

EXHIBIT NO. \_\_\_(KJB-19)  
2013 PSE PCORC  
WITNESS: KATHERINE J. BARNARD

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of  
PUGET SOUND ENERGY, Inc.

For an Accounting Order Authorizing  
Accounting Treatment Related to Payments  
for Major Maintenance Activities

**Docket No. UE-130583**

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,  
Complainant,

v.

PUGET SOUND ENERGY, INC.,  
Respondent.

**Docket No. UE-130617**

In the Matter of the Petition of  
PUGET SOUND ENERGY, Inc.

For an Accounting Order Authorizing the  
Sale of the Water Rights and Associated  
Assets for the Electron Hydroelectric Project  
in Accordance with WAC 480-143 and  
RCW 80.12.

**Docket No. UE-131099**

In the Matter of the Petition of  
PUGET SOUND ENERGY, Inc.

For an Accounting Order Authorizing the  
Sale of Interests in the Development Assets  
Required for the Construction and Operation  
of Phase II of the Lower Snake River Wind  
Facility

**Docket No. UE-131230**

**SEVENTH EXHIBIT (NONCONFIDENTIAL) TO THE  
PREFILED REBUTTAL TESTIMONY OF  
KATHERINE J. BARNARD  
ON BEHALF OF PUGET SOUND ENERGY, INC.**

**AUGUST 28, 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. 046**

**WUTC STAFF DATA REQUEST NO. 046:**

**Re: Snoqualmie Adjustments**

Similar to Data Requests 42 and 43, please recalculate Adjustments 4.04 and 4.05 on pages 8 and 9 of Exhibit No.\_\_(KJB-4C) and provide supporting workpapers for each of the following two scenarios:

1. Remove all costs occurring after April 25, 2013.
2. Remove all costs occurring after July 2, 2013.

**Response:**

Puget Sound Energy, Inc. ("PSE") objects to WUTC Staff Data Request No. 046 to the extent the recalculations requested constitute scenarios that are neither relevant to this proceeding nor reasonably calculated to lead to the discovery of admissible evidence. Without waiving such objection, and subject thereto, PSE responds as follows:

Attached as Attachments A through D to PSE's Response to WUTC Staff Data Request No. 046, please find recalculations to Adjustments 4.04 and 4.05 on pages 8 and 9 of Exhibit No.\_\_(KJB-4C), as requested in WUTC Staff Data Request No. 046.

Please see PSE's Response to Data Request No. 036 for a more current estimate of the Snoqualmie Upgrade Project. The increase to the project estimate of \$4.0 million is primarily due to:

- 1) cost increases for Plant 2 resulting primarily from issues related to equipment startup and controls. Examples of equipment requiring additional resources during startup include the fine trash rack cleaners, the synchronous bypass valves (mis-operations resulting from silting), and unit 6 shear pin failures. Troubleshooting the Plant 2 controller that operates the generator units and bypass valves to meet tight FERC license requirements for flow variation is ongoing. Plant facilities controller concerns have prevented continuous remote operation and resulted in increased on-site operator support and less energy generation.

- 2) cost increases for Plant 1 have resulted primarily from the extended schedule and the cost of schedule mitigation. The Plant 1 schedule was impacted by earlier efforts to install controls and drainage for the increased water flow into the shaft and cavity when the construction cofferdam was removed. Further the congestion caused by the single ingress/egress (shaft) at Plant #1 has delayed work. There are limitations to how many workers can be in the cavity at any one time due to physical space, ventilation, and safety issues. The penstock, HVAC ducts, electrical cable tray and elevator all had to be installed in the shaft, while supporting access to multiple shifts in the underground powerhouse. The contractor has partially mitigated the Plant 1 schedule by running multiple shifts for many months. The schedule delay has extended labor and equipment costs. These changes have extended the schedule slightly and required additional contractor and PSE resources to resolve. Accordingly the commercial operation date (“COD”) for Plant 1 has been extended from the assumed July 1, 2013 date noted in the prefiled direct testimony of Douglas S. Loreen in Exhibit No. \_\_\_\_ (DSL-1T) to August 15, 2013.

Additionally, the allocation of the total cost between projects has changed since the original filing. The re-allocation has occurred primarily through the experience of placing Plant 2 in service. The assignment of engineering budgeted costs to units of property has resulted in the re-alignment of the engineering budget to one that more closely mirrors the way the project costs will close to plant upon completion.

For purposes of PSE's Response to WUTC Staff Data Request No. 046, PSE has used the updated project costs and revised estimated in-service date. PSE will file the impacts of these changed assumptions on the plant and deferral adjustments in its Response to WUTC Staff Data Request No. 042, which has been extended from its original due date and will be filed on Tuesday, July 23, 2013.

Attached as Attachment A to PSE's Response to WUTC Staff's Data request No. 046, please find the requested scenario 1) "Remove all costs occurring after April 25, 2013" for adjustment 4.04 Snoqualmie License Upgrade Project.

Attached as Attachment B to PSE's Response to WUTC Staff's Data request No. 046, please find the requested scenario 1) "Remove all costs occurring after April 25, 2013" for adjustment 9.05 Snoqualmie Deferral Project.

Attached as Attachment C to PSE's Response to WUTC Staff's Data request No. 046, please find the requested scenario 2) "Remove all costs occurring after July 2, 2013" for adjustment 4.04 Snoqualmie License Upgrade Project.

Attached as Attachment D to PSE's Response to WUTC Staff's Data request No. 046, please find the requested scenario 2) "Remove all costs occurring after July 2, 2013" for adjustment 9.05 Snoqualmie Deferral Project.