

**EXH. RJR-25C
DOCKET UE-22 ___/UG-22 ___
2022 PSE GENERAL RATE CASE
WITNESS: RONALD J. ROBERTS**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

**Docket UE-22 ___
Docket UG-22 ___**

**TWENTY-FOURTH EXHIBIT (CONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF**

RONALD J. ROBERTS

ON BEHALF OF PUGET SOUND ENERGY

REDACTED VERSION

JANUARY 31, 2022

From: [Criswell, Gordon D](#)
To: [Brown, Shannon](#); [Atwood, Nancy](#); [Shawn Davis](#); [Josh Hagel](#); ["Barnes, Michael \(Mike.Barnes@northwestern.com\)"](#); [Wenke, Steve](#); [Johanson, Mike \(PacifiCorp\)](#)
Cc: [Criswell, Gordon D](#); [Dennehy, Neil J](#); [Borsheim, Richard R](#); [Lebsack, Dale](#); [Obie, Damon D](#); [Rork, John](#); ["Arya Behbehani \(Arya.Behbehani@pgn.com\)"](#); ["Mari Willis"](#); ["tom.nilan@pgn.com"](#); ["Sullivan, Mary Gail"](#); ["Soyars, Darrell"](#); [Jensen, Steven \(PacifiCorp\)](#); ["Tucker, Jeff"](#)
Subject: Colstrip 3&4 Dry Disposal Project - Additional Information Requests
Date: Monday, April 12, 2021 9:49:43 AM
Attachments: [Colstrip 34 Dry Disposal Project Information Request Response 4-12-21.pdf](#)
[Colstrip 34 Dry Disposal Project Milestone Schedule 4-9-21.pdf](#)
[Colstrip 34 Dry Disposal Project Budget Schedule 4-9-21.pdf](#)

In response to emails requesting additional information regarding the Colstrip 3&4 Dry Disposal Project; please see the attached letter, milestone schedule and budget schedule. We plan to add the Dry Disposal Project Update to the April Owners meeting agenda for discussion.

Thanks,

Gordon Criswell

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Gordon Criswell • Director, Environmental & Compliance
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April 12, 2021

Via Email

Ms. Nancy Atwood
Manager, Energy Resources Assets
Puget Sound Energy, Inc.

Mr. Mike Barnes
Superintendent, Joint Owned Thermal Ops
NorthWestern Energy

Mr. Steve Wenke
Senior Manager Generation
Strategy and Planning
AVISTA

Mr. Mike Johanson
Non-Operational Plant and Support Director
PacifiCorp

Mr. Josh Hagel
Manager, Compliance and Cyber Security
Portland General Electric

Mr. Shawn Davis
Principal Analyst
Portland General Electric

Mr. Shannon Brown
Senior Director, Asset Management
Talen Energy

RE: Colstrip 3&4 Dry Disposal Project - Response to Additional Information Requests

Project Committee:

We are pleased to provide the following information in response to your recent information requests related to the Colstrip 3&4 Dry Disposal Project. There has been much information shared on the project already and we think it would be helpful to summarize it here for reference:

- 9/1/19 - 2020 Budget Hurdle Rate Worksheet with Justification and Settlement Agreement provided
- November 2019 Owners meeting - 2020 Budget Approval
- 11/7/2020 - 2021 Budget Hurdle Rate Worksheet with justification and Settlement Agreement provided
- December 2020 Owners meeting - review of project cost increases
- 1/4/21 email providing more detail on project costs
- 1/5/21 email describing basis for contingency amount
- 1/11/21 email answering PGE questions
- 1/13/21 email requesting approval of \$4M for critical path equipment orders
- 1/18/21 received approval of \$4M request
- 1/26/21 email providing response to information requests, including:
 - o A technical overview of the system and its key components;
 - o A project schedule highlighting major milestones and cost payment points;
 - o A cost summary detailing on a line-item basis the timing of certain costs and contingencies; and
 - o A description of technologies that were examined for feasibility

