Exh. KG-3
Docket UG-240008
Witness: Konstantine Geranios

BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,	**DOCKET UG-240008**
Complainant,	
v.	
CASCADE NATURAL GAS CORPORATION,	
Respondent	

EXHIBIT TO
RESPONSE TESTIMONY
OF

KONSTANTINE GERANIOS

STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

CNGC Response to UTC Staff Data Request No. 8

September 25, 2024

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Docket UG-240008
Cascade Natural Gas Corporation
2024 General Rate Case

<u>**WUTC STAFF DATA REQUEST NO. 08:**</u>

Re: South Kennewick

Regarding the South Kennewick Gate and Reinforcement Project, the testimony of Patrick Darras states: "A specific alternative discussed was installing 10,500 feet of 6-inch plastic pipe, but this reinforcement had high cost due to construction in existing infrastructure and only addressed the immediate deficit and did not support long-term core growth." Darras, Exh. PCD-1T at 56:1-4.

The Company also discussed alternatives to this project in Appendix I to its 2023 IRP. The statement of high-cost seem incorrect. According to the 2023 IRP, the alternative discussed above would cost $3,692,500 and the chosen project would cost $5,011,000. Exh. PCD-7C at 12. Please provide justification for choosing the higher cost option.

<u>**Response:**</u>

Although the alternative project to the South Kennewick Gate and Reinforcement Project had a cost of $3,692,500, it only provided 50 mcfh of capacity. In comparison, the $5,011,00 project provided 200 mcfh of capacity. A direct comparison of the costs between the two alternatives does not take into consideration the capacity gained for each alternative. The $5,011,000 alternative of installing the South Kennewick Gate had significantly higher capacity gain than the $3,692,500 alternative of installing 6-inch PE main on 27th Avenue. The $3,692,500 alternative would have required an additional future reinforcement to support the growth that is occurring in the area.