

**Exhibit No. EH-4**  
**Docket U-180680**  
**Witness: Erin Hutson**

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. U-180680

TESTIMONY OF

**ERIN HUTSON**

LABORERS INTERNATIONAL UNION OF AMERICA

**Exhibit EH-4**

February 8, 2019

2017 Annual Report of Essential Utilities Services Contracts

| Essential Service Vendor <sup>(1)</sup>      | Annual Budget   | Actual Payments | Type of Contract(s)                                       | Essential Obligations  | Length of Contract  |
|--|-----------------|-----------------|---|--|---|
| <b>BONNEVILLE POWER ADMINISTRATION (BPA)</b> | <b>REDACTED</b> |                 | Transmission Capacity Ownership Rights                    | PSE purchased capacity ownership rights in the Alternating Current (AC) Intertie into California from BPA in 1996 and pays its allocated operation and maintenance costs to BPA.   | 1996 - life of facilities   |
|  |                 |                 | Transmission  | PSE purchases rights to use BPA transmission and BPA receives power from PSE at the Points of Integration or Receipt and delivers power to PSE at the Points of Delivery.  | Various - termination dates through 2035  |
|  |                 |                 | Transfer  | BPA serves PSE loads and PSE delivers replacement power to BPA.  | 09/1974 - BPA three years notice to terminate, PSE one year notice to terminate |
|  |                 |                 | Transfer  | Parties commit to build transmission and provide excess capability to the other party. Each party commits to operate and maintain certain facilities.  | Various - termination dates through 2018  |
|  |                 |                 | Operations & Maintenance                                  | BPA operates and maintains PSE facilities in BPA substations.  | Various from 04/1968 - life of facilities                                       |
|  |                 |                 | WNP-3 Settlement Exchange Agreement                       | PSE receives exchange energy based on the average availability and cost of several surrogate nuclear units similar in design to the WNP-3 Nuclear Unit. BPA may request power from PSE during certain months, if available.  | 07/1987 – 6/2017  |
|  |                 |                 | Western System Power Pool (WSPP) Purchase Power Agreement | The WSPP Agreement is a standardized contract among members of the WSPP for electric power sales and physical power options. Members enter into numerous individual power transactions using standard schedules under the Agreement. A confirmation process follows the transactions. Each transaction terminates upon completion of delivery. | Various lengths   |
| <b>CBI SERVICES INC</b>                      | <b>REDACTED</b> |                 | Engineering, Procurement, and Construction (EPC)          | Design, procurement, and construction of the tank and process train for the Tacoma liquefied natural gas facility.   | 10/2016 – 3/2020  |

(1) In each case the parties to the contract are the Vendor and Puget Sound Energy.

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|---|---------------|-----------------|---|--|---|
| CHELAN COUNTY PUBLIC UTILITY DISTRICT NO. 1 | REDACTED      | REDACTED        | Long-term, Take-or-Pay, Purchase Power Agreement          | The PUD operates and maintains the Rock Island and Rocky Reach Hydro Projects and delivers to PSE, at specified points of delivery, PSE's contractual percentage share of the output of the Projects. PSE pays the PUD on a "cost of service" basis.   | 11/2011 - 11/2031                                       |
|   |               |                 | Western System Power Pool (WSPP) Purchase Power Agreement | The WSPP Agreement is a standardized contract among members of the WSPP for electric power sales and physical power options. Members enter into numerous individual power transactions using standard schedules under the Agreement. A confirmation process follows the transactions. Each transaction terminates upon completion of delivery. | Various lengths   |
| CONOCOPHILIPS CANADA MARKETING              | REDACTED      | REDACTED        | North American Energy Standards Board (NAESB) Agreement   | The NAESB Master Agreement enables short and long-term gas supply purchases to be made under a confirmation process. Each transaction terminates upon completion of delivery.  | 8/2004 – various lengths                                |
| INFRASOURCE SERVICES LLC                    | REDACTED      | REDACTED        | Gas Engineering and Construction Services                 | Contract/services provided for engineering and construction on the company's gas systems.  | 1/2013 - 12/2020  |
| NORTHWEST PIPELINE LLC                      | REDACTED      | REDACTED        | Long-term Transportation and Storage Contracts            | Northwest Pipeline provides firm transportation capacity and storage service to PSE on the gas pipeline under long term contracts. PSE pays fixed monthly demand charges for the right, but not the obligation, to transport specified quantities of gas from receipt points to delivery points on the pipeline each day.                      | Predating 1989 - various termination dates through 2044 |
| QUANTA SERVICES INC                         | REDACTED      | REDACTED        | Electric Engineering and Construction Services            | Contract/services provided for engineering and construction on the company's electric systems.   | 2/2002 - 12/2020  |

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|---|--|--|---|---|---|
| TALEN MONTANA LLC                       | REDACTED                                 | REDACTED   | Operations & Maintenance                                | PSE reimburses Talen-Montana for PSE's share of operation and maintenance expenses for Unit Nos. 1, 2, 3 and 4 of the Colstrip steam-electric-generating plant.   | Various from 07/1971 - as long as any part of the units are used or useful for the generation of electricity or the end of the period permitted by applicable law |
|   |  |  | Capital Additions                                       | PSE reimburses PPL-Montana for PSE's share of capital additions made to Unit Nos. 1, 2, 3 and 4 of the Colstrip steam-electric-generating plant   | Various from 07/1971 - as long as any part of the units are used or useful for the generation of electricity or the end of the period permitted by applicable law |
| TD ENERGY TRADING INC                   | REDACTED                                 | REDACTED   | North American Energy Standards Board (NAESB) Agreement | The NAESB Master Agreement enables short and long-term gas supply purchases to be made under a confirmation process. Each transaction terminates upon completion of delivery.   | 7/2003 – various lengths  |
| TRANSALTA CENTRALIA GENERATION LLC      |  |  | Coal Transition Power Purchase and Sale Agreement       | Power purchase and sale agreement enabled by Washington State Legislature's 2011 bill which allows TransAlta Centralia Generation LLC to engage in long term power contracts in exchange for phasing out coal-fired generation by 2025. | 7/2012 – 12/2025  |
| WESTERN ENERGY COMPANY                  |  |  | Coal Purchase & Sale Agreement                          | PSE's share of coal delivered to Colstrip steam-electric-generating Unit Nos. 1 and 2.  | Units 1 & 2; 1/2010 – 12/2019   |
|   | Amended & Restated Coal Supply Agreement | PSE's share of coal delivered to Colstrip steam-electric-generating Unit Nos. 3 and 4. | Units 3 & 4; 7/1980 – 12/2019                           |   |   |

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