Shaded information is designated as
CONFIDENTIAL per WAC 480-07-160

- 1/28/21 email providing the Settlement Agreement and brief description of requirements
- 2/2/21 letter requesting approval of [REDACTED] specifically identifying equipment, original cost, actual bids, and contingency
- 2/15/21 received approval of [REDACTED] request
- 3/5/21 letter requesting approval of \$ [REDACTED] for critical path items
 - o Specifically identified equipment, bids received, and contingency
 - o Requested approval of 2021 budget at [REDACTED] and [REDACTED] in 2022 to complete the project
 - o Included major activity budget/cost tracker spreadsheet
- 3/11/21 proposed revised budget for 2021
- 3/15/21 received approval of [REDACTED] request
- 3/22/21 email confirming approval of proposed revised budget for 2021
- 3/22/21 email providing the Interim Test Report from pilot testing

Responses to the recent additional information requests are provided below. Note that we are striving to provide responses to all information requests and are providing what is available currently. We are planning to add the Dry Disposal Project review to the April Owners Meeting agenda to discuss the project in more detail and help ensure the information required is provided in an efficient and productive manner.

- Provide a project schedule with critical path items & milestones
 - o Attached is the current project schedule milestone report
- Provide project meeting review to include schedule, milestone status & risks, cash flow & contingency review, budget vs. actual status, contracted cost vs. budgetary quotes
 - o Review meeting scheduled for April 2021 Owners Meeting
 - o Attached is a table containing the remaining project budget schedule
- Contractors approached & considered for design & construction, including bid evaluation criteria and scoring
 - o Discuss during review meeting
- Process for identifying/spending/limiting contingency dollars
 - o Discuss during review meeting
 - o Contractors do not have ability to access contingency dollars
- Review of change order request process
 - o Intend to follow process discussed at March Owners meeting
- Timeline from when work began through intended operational date, with milestone decisions
 - o Discuss during review meeting
- Alternate design concepts considered and reasons for choosing current design plan
 - o This was provided in 1/26/21 email, can discuss further as needed
- A list of Talen MT personnel working on the dry disposal project
 - o Rick Borsheim – project manager
 - o Gordon Criswell – compliance oversight
 - o Nic Larson – contracts & PO's
 - o Glenn Logan – project engineer civil support
 - o Mike Myers – project engineer electrical support

- Cost estimate drafts
 - o We will keep you informed of any changes in our projected costs and inform you of our actual costs within a reasonable time of them being incurred. We do not currently expect deviation from the approved budget
- Copies of current design and specifications
 - o Discuss during review meeting

We are providing this information in the spirit of cooperation, but please understand that these costs already were approved as part of the 2021 budget. We will, of course, continue to work to ensure this project is completed efficiently and with cost savings in mind, consistent with our obligation to operate the plant prudently.

We look forward to further discussion on this project during the April 2021 Owners meeting. If you have any questions before then, please don't hesitate to contact me.

Sincerely,



Gordon Criswell
Director, Environmental & Compliance
Colstrip Power Plant
Talen Montana

