

Exhibit No.      (EJK-3)  
Docket UE-130617  
Witness: Edward J. Keating

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PUGET SOUND ENERGY, INC.**

**Respondent.**

**DOCKET UE-130617**

**EXHIBIT TO  
TESTIMONY OF**

**Edward J. Keating**

**STAFF OF  
WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION**

*Excerpt from PSE Response to Commission  
Staff Data Request No. 44  
(excludes confidential attachments)*

**August 14, 2013**

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**Docket No. UE-130617  
Puget Sound Energy, Inc.'s  
2013 Power Cost Only Rate Case**

**WUTC STAFF DATA REQUEST NO. 044**

**“CONFIDENTIAL” Table of Contents**

<b>DR NO.</b>	<b>“CONFIDENTIAL” Material</b>
<b>044</b>	Attachments A, C.02 and D to PSE's Response to WUTC Staff Data Request No. 044 are CONFIDENTIAL per Protective Order in WUTC Staff Docket No. UE-130617.

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**Docket No. UE-130617  
Puget Sound Energy, Inc.'s  
2013 Power Cost Only Rate Case**

**WUTC STAFF DATA REQUEST NO. 044**

**WUTC STAFF DATA REQUEST NO. 044:**

Referring to David E. Mills' workpaper – DEM-WP(C) Gas MTM 2013 PCORC As Filed, Tab Cedar Hills:

1. Please provide a Term sheet / Summary of the Cedar Hills Gas Supply Contract.
2. Please provide the docket number(s) of all filings in which the Cedar Hills biogas contract costs were presented to the Commission for inclusion in power costs or any other return/recovery.
3. Please provide all workpapers filed with the Commission supporting the reasonableness for including biogas costs in power costs.
4. Have costs from the Cedar Hills biogas been included in power costs prior to 2012? If so, please provide the years, amounts/volume and costs included in power costs.
5. Have REC's been generated from use of the biogas. If so, please provide the number of REC's and years they were generated. If REC's from biogas were sold into the marketplace, please provide the years, dollar amounts and how the proceeds were accounted for.

**Response:**

On July 8, 2013, Puget Sound Energy, Inc. ("PSE") filed a Petition for an Accounting Order proposing to create a Biogas Tracker and defer the net proceeds (revenues and expenses) associated with the sale of biogas and its environmental attributes (the "Petition"). The Prefiled Direct and Supplemental Testimonies of David E. Mills, Exhibit No. \_\_\_\_ (DEM-1CT) and Exhibit No. \_\_\_\_ (DEM-5CT), has requested rate year power costs be modified accordingly for the costs of the pipeline quality gas produced by the Cedar Hills Regional Landfill facility ("Cedar Hills biogas") when the outcome of the Petition is known. If the Petition is approved as filed, the costs of the Cedar Hills biogas should be removed from rate year power costs.

1. Attached as Attachment A to PSE's Response to WUTC Staff Data Request No. 044, please find an Adobe PDF showing a copy of the Cedar Hills Gas Supply Contract.
2. The Cedar Hills biogas contract costs were previously presented and included in the rate year power costs approved in PSE's 2009 general rate case in Docket Nos. UE-090704 and UG-090705 (the "2009 GRC") and in PSE's 2011 general rate case, Docket Nos. UE-111048 and UG-111049 (the "2011 GRC").
3. See PSE's Response to item 4 below for a copy of the 2009 and 2011 GRC work papers.
  - a. Attached as Attachment B to PSE's Response to WUTC Staff Data Request No. 044, please find an Adobe PDF showing a copy of Page 37, of the Prefiled Direct Testimony of Mr. Mills, Exhibit No. \_\_\_\_ (DEM-1CT) included in the 2009 GRC.
  - b. Attached as Attachment C.01-C.04 to PSE's Response to WUTC Staff Data Request No. 044, please find the Adobe PDFs showing copies of the information included in PSE's 2011 GRC regarding the Cedar Hills Gas Supply Contract.
    - i. Attached as Attachment C.01 to PSE's Response to WUTC Staff Data Request No. 044, please find a copy of the information filed by PSE:
      - Pages 32-34 of the Prefiled Direct Testimony of Mr. Mills, Exhibit No. \_\_\_\_ (DEM-1CT);
      - Pages 1, 2, 32 and 33 of the Prefiled Rebuttal Testimony of Mr. Mills, Exhibit No. \_\_\_\_ (DEM-11CT);
      - Pages 2,3, and 4 of the Prefiled Rebuttal Testimony of R. Clay Riding, Exhibit No. \_\_\_\_ (RCR-4HCT); and
      - Page 15 of the Initial Brief of PSE.
    - ii. Attached as Attachment C.02 to PSE's Response to WUTC Staff Data Request No. 044, please find a copy of the information filed by WUTC Staff:
      - Pages 23-25 of the Response Testimony of Alan P. Buckley Exhibit No. \_\_\_\_ CT(APB-1CT);
      - Exhibit No. \_\_\_\_ (APB-2), Summary of Proposed Adjustments, Mr. Buckley;
      - Exhibit No. \_\_\_\_ (APB-7C), Cedar Hills Gas Supply Contract work paper, Mr. Buckley; and
      - Pages 31 and 32 of the Commission Staff Initial Brief.

- iii. Attached as Attachment C.03 to PSE's Response to WUTC Staff Data Request No. 44, please find a copy of Pages 86-87 of the 2011 GRC Commission Order No. 08.
  
4. Yes, the Cedar Hills biogas contract costs were included in the rate year power costs approved in PSE's 2009 and 2011 GRCs. Attached as Attachment D to PSE's Response to WUTC Staff Data Request No. 044, please find an Adobe PDF showing a copy of Mr. Mills' power cost workpaper pages supporting the Cedar Hills Gas Supply Contract costs and volumes included in rate year power costs:
  - a. 2009 GRC: Work Paper "Revised WP, DEM0302A"
  - b. 2011 GRC: Work Paper "Bench Req 24 WP, DEM 0173"
  
5. No, there have been no REC's generated from use of the Cedar Hills biogas.

Attachments A, C.02, and D to PSE's Response to WUTC Staff Data Request No. 044 are CONFIDENTIAL per Protective Order in WUTC Staff Docket No. UE-130617.