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**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

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

**Docket UE-200115**

**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**

**PUGET SOUND ENERGY’S  
RESPONSE IN OPPOSITION TO  
THE LATE-FILED PETITION TO  
INTERVENE OF JEFF P. JORDAN**

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**I. INTRODUCTION**

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*1.* Pursuant to RCW 34.05.443 and WAC 480-07-355(2), Puget Sound Energy (“PSE”), responds and objects to the Late-Filed Petition to Intervene (“Petition”) of Jeff P. Jordan. The Petition should be denied because Mr. Jordan does not have a substantial interest in this proceeding nor would his participation be in the public interest. Mr. Jordan’s stated interests for intervening are to “broaden the consideration of the value of the [Colstrip Transmission System] to the success of [the Clean Energy Transformation Act] and of the value that would be lost in the transfer of PSE’s [Colstrip Transmission System] interest to [NorthWestern Energy]/Talen.” (Petition at ¶ 5.)

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*2.* Moreover, Mr. Jordan’s intervention does not benefit the public interest.

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As discussed in greater detail below, Mr. Jordan appears to wish to use this proceeding to advance a plan to convert the Colstrip Transmission System, the Eastern Intertie, and portions of the main transmission system of Bonneville

1 Power Administration (“BPA”) into High Voltage Direct Current (“HVDC”)  
2 transmission line to deliver North Plains Wind to the Grand Coulee Dam. This  
3 proceeding is not an open forum for Mr. Jordan to promote his plan. Mr. Jordan’s  
4 participation is beyond the scope of this proceeding and would distract from the  
5 narrow issue before the Commission—whether the transactions proposed in this  
6 case are consistent with the public interest. Accordingly, the Commission should  
7 deny the Petition.

## 8 II. BACKGROUND

9 3. On February 19, 2020, PSE filed its Application, seeking to (i) sell PSE  
10 interests in Colstrip Unit 4 to NorthWestern; (ii) sell certain PSE interests in the  
11 Colstrip Transmission System to NorthWestern; and (iii) enter into a power  
12 purchase agreement between PSE and NorthWestern for 90 MW of the output of  
13 Colstrip Unit 4 with a term beginning June 1, 2020, and expiring on May 15, 2025  
14 (the “Proposed Transactions”).

15 4. On March 13, 2020, a prehearing conference was held at which petitions  
16 to intervene by AWEC, Sierra Club, NRDC, NWECA, Renewables Northwest,  
17 Avista Corporation, PacifiCorp, and Portland General Electric, were considered  
18 by the Commission.

19 5. On March 23, 2020, the Commission issued a Prehearing Conference  
20 Order. While in the Order, the Commission permitted the interventions of the  
21 above parties, the Commission “emphasized that the scope of the proceeding is  
22 limited” and does not include to how the Proposed Transactions could impact the

1 “contractual rights or obligations” of the parties<sup>1</sup> nor is it “an opportunity to  
2 promote the commercial interests of any party.”<sup>2</sup> The Commission was clear that  
3 “We will not entertain any arguments or issues unrelated to the Proposed  
4 Transactions, including any issues that may arise from . . . commercial interests.”<sup>3</sup>

5 6. On July 7, 2020, the Commission suspended the procedural schedule so  
6 PSE could complete and file a Supplemental Application reflecting an amendment  
7 to the purchase and sale agreement between PSE and NorthWestern after Talen  
8 Montana LLC exercised a right of first refusal to acquire a proportionate interest  
9 in Colstrip Unit 4.

10 7. On August 20, 2020, PSE filed a Supplemental Application reflecting the  
11 above amended transactions (“Amended Proposed Transactions”). A second  
12 prehearing conference has been set for September 8, 2020.

13 8. On September 4, 2020, Mr. Jordan filed the Petition.

14 9. As set forth in the Petition, the basis for the Mr. Jordan’s intervention is  
15 his long and abiding commitment to alternative energy and energy efficiency:

16 Petitioner has demonstrated a long and abiding commitment to  
17 alternative energy and energy efficiency, has long been a  
18 devoted student of the science and methods necessary to  
19 advancing these goals, and believes that the resulting  
20 accumulation of knowledge and experience will be of particular  
21 value in this Docket.<sup>4</sup>

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1 Order 02 ¶ 13.

2 *Id.* ¶ 15.

3 *Id.*

4 Petition ¶ 4.

1 According to the Petition, Mr. Jordan’s seeks to oppose PSE’s transfer of certain  
2 of its interests “to NWE and Talen Energy (sic) and will offer testimony on the  
3 substantial value of the CTS to PSE, to the Ratepayers of the State of Washington,  
4 and to fulfilling the intent of CETA.”<sup>5</sup>

5 10. Apparently, Mr. Jordan’s desire to oppose the transfer of certain of PSE’s  
6 interests in the Colstrip Transmission System to NorthWestern Energy rests on a  
7 desire to instead convert the Colstrip Transmission System into a HVDC  
8 transmission line in a complex and grand scheme to deliver North Plains Wind to  
9 the Grand Coulee Dam that appears to involve both the Colstrip Transmission  
10 System and the Eastern Intertie and main transmission system of BPA:

11 The Colstrip Transmission System (CTS), converted to High  
12 Voltage Direct Current (HVDC) operation, is the only clean-  
13 power option for avoiding severe winter power shortages in  
14 the NW region in the next few years.

