Montana Public Service Commission

December 21, 2016

Mr. Joe Schwartzenberger
Regulatory Affairs Department
NorthWestern Energy
11 East Park
Butte, MT 59701

RE: Data Requests in Docket D2016.5.39

Dear Mr. Schwartzenberger:

Enclosed please find Data Requests PSC-051 through PSC-058 of the Montana Public Service Commission to NorthWestern Energy in the above-referenced Docket. Please provide a response by January 11, 2017. If you have any questions, please contact me at (406) 444-6191.

Sincerely,

Neil Templeton
Regulatory Division
Montana Public Service Commission

Enclosure

1701 Prospect Avenue • P.O. Box 202601 • Helena, Montana 59620-2601
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Service Date: December 21, 2016

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

IN THE MATTER OF NorthWestern Energy's Application for Interim and Final Approval of Revised Tariff No. QF-1, Qualifying Facility Power Purchase	))))	REGULATORY DIVISION DOCKET NO. D2016.5.39

DATA REQUESTS PSC-051 THROUGH PSC-058 OF THE MONTANA PUBLIC SERVICE COMMISSION TO NORTHWESTERN ENERGY

PSC-051

Regarding: Electronic Files
Witnesses: All

Please provide Excel-readable files of all Figures, Tables, avoided cost calculations, and ancillary information included in rebuttal testimony, with all calculations traceable.

PSC-052

Regarding: Transmission Interconnection Procedures
Witness: Unknown

a. Please describe NorthWestern's current position regarding interconnection procedures for the QF counterparties in this proceeding, given NorthWestern's testimony in this proceeding and its pleading filed in FERC Docket No. EL17-5-000, and the FERC Declaratory Order in that proceeding.

b. Please describe NorthWestern's understanding of counterparty positions regarding interconnection procedures for the QF counterparties in this proceeding, given counterparties' testimony in this proceeding and pleadings filed in FERC Docket No. EL17-5-000, and the FERC Declaratory Order in that proceeding.

c. Please describe the salient issues the Commission must consider in order to resolve this matter in this proceeding.

d. Please describe NorthWestern's position regarding the Commission's current requirement for a bilaterally signed interconnection agreement in order to establish a Legally Enforceable Obligation (LEO).

e. Please identify all QF resources that were denied contracts as a result of Order 7500 on June 16, 2016, because they failed to meet the Commission's LEO requirement by virtue of failure to establish a signed interconnection agreement; but which would have qualified for an LEO at that time absent this requirement.

PSC-053

Regarding: NorthWestern peak load
Witness: Bushnell

a. What is your definition of a winter peaking utility which experiences bimodal seasonal peaks?

b. What was NorthWestern's peak load for 2016 and in what month did it occur?

PSC-054

Regarding: Exceedance method
Witness: Bushnell

a. Confirm or deny that in D2016.7.56 you indicated you looked to the Southwest Power Pool's exceedance method for guidance when you developed the 85/10 exceedance method that NorthWestern has proposed in this case. *See* D2016.7.56 Hrg. