

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

Docket No. UE-161123

TESTIMONY IN SUPPORT OF SETTLEMENT

CHRIS HENDRIX

ON BEHALF OF

WAL-MART STORES, INC. AND SAM'S WEST, INC.

APRIL 11, 2017

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8 **Exhibits**

9 **Exhibit CWH-1 – Witness Qualifications Statement**

1
2 **Introduction**
3

4 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND OCCUPATION.**

5 A. My name is Chris Hendrix. My business address is 2001 SE 10th St.,
6 Bentonville, AR 72716-0550. I am employed by Wal-Mart Stores, Inc. as
7 Director of Markets and Compliance.

8 **Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS DOCKET?**

9 A. I am testifying on behalf of Wal-Mart Stores, Inc. and Sam's West, Inc. (collectively,
10 "Walmart").

11 **Q. PLEASE DESCRIBE YOUR POSITION WITH WAL-MART?**

12 A. In my role as Director of Markets & Compliance, I am responsible for directing and
13 implementing regulatory and legislative policies for Walmart's retail and wholesale
14 business interests related to electricity and natural gas in the competitive markets of
15 the United States and the United Kingdom. In addition, I am accountable for all
16 regulatory, legislative and market developments that affect the operation of
17 Walmart's self-supply retail electricity provider; Texas Retail Energy, LLC in
18 Connecticut, Illinois, Maine, Maryland, Massachusetts, New Hampshire, New Jersey,
19 New York, Ohio, Pennsylvania, and Texas, and Power4All, Ltd. in the United
20 Kingdom.

21 **Q. PLEASE DESCRIBE YOUR EDUCATION AND EXPERIENCE.**

22 A. I earned a Bachelors of Business Administration with a concentration in Accounting
23 from the University of Houston in 1991 and a Masters of Business Administration

1 with a concentration in Finance and International Business from the University of
2 Houston in 1994. I have more than 25 years of experience in all facets of the energy
3 industry with the last 20 years specifically related to the competitive electric and
4 natural gas markets. From 1990 to 1997, I was an Accountant, then an Accounting
5 Analyst and later a Senior Rate Analyst with Tenneco Energy in Houston, Texas. My
6 initial duties included various accounting functions for their regulated pipeline,
7 Tennessee Gas Pipeline, and in my later position, the preparation of cost allocation
8 and rate design studies. From 1997 to 2001, I was a Senior Specialist and later a
9 Manager at Enron Energy Services in Houston, Texas. My duties included
10 participating in gas and electric deregulation proceedings, performing cost of service
11 analysis, and analyzing regulatory rules and utility tariffs. From 2002 to 2003, I was
12 a Manager at TXU Energy in Dallas, Texas, where I supervised a pricing team for
13 energy transactions. In 2003, I joined the Energy Department of Wal-Mart Stores
14 Inc., as a General Manager and was promoted to my current position in 2009. My
15 Witness Qualification Statement is found on Exhibit CWH-1.

16 **Q. HAVE YOU PREVIOUSLY SUBMITTED TESTIMONY BEFORE THE**
17 **WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**
18 **(“THE COMMISSION”)?**

19 A. No.

20 **Q. HAVE YOU PREVIOUSLY SUBMITTED TESTIMONY BEFORE OTHER**
21 **STATE REGULATORY COMMISSIONS?**

22 A. Yes. My testimony is summarized on Exhibit CWH-1. In addition, I have been a
23 contributor to numerous coalition groups and industry organizations in preparing and

1 submitting testimony regarding natural gas and electricity competition and wholesale
2 market rules.

3 **Q. ARE YOU SPONSORING ANY EXHIBITS WITH YOUR TESTIMONY?**

4 A. Yes. I am sponsoring the exhibits listed in the Table of Contents.

5
6 **Purpose of Testimony**

7 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

8 A. The purpose of my testimony is to support the Joint Memorandum in Support of the
9 Full Settlement Agreement (“Settlement”) in this docket.

10
11 **Summary of Recommendation**

12 **Q. PLEASE SUMMARIZE WALMART’S RECOMMENDATION TO THE**
13 **COMMISSION.**

14 A. My recommendation to the Washington Utilities and Transportation Commission
15 (“the Commission”) is that the Commission should approve the Settlement as filed.
16 The Settlement is the just and reasonable outcome of extensive arms-length
17 negotiations conducted in good faith between the parties in this docket. Additionally,
18 the settlement process greatly aids in administrative efficiency, which can reduce
19 costs to all parties and ratepayers.

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21 The fact that an issue is not addressed herein should not be construed as an
22 endorsement of any filed position.

Settlement Terms

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**Q. IS WALMART SUPPORTIVE OF OPENING A DOCKET TO ADDRESS
RETAIL WHEELING FOR INDUSTRIAL AND COMMERCIAL
CUSTOMERS ?**

A. Walmart is supportive of Staff's request that the Commission open a docket to
conduct a broader discussion of retail wheeling for industrial and commercial
customers and looks forward to participating in the proceeding.

Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

A. Yes.