15 ...

16 This leaves the CTS HVDC conversion as the only possibility  
17 for HVDC access to the North Plains Wind in the next few years.  
18 This conversion would include the existing 300-mile CTS and  
19 parts of the continuing 500 miles of BPA Transmission. Before  
20 this conversion, this combined system now delivers about 750  
21 MW of Colstrip Coal Winter Power to Grand Coulee and about  
22 750 MW to the Lower Snake River Dams distribution points.  
23 The preferred form of HVDC conversion would deliver 3,500 to  
24 7,000 MW to Grand Coulee, based on design decisions to be  
25 made in the engineering phase.<sup>6</sup>

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<sup>5</sup> Petition ¶ 5.

<sup>6</sup> *Id.*

1 11. Mr. Jordan attempts to justify the late-filed Petition because he “has only  
2 recently become aware of the importance of details surrounding the proposed  
3 transfer of PSE’s interest in the Colstrip Transmission System (CTS) to  
4 NorthWest Energy (NWE) (sic).”<sup>7</sup>

### 5 III. ARGUMENT

6 12. The Commission may grant a petition to intervene only if the petitioner  
7 “discloses a substantial interest in the subject matter of the proceeding or if the  
8 petitioner’s participation is in the public interest.”<sup>8</sup> The petitioner must also  
9 qualify under the law and the intervention must “not impair the orderly and  
10 prompt conduct of the proceedings.”<sup>9</sup> As set forth below, the Petition should be  
11 denied because Mr. Jordan does not have a substantial interest in the Proposed  
12 Transactions nor is his intervention in the public interest.

#### 13 A. Mr. Jordan Does Not Have a Substantial Interest in the Proposed 14 Transactions

15 13. The Commission should deny the Petition because Mr. Jordan does not  
16 have a substantial interest in the Proposed Transactions. The Commission applies  
17 a “zone of interest test” to determine whether a party seeking intervention has a  
18 substantial interest.<sup>10</sup> Such an interest can be found to exist only when there is a  
19 nexus between the petitioner’s stated purpose in seeking to intervene and an

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7 Petition ¶ 3.

8 WAC 480-07-355(3).

9 RCW 35.04.443(1).

10 *In Re Joint Application of Verizon Commc’ns, Inc. & Frontier Commc’ns Corp. for an Order Declining to Assert Jurisdiction Over, or, in the Alternative, Approving the Indirect Transfer of Control of Verizon Nw., Inc.*, Docket UT-090842, Order 05 ¶¶ 14-15 (Sept. 10, 2009).

1 interest protected by a Washington statute within the Commission’s jurisdiction.<sup>11</sup>

2 None of the reasons articulated by Mr. Jordan demonstrate that he has a  
3 substantial interest for intervening in this proceeding.

4 14. The Commission’s powers are set forth in Title 80 RCW, which provides  
5 that the Commission has the power to

6 [r]egulate in the public interest . . . the rates, services, facilities, and  
7 practices of all persons engaging within this state in the business of  
8 supplying any utility service or commodity to the public for  
9 compensation.<sup>12</sup>

10 The “public interest,” in the context of the public service laws, is “that only of  
11 *customers* of the utilities which are regulated.”<sup>13</sup> The purpose of this proceeding is  
12 to determine whether the Proposed Transactions are consistent with the public  
13 interest, which are PSE’s customers. The Petition does not state how Mr. Jordan is  
14 or could be affected by the Proposed Transactions.

15 15. Mr. Jordan asserts that he has “demonstrated a long and abiding  
16 commitment to alternative energy and energy efficiency, has long been a devoted  
17 student of the science and methods necessary to advancing these goals, and  
18 believes that the resulting accumulation of knowledge and experience will be of  
19 particular value in this Docket.”<sup>14</sup> PSE does not know Mr. Jordan and has no  
20 reason to question his commitment to alternative energy and energy efficiency or  
21 his accumulation of knowledge and experience. Commitment and knowledge,

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11 *In Re Joint Application of Verizon Commc’ns, Inc. & Frontier Commc’ns Corp.*, Docket UT-090842, Order 05 ¶¶ 14-15.

12 RCW 80.01.040(3).

13 *Cole v. Wash. Utils. & Transp. Comm’n*, 79 Wn.2d 302, 306, 485 P.2d 71 (1971) (emphasis added).

14 Petition ¶ 4.

1           however, are insufficient to qualify as “a direct and substantial interest” in the  
2           Proposed Transactions. Other parties currently parties to the proceeding  
3           (including PSE) similarly have commitments to alternative energy and energy  
4           efficiency and significant knowledge and experience about these matters, but  
5           these parties also demonstrated that they (or their members or customers) have “a  
6           direct and substantial interest” in the Proposed Transactions.

