

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION  
STAFF RESPONSES TO DATA REQUESTS

DATE PREPARED: April 15, 2024	WITNESS: Wesley Yeomans
DOCKET: UE-230482	RESPONDER: Wesley Yeomans
REQUESTER: Public Counsel	TELEPHONE:

**DATA REQUEST NO. 7:**

**Re: Direct Testimony of Wesley Yeomans, Exh. WY-1CT at 14:1-5**

In support of the conclusion that PacifiCorp's hedging program was prudent in operation:

- a. Please answer yes or no. Is it asserted that all of PacifiCorp's gas and power trades and hedges for deliveries in 2022 were prudent?
- b. If the answer to subpart a. is yes, please provide documentation for your answer.
- c. Please answer yes or no. If the answer to subpart a. is no, is this because not all of PacifiCorp's gas and power trades and hedges for deliveries were prudent?
- d. If the answer to subpart c. is no, please explain the finding that PacifiCorp's hedging program was prudent in operation.
- e. If the answer to subpart c. is yes, please explain how your answer is consistent with the finding that PacifiCorp's hedging program was prudent in operation.

**RESPONSE:**

- a. I did not review all the gas and power hedges and trades over the 250 business days in 2022. I do not know whether or not all of the transactions were prudent. However for the days and transactions that I did review, it certainly appears all of those transactions were executed per the procedures with the prudent intent to mitigate identified risk limit excursions.
- b. Response to subpart a is no.
- c. No. The reason I do not assert that all of PacifiCorp's gas and power trades were prudent is because I did not review all the transactions executed in 2022.
- d. While it is possible that the execution of a few transactions are not prudent, that does not mean the hedging program is imprudent. It is possible that the hedging program prudently identifies the need to transact a purchase trade for the purposes of mitigating (closing) an identified risk excursion. Yet, while rare, it is possible the execution of an incremental transaction is ineffective at solving the reported risk excursion. The hedging program would subsequently identify that the risk excursion still exists at which point a different, prudent incremental transaction would be executed and the risk excursion would be mitigated.
- e. Response to subpart c is no.