data center siting work was reviewed by PSE's Policy Committee for final site selection. It was determined that if certain elements were addressed PSE would, given the alternatives, pursue the Bothell location for the data center. At that time the remediations identified by GeoEngineers were well under way, with most items complete or nearing completion. The City of Bothell was also consulted, specifically related to the flooding concerns. The law firm of Riddell Williams was PSE's legal counsel, with the flood matters negotiated. The lease amendment that expanded PSE's occupation to include space for the data center (2nd amendment) was executed in 2009, copy attached--see Section 7. A related compliance letter was also provided by the landlord, copy also attached.

Facilities likely has additional info, and should be included in the discussion. You've undoubtedly identified other participants as well. I look forward to meeting at your convenience.

Brett Bolton

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From: Lohse, Brandon
Sent: Wednesday, November 07, 2012 01:48 PM
To: Richardson, Michael L
Cc: Wolf, Rudiger; Doyle, Dan; Chao, John
Subject: FW: PSE Bothell IT/ Call & Data Center Buildings G&H flood exposures

Mike,

I'm forwarding an email from John Chao our insurance manager regarding some risks discovered up at the Bothell facility. Given the nature of the risks identified and the history of flooding at this site, we'd like to see if we can address the concerns raised by our insurance provider sooner than later given that storm season is upon us. From my discussions with John it seems like there are some relatively easy and inexpensive ways to reduce our exposure to a significant flooding event. Once you've had a chance to review the info, let me know if you'd like to discuss further.

I've also attached an email with John's more detailed ideas on how to best address.

Thanks,

Brandon J. Lohse, CTP

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From: Chao, John
Sent: Tuesday, November 06, 2012 3:40 PM
To: Doyle, Dan
Cc: Lohse, Brandon
Subject: PSE Bothell IT/ Call & Data Center Buildings G&H flood exposures

Dan,

As briefly mentioned to you earlier today:

This morning with our Property insurer's Consulting Engineer, I toured our Bothell IT Call and Data Center buildings G and H in the North Creek Business Park, for our first time. We were escorted by a PSE Supervisor of Facilities Maintenance. Significant flood concerns were observed and shared:

Both buildings are in proximity to North Creek, contained by an earthen levee; this creek has a history of flooding including mandatory evacuation of the North Creek Business Park. We observed the creek bed to be half the distance up the levee, in other words there's only about 4-5 feet of levee remaining above the creek bed; perhaps the creek bed has been rising with sedimentation over time. Also, the creek bed is only about 1.5 to 2 feet from the bottom of a nearby roadbridge. During a deluge, it's foreseeable this small flow space beneath the bridge may become inadequate and could plug-up with flood debris; the bridge could become a diversion dam for flooding over the levee.

The 2 PSE backup emergency generators for the Call and Data Center are situated even closer to the levee and vulnerable to flood conditions; also, the UPS Room is situated on ground level, which room includes a door and window facing towards the levee. Call and Data operations may be situated on 2nd story-floors, but the power they need are vulnerable to flood.

Both the FM Global Consulting Engineer and PSE's Supervisor of Facilities Maintenance shared these observations and concerns. The FM Global Engineer's report will soon be issued and the PSE Supervisor agrees to work together to determine measures preparatory to the winter storm season upon us. However, we share concern that sitings of the emergency generators and UPS room location are exposures that should be better addressed. PSE also needs to determine what governmental agencies should maintain adequate distance from the creek bed to the bottom of the roadbridge.

May I suggest that these conditions warrant consideration for action planning including Facilities, IT and other stakeholders.

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