

**Exh. DCG-3  
Docket UE-200115  
Witness: David C. Gomez**

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

**In the Matter of the Application of**

**DOCKET UE-200115**

**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**

**EXHIBIT TO  
TESTIMONY OF**

**David C. Gomez**

**STAFF OF  
WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION**

*PSE's response to NRDC DR No. 19*

**October 2, 2020**

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**Docket UE-200115  
Puget Sound Energy  
Application Authorizing Sale of PSE Interest in Colstrip Unit 4**

**NRDC DATA REQUEST NO. 019:**

As referenced in Section 19(a) and 19(c) of the Ownership and Operation Agreement, please provide a reasonable estimate for the present day “depreciated value of the Project?”

**Response:**

Puget Sound Energy (“PSE”) objects to NRDC Data Request No. 019 on the grounds that it:

- (i) seeks information that is not relevant to the subject matter involved in this action; and
- (ii) seeks a legal conclusion concerning the terms and conditions of the Colstrip Units #3 and #4 Ownership and Operation Agreement.<sup>1</sup>

Section 19(a) and 19(c) of the Colstrip Units #3 and #4 Ownership and Operation Agreement pertain solely to the event of the Project suffering damage in which the estimated cost to repair is less than 20% of the then-depreciated value of the Project. There is no known current damage that requires this clause of the Colstrip Units #3 and #4 Ownership and Operation Agreement to be exercised as part of PSE’s Application Authorizing Sale of PSE Interest in Colstrip Unit 4 in UE-200115.

Subject to and without waiving these objections, PSE provides the following response:

Attached as Attachment A to PSE’s Response to NRDC Data Request No. 019 is an MS Excel worksheet that details the estimated depreciated value of the Project, using the methodology as outlined in Section 19(c) of the Colstrip Units #3 and #4 Ownership

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<sup>1</sup> The “Colstrip Units #3 and #4 Ownership and Operation Agreement” refers to the Ownership and Operation Agreement, dated May 6, 1981, as amended by Amendment No. 1 dated October 11, 1991, Amendment No. 2 dated July 13, 1998, Amendment No. 3 entered into in 2004, and Amendment No. 4 entered into in 2008, between PSE, NorthWestern Corporation, Portland General Electric Company, Avista Corporation, and PacifiCorp. Please see the Second Exhibit to the Prefiled Direct Testimony of Ronald J. Roberts, Exh. RJR-3, for a copy of the Colstrip Units #3 and #4 Ownership and Operation Agreement.

and Operation Agreement, as of March 31, 2020, of \$63,520,902. Note that this amount is only PSE's share of the depreciated value of the Project as it cannot confirm other owner's values.

Due to size, Attachment A to PSE's Response to NRDC Data Request No. 019 is provided in electronic format only.

**ATTACHMENT A to PSE's Response to  
NRDC Data Request No. 019**