

**EXH. PAH-5C
DOCKET UE-23____
2022 PCA COMPLIANCE FILING
WITNESS: PHILIP A. HAINES**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**In the Matter of the Petition of
PUGET SOUND ENERGY
For Approval of its 2022 Power Cost
Adjustment Mechanism Report**

DOCKET UE-23____

**FOURTH EXHIBIT (CONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF**

PHILIP A. HAINES

ON BEHALF OF PUGET SOUND ENERGY

**SHADED INFORMATION IS
DESIGNATED AS CONFIDENTIAL
PER WAC 480-07-160**

**REDACTED
VERSION**

APRIL 28, 2023

Shaded Information is Designated as Confidential per WAC 480-07-160



MEMORANDUM

TO: Phil Haines
FROM: Chris Smith & Tricia Fischer
CC:
DATE: September 22, 2022

Subject: PSE's Bid on the Powerex two-year winter season RFP

Summary

The October 2021 EMC authorized Energy Supply Merchant (ESM) to procure [REDACTED] MW of winter/summer capacity.

PSE submitted a bid today for up to 500 MW fixed price firm energy split between the BC.US.Border and Mid-C delivery points. The maximum volume at each delivery point is 250 MW.

Background

The Western grid has changed with a reduction of baseload generation capacity. PSE is [REDACTED] MW in both the 2022/23 and 2023/24 winter seasons. ESM elected to participate in the Powerex RFP in order to meet short-term reliability requirements as a bridge to the longer-term planning and acquisition time horizon.

Key terms of the Powerex capacity RFP are summarized below:

- Term:** November 1, 2022 – March 31, 2023 and November 1, 2023 – March 31, 2024
- Product:** Identifiable, carbon-free hydro capacity and associated energy
- Volume:** Total of 500 MW with delivery split between BC.US.Border and Mid-C
- Price:** \$ [REDACTED] /MWh

Bid Pricing Structure

PSE bid a fixed price structure which included the following components and fair value comparable references:

[REDACTED]

[REDACTED]

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[Redacted text block]

[Redacted text block]

[Redacted text block]

Next Steps

Powerex will notify the short-listed bidders September 23 with an expectation to execute contracts by September 29, 2022.