

Montana Public Service Commission



Brad Johnson - Chairman
Travis Kavulla - Vice Chairman
Kirk Bushman - Commissioner
Roger Koopman - Commissioner
Bob Lake - Commissioner

May 11, 2016

Mr. Michael J. Uda
Uda Law Firm, P.C.
7 West Sixth Avenue
Power Block West, Suite 4H
Helena, MT 59601

RE: Data requests in Docket D2015.8.64

Dear Mr. Uda:

Enclosed please find data requests of the Montana Public Service Commission to Greycliff Wind Prime numbered PSC-056 through PSC-066 in the above-referenced Docket. Please begin the response to each new numbered data request on a new page. Please provide responses by May 18, 2016. If you have any questions, please contact me at (406) 444-6191.

Sincerely,

A handwritten signature in black ink, appearing to read "Neil Templeton", is written over the typed name and title.

Neil Templeton
Regulatory Division
Montana Public Service Commission

Enclosure

Service Date: May 11, 2016

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

IN THE MATTER OF the Petition of) REGULATORY DIVISION
Greycliff Wind Prime, LLC To Set Terms) DOCKET NO. D2015.8.64
and Conditions for Qualifying Small Power)
Production Facility Pursuant to M.C.A.)
§ 69-3-603)

DATA REQUESTS PSC-056 THROUGH PSC-066 OF THE
MONTANA PUBLIC SERVICE COMMISSION
TO
GREYCLIFF WIND PRIME

PSC-056

Regarding: Electronic Files
Witness: Schiffman

Please provide Excel-readable files of all Figures, Tables, avoided cost calculations, and ancillary information.

PSC-057

Regarding: Net Position
Witness: Schiffman

At p. 18 you state: "In examining the monthly simulation results, NWE is almost always in a net purchase position." Please define "almost always" in this case.

PSC-058

Regarding: FERC Order No. 69
Witness: Schiffman

At pp. 18-19 you argue that if the utility were long and CU4 were in the money, prudence would require that NorthWestern sell additional energy into the market rather than curtail generation at CU4. In this case you believe that Greycliff production should be assigned the market price. Please describe how this logic conforms to this language from FERC Order No. 69:

A qualifying facility may seek to have a utility purchase more energy or capacity than the utility requires to meet its total system load. In such a case, while the utility is legally obligated to purchase any energy or capacity provided by a qualifying facility, the purchase rate should only include payment for energy or capacity which the utility can use to meet its total system load. These rules impose no requirement on the purchasing utility to deliver unusable energy or capacity to another utility for subsequent sale. (18 CFR § 292.303).

PSC-059

Regarding: Electricity Price Indices
Witness: Schiffman

At p. 22 you testify that Powerdex has averaged \$3.68/MWh lower than ICE On-Peak, \$0.89/MWh lower Off-Peak, and \$2.48/MWh lower overall. Please explain, if possible, the source of these differences.

PSC-060

Regarding: Data Quality
Witness: Schiffman

Please provide a basis for your claim at p. 36 that the data underlying Mr. LaFave's calculation are based on low volume, reported transactions that are of low validity, and that do not represent market fundamentals.

PSC-061

Regarding: System Balancing
Witness: Schiffman

Please provide a basis for your claim at p. 36 that the major power providers in the Pacific Northwest rely upon hydro assets and owned generation rather than real-time Mid-C transactions, in order to balance and regulate the system.

PSC-062

Regarding: Transmission Upgrades
Witness: Schiffman

Please provide citations to the FERC findings that support your claim at p. 36 that NorthWestern's Transmission Network Upgrade proposal violates FERC policy. Please describe the relevancy of these findings in this instance.

PSC-063

Regarding: Power Price Forecasting
Witness: Schiffman

At p. 38 you testify: "I believe this [power price forecast] adjustment is inappropriate, as Greycliff has previously established a LEO, and the date when the LEO was established, or a date near then, is more appropriate for use in developing an avoided cost estimate for Greycliff."

Please explain why the power price forecast beginning date should match Greycliff's alleged LEO establishment date, rather than its expected commercial operation date.

PSC-064

Regarding: NPCC Forecast
Witness: Schiffman

At p. 41 you testify that your first avoided cost estimate reflects the NPCC medium level electricity price forecast. Was this forecast basis-adjusted for Montana?

PSC-065

Regarding: Capacity Credit Calculation
Witness: Schiffman

At p. 41 you explain that your avoided cost forecast reflects a 5% capacity credit based on the avoided capital cost of an aeroderivative GE LMS100 combustion turbine, which you claim is a likely portfolio addition.

- a. Please provide, in Excel-readable format, the calculation of this credit.
- b. Please explain why you believe that a GE LMS100 is a likely addition to NorthWestern's portfolio.
- c. NorthWestern's 2016 Plan lists a GE 7EA CT as a preferred capacity resource in almost every scenario, including the economically optimal scenario (Docket No. N2015.11.91, Electricity Supply Resource Procurement Plan, Volume 1, Tables 12-1 and 12-2). Please provide a calculation of the credit using this resource instead.

PSC-066

Regarding: Greycliff Production Estimate
Witness: Schiffman

At p. 41 you state that the most current estimate of actual Greycliff production is 88,043 MWh/yr. Please provide a basis for this estimate.