10027022-900 UNITS 3 4 DESIGN / BUILD DRY WASTE DISPOSAL SYSTEM			DRY WASTE BUILDING CONSTRUCTION MILESTONE REPORT													08-Apr-21 13				
Activity Name	OD	RD	Start	Finish	2020				2021				2022							
					Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4			
DRY WASTE PROJECT START MS	0.0h	0.0h	26-Aug-19 08 A																	
Earthwork Construction Start MS	0.0h	0.0h	27-Jul-20 08 A																	
FILTER PRESS Start MS	0.0h	0.0h	04-Aug-20 08 A																	
Dry Waste Building Ste Prep Start Milestone	0.0h	0.0h	12-Feb-21 08 A																	
Worley Provide project Estimate	0.0h	0.0h		01-Mar-21 17 A																
Filtrate Pumps Delivery	0.0h	0.0h		01-Apr-21 08																
Seq 100 (1st Tier Interior) - Steel Delivery	0.0h	0.0h		20-Apr-21 17																
Dry Waste Building Start Milestone	0.0h	0.0h	10-May-21 08*																	
Seq 200 (1st Tier Exterior) - Steel Delivery	0.0h	0.0h		11-May-21 17																
Seq 500 (Stairs) - Steel Delivery	0.0h	0.0h		25-May-21 17																
Seq 300 (2nd Tier Columns & Framing) - Steel Delivery	0.0h	0.0h		01-Jun-21 17																
Seq 800 (Loadout Facility) - Steel Delivery	0.0h	0.0h		03-Jun-21 17																
Filter Press on Site	0.0h	0.0h		04-Jun-21 17																
Seq 600 (Wall Girts Secondary Framing) - Steel Delivery	0.0h	0.0h		10-Jun-21 17																
1st Tier Interior Columns & Framing Complete	0.0h	0.0h		16-Jun-21 17																
Seq 900 (Pipe Bridge & Conveyors) - Steel Delivery	0.0h	0.0h		21-Jun-21 17																
Seq 400 (Crane Beams, Roof Trusses, Roof Framing) - Steel Delivery	0.0h	0.0h		22-Jun-21 17																
Filtrate Pumps Delivery	0.0h	0.0h		25-Jun-21 17																
Seq 700 (Wall & Roof Panels) - Steel Delivery	0.0h	0.0h		29-Jun-21 17																
Stairs Complete	0.0h	0.0h		06-Jul-21 17																
1st Tier Exterior Columns & Framing Complete	0.0h	0.0h		24-Jul-21 17																
L1-3308'6 Slab Complete	0.0h	0.0h		27-Jul-21 17																
Loadout Facility Columns, Girts, and Roof Complete	0.0h	0.0h		03-Aug-21 17																
Wash Water Takeaway Pump Delivery	0.0h	0.0h		06-Aug-21 17																
L2-3319'6 Slab Complete	0.0h	0.0h		12-Aug-21 17																
Slurry Thickener Underflow Pump Delivery	0.0h	0.0h		16-Aug-21 17																
Bridge Crane Complete	0.0h	0.0h		18-Aug-21 17																
Roof Trusses Complete	0.0h	0.0h		26-Aug-21 17																
2nd Tier Interior Columns & Framing Complete	0.0h	0.0h		27-Aug-21 17																
Bridge Crane Complete	0.0h	0.0h		15-Sep-21 17																
L3-3329'6 Slab Complete	0.0h	0.0h		20-Sep-21 17																
South Takeaway Conveyor Bridge Complete	0.0h	0.0h		05-Oct-21 17																
L4-3341'8 Slab Complete	0.0h	0.0h		06-Oct-21 17																
L5-3353'0 Slab Complete	0.0h	0.0h		13-Oct-21 17																
Dewatering Facility Wall Panels Complete	0.0h	0.0h		13-Oct-21 17																
North Takeaway Conveyor Bridge Complete	0.0h	0.0h		14-Oct-21 17																
Loadout Wall Panels Complete	0.0h	0.0h		18-Oct-21 17																
Pipe Bridge Complete	0.0h	0.0h		18-Oct-21 17																
Loadout Roof Panels Complete	0.0h	0.0h		27-Oct-21 17																
Dry Waste Building Substantial Completion Milestone	0.0h	0.0h		12-Nov-21 17																
Dewatering Facility Roof Panels Complete	0.0h	0.0h		12-Nov-21 17																
Dry Waste Building Finish Milestone	0.0h	0.0h		19-Nov-21 17*																
FILTER PRESS Finish MS	0.0h	0.0h		29-Apr-22 17																
Construction Finish MS	0.0h	0.0h		30-Jun-22 17																
Closeout Start	0.0h	0.0h	01-Jul-22 08																	
Closeout Complete	0.0h	0.0h		26-Aug-22 17																
DRY WASTE PROJECT FINISH MS	0.0h	0.0h		26-Aug-22 17																

█ Actual Work
 █ Critical Remaining Work
 Summary
█ Remaining Work
 ◆ Milestone

Colstrip 3&4 Dry Disposal Project - remaining budget schedule as of 4/9/2021		
<u>Scheduled Spend Date</u>	<u>Spend \$</u>	<u>Brief Summary of Expenses</u>
5/14/2021		Engineering, Foundation, Filter Press, Tank Material, Bridge Crane, etc.
6/1/2021		Building Costs
7/1/2021		Construction - Mech and Electrical
TOTAL 2021		includes \$ [REDACTED] contingency
11/1/2021 (2022 Budget Approval)		Construction - Mech and Electrical
TOTAL 2022		includes \$ [REDACTED] contingency
TOTAL REMAINING		

REDACTED VERSION