

EXHIBIT NO. ___(JMH-1T)
DOCKET NO. UE-082128
WITNESS: JOEY M. HENDERSON

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

PUGET SOUND ENERGY, INC.

For a Determination of Emissions Compliance and
Proposed Accounting Treatment For the Mint Farm
Energy Center; or, Alternatively For an Accounting
Order

Docket No. UE-082128

**PREFILED DIRECT TESTIMONY (NONCONFIDENTIAL) OF
JOEY M. HENDERSON
ON BEHALF OF PUGET SOUND ENERGY, INC.**

FEBRUARY 13, 2009

1 **PUGET SOUND ENERGY, INC.**

2 **PRE-FILED DIRECT TESTIMONY (NONCONFIDENTIAL) OF**
3 **JOEY M. HENDERSON**

4 **Q. Please state your name, business address, and position with Puget Sound**
5 **Energy, Inc.**

6 A. My name is Joey Henderson. My business address is 10885 NE Fourth Street,
7 Bellevue, WA 98004. I am the CT Compliance Program Manager for Puget Sound
8 Energy, Inc. (“PSE” or “the Company”).

9 **Q. Have you prepared an exhibit describing your education, relevant employment**
10 **experience, and other professional qualifications?**

11 A. Yes, I have. It is Exhibit No. ____ (JMH-2).

12 **Q. Please explain your duties as CT Compliance Program Manager for PSE.**

13 A. As CT Compliance Program Manager for PSE, my duties include obtaining and
14 maintaining air quality permits for various energy resources owned and operated by
15 PSE. I participated in PSE’s acquisition of the Mint Farm Energy Center (“Mint
16 Farm”) from Wayzata Opportunities Fund, LLC and Mint Farm Power LLC.
17 Specifically, my duties related to PSE’s acquisition of Mint Farm included
18 assessing air permitting compliance matters as part of the due diligence evaluation.

1 **Q. What is the status of Mint Farm’s air quality permits?**

2 A. Mint Farm currently operates under authority of Air Discharge Permit No. 04-
3 2571R2, issued by the Southwest Clean Air Agency (“SWCAA”). Mint Farm
4 Energy Center submitted a Title V Operating Permit Application (“AOP”) to
5 SWCAA on September 19, 2008. PSE is currently in the process of negotiating
6 modifications to the application prior to SWCAA’s Draft Title V AOP.

7 **Q. Please describe your duties as they relate to RCW 80.80, the Greenhouse Gas**
8 **Emissions Performance Standard.**

9 A. I participated in discussions with the Washington State Department of Ecology
10 (“Ecology”) regarding Mint Farm’s compliance with the greenhouse gas emission
11 performance standard in WAC 173-407, Part II.

12 **Q. Is Mint Farm subject to the emissions performance standard set forth in RCW**
13 **80.80?**

14 A. Yes. Mint Farm was designed and intended to operate as a baseload power plant.
15 Therefore, PSE and Ecology have determined that the purchase of Mint Farm by
16 PSE triggers the requirement of WAC 173-407, Part II, which requires
17 demonstration of compliance with the emissions performance standard. Although
18 the previous owners of the plant operated the facility as a merchant power plant, it
19 is PSE's intent to operate the plant as a baseload power plant similar to PSE's
20 operation of the Goldendale Generating Station.

1 **Q. Please describe the measures PSE has taken to establish Mint Farm's**
2 **compliance with the emissions performance standard.**

3 A. PSE provided Ecology with certain technical data to assist Ecology in its
4 determination regarding Mint Farm's compliance with the emissions performance
5 standard. Such data included Mint Farm's 1) fuel and fuel feed stocks, 2) electrical
6 output, 3) useful thermal energy and useful energy used for nonelectrical generation
7 uses, and 4) estimated greenhouse gases emissions. PSE provided such information
8 to the Commission as Appendix A to PSE's Petition for an Emissions Performance
9 Determination in this proceeding, and it is provided electronically as Exhibit
10 No. ___(JMH-3).

11 As described in the information provided to Ecology, the calculated result of Mint
12 Farm's estimated emissions is 1,056 lb/MW-hr, which is below the emissions
13 performance standard limit of 1,100 lb/MW-hr. Further, PSE anticipates that the
14 plant will be operated more efficiently in future years and that greenhouse gas
15 emissions per MW-hr will be significantly less as PSE operates the plant.

16 **Q. What was the result of Ecology's review of the Mint Farm emissions data?**

17 A. In a letter dated December 17, 2008, Ecology stated that it had determined that
18 Mint Farm will comply with the emissions performance standard. PSE filed with
19 the Commission Ecology's letter on January 21, 2009, and the letter is attached
20 hereto as Exhibit No. ___(JMH-4).

21 **Q. Does that conclude your testimony?**

22 A. Yes, it does.