

**EXH. RJR-14
DOCKET UE-200115
COLSTRIP UNIT 4 SALE
WITNESS: RONALD J. ROBERTS**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**In the Matter of the Application of
PUGET SOUND ENERGY**

**For an Order Authorizing the Sale of
All of Puget Sound Energy's Interests
in Colstrip Unit 4 and Certain of
Puget Sound Energy's Interests in
the Colstrip Transmission System**

Docket UE-200115

**FIFTH EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED SUPPLEMENTAL DIRECT TESTIMONY OF**

RONALD J. ROBERTS

ON BEHALF OF PUGET SOUND ENERGY

AUGUST 20, 2020



April 8, 2020

Steve R. Secrist
Sr. Vice President, General Counsel, and
Chief Ethics & Compliance Officer
Puget Sound Energy
P.O. Box 97034
Bellevue, WA 98009-9734

Re: Rights of First Refusal pursuant to the Colstrip Project Transmission Agreement, as last dated September 27, 2013 among NorthWestern Corporation, Puget Sound Energy Inc., Avista Corporation, Portland General Electric Company, and PacifiCorp, as amended from time to time

Dear Steve:

NorthWestern Corporation ("NWE" or "Buyer") is aware that on or about January 10, 2020, Puget Sound Energy, Inc. ("PSE" or "Seller") provided written notice to Portland General Electric Company, Avista Corporation, and PacifiCorp of the Colstrip Transmission System Purchase and Sale Agreement between Buyer and Seller dated December 9, 2019, and of the 90-day period during which other Transmission Owners may be able to exercise rights of first refusal in accordance with Section 28 of the Transmission Agreement.

In response, NWE, as a Transmission Owner, hereby provides notice of its conditional exercise of its right of first refusal **if (and only if)** one or more other Transmission Owners also exercise their rights of first refusal. While other Project Users may have rights under Section 28 proportionate to their respective shares of the Colstrip Transmission System, Buyer is itself a Transmission Owner, and it chooses, therefore, to conditionally exercise its right so as to avoid the possibility that one or more Transmission Owners may claim an ability to purchase the interests that are the subject of the Purchase and Sale Agreement without regard to NWE's own proportional interests as a fellow Transmission Owner. If no other Transmission Owner provides notice of an intent to exercise a right of first refusal, NWE's conditional exercise shall be of no effect.

Further, NWE as a Transmission Owner, hereby provides notice of its conditional exercise of its right of first refusal **if (and only if)** any party, which is not a Transmission Owner pursuant to the



Colstrip Project Transmission Agreement, obtains any right contractual or otherwise to acquire some or all of PSE's interest in the Colstrip Transmission System.

Sincerely,

A handwritten signature in black ink that reads "John Hines". The signature is written in a cursive style with a large initial "J".

John Hines

Vice President, Supply and Montana Governmental Affairs
Northwestern Energy