

**EXHIBIT NO. ___(MFB-1T)
DOCKET NO. UG-151663
WITNESS: MELISSA F. BARTOS**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

PUGET SOUND ENERGY, INC.

**for (i) Approval of a Special Contract for
Liquefied Natural Gas Fuel Service with
Totem Ocean Trailer Express, Inc. and
(ii) a Declaratory Order Approving the
Methodology for Allocating Costs
Between Regulated and Non-regulated
Liquefied Natural Gas Services**

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**PREFILED DIRECT TESTIMONY (NONCONFIDENTIAL) OF
MELISSA F. BARTOS
ON BEHALF OF PUGET SOUND ENERGY, INC.**

**AUGUST 11, 2015
REVISED SEPTEMBER 23, 2015**

1 **Q. Please summarize the purpose of your prefiled direct testimony.**

2 A. My testimony introduces two market assessments of liquefied natural gas
3 (“LNG”) as a distributed fuel for various applications conducted by Concentric
4 for Puget Sound Energy, Inc. (“PSE”). The first market assessment was
5 conducted in 2012, and the second market assessment is an update to the 2012
6 report.

7 **II. THE CONCENTRIC REPORTS**

8 **Q. Please describe the reports prepared for PSE by Concentric.**

9 A. In 2012, PSE retained Concentric to provide a market assessment for several
10 potential LNG markets including marine transportation, heavy duty trucking, rail
11 transportation, industrial conversion markets, and compressed natural gas
12 (“CNG”) applications. Concentric provided a report entitled “Market Assessment
13 of Liquefied Natural Gas as a Distributed Fuel in Washington State” to PSE on
14 September 19, 2012 (the “2012 Market Assessment”). Please see Exhibit
15 No. ___(MFB-3HC) for a copy of the 2012 Market Assessment.

16 More recently PSE retained Concentric to reconsider the findings of the
17 2012 Market Assessment, specifically related the potential LNG market evolution
18 in light of the decline in oil prices in the second half of 2014, which changed the
19 outlook of the expected price differential between natural gas and oil, especially
20 in the short term. Concentric provided a second report entitled “Market
21 Assessment of Liquefied Natural Gas as a Distributed Fuel in Washington State –
22 Update” to PSE in January 2015 (the “2015 Market Assessment Update”). Please

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see Exhibit No. ____ (MFB-4HC) for a copy of the 2015 Market Assessment Update.

III. CONCLUSION

Q. Does this conclude your prefiled direct testimony?

A. Yes.