7           16.           PSE would have no issue if Mr. Jordan were to consult with or provide  
8           testimony for any of these parties, but PSE does object to Mr. Jordan becoming a  
9           party to the proceeding because he has failed to meet the requisite demonstration  
10          of a “direct and substantial interest” in the Proposed Transactions or even a  
11          showing how he has or could be affected by the Proposed Transactions or the  
12          outcome of this proceeding.

13          **B.     Mr. Jordan’s Intervention Is Not in the Public Interest and Will Be**  
14          **Detrimental to the Proceeding**

15          17.           In addition, the Petition fails to explain how Mr. Jordan’s participation  
16          would be in the public interest. Indeed, the predominant theme of the Petition is  
17          that Mr. Jordan seeks to use the proceeding to argue for the conversion of the  
18          conversion of the Colstrip Transmission System into a High Voltage Direct  
19          Current (HVDC) transmission line in a complex and grand scheme to deliver  
20          North Plains Wind to the Grand Coulee Dam that appears to involve both the  
21          Colstrip Transmission System and the Eastern Intertie and main transmission  
22          system of BPA:

23                           The Colstrip Transmission System (CTS), converted to High  
24                           Voltage Direct Current (HVDC) operation, is the only clean-

1 power option for avoiding severe winter power shortages in  
2 the NW region in the next few years.

3 ...

4 This leaves the CTS HVDC conversion as the only possibility  
5 for HVDC access to the North Plains Wind in the next few years.  
6 This conversion would include the existing 300-mile CTS and  
7 parts of the continuing 500 miles of BPA Transmission. Before  
8 this conversion, this combined system now delivers about 750  
9 MW of Colstrip Coal Winter Power to Grand Coulee and about  
10 750 MW to the Lower Snake River Dams distribution points.  
11 The preferred form of HVDC conversion would deliver 3,500 to  
12 7,000 MW to Grand Coulee, based on design decisions to be  
13 made in the engineering phase.<sup>15</sup>

14 That is not a substantial interest the Commission can protect in this proceeding.

15 PSE is not proposing to divest itself of all of its interests in the Colstrip

16 Transmission System in this proceeding. In fact, PSE will continue to hold one of  
17 the largest ownership interests in the Colstrip Transmission System even if the  
18 Commission were to approve of and PSE and NorthWestern Energy were to close  
19 the Proposed Transactions.

20 18. Moreover, even if Mr. Jordan were to make a compelling argument for the  
21 conversion of the Colstrip Transmission system as part of a plan to access North  
22 Plains Wind, this is not the proper forum for that discussion. The Petition itself  
23 states that the plan would require the conversion of both the Colstrip  
24 Transmission System and both the Eastern Intertie and portions of the main  
25 transmission system of BPA. PSE is but one of five co-owners<sup>16</sup> with an

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<sup>15</sup> Petition ¶ 4.

<sup>16</sup> The co-owners of the Colstrip Transmission System are Avista Corporation, NorthWestern Energy, PacifiCorp, Portland General Electric Company, and Puget Sound Energy.



1 undivided interest in the transmission system and can take no unilateral action  
2 with respect to any potential conversion of the line, and the Commission has no  
3 jurisdiction over two of the co-owners (NorthWestern Energy and Portland  
4 General Electric Company). Additionally, the Commission has no jurisdiction  
5 over the Eastern Intertie and portions of the main transmission system of BPA.  
6 The transmission assets owned and operated by BPA are subject to myriad and  
7 complex federal statutes and regulations, each of which is clearly not within the  
8 jurisdiction of the Commission or affected by the Proposed Transactions.

9 19. In short, Mr. Jordan is neither an essential nor an indispensable party to  
10 the proceeding. Instead, Mr. Jordan's proposal for the conversion of the Colstrip  
11 Transmission System, the Eastern Intertie, and portions of BPA's main  
12 transmission system into an HVDC transmission line to deliver North Plains  
13 Wind to the Grand Coulee Dam will distract from the narrow focus of this  
14 proceeding and, as admitted in the Petition, will broaden the issues and burden the  
15 record. Mr. Jordan is free to consult with and serve as a witness for existing  
16 parties to this proceeding and to advance his plan for the Colstrip Transmission  
17 System in another forum. Mr. Jordan, however, has failed to meet the  
18 Commission's standards for intervention. Accordingly, the Petition should be  
19 denied.

1 **IV. CONCLUSION**

2 20. For the reasons set forth above, the PSE respectfully requests that the  
3 Commission deny the Petition.

4 Dated: September 4, 2020.

**PERKINS COIE LLP**



By \_\_\_\_\_  
Sheree Strom Carson,  
WSBA #25349  
Jason Kuzma, WSBA #31830  
David S. Steele, WSBA # 45640  
Perkins Coie LLP  
10885 NE 4th Street, Suite 700  
Bellevue, Washington 98004-5579  
Phone: (425) 635-1400  
Email: [scarson@perkinscoie.com](mailto:scarson@perkinscoie.com)  
[jkuzma@perkinscoie.com](mailto:jkuzma@perkinscoie.com)  
[dstele@perkinscoie.com](mailto:dstele@perkinscoie.com)

Attorneys for Puget Sound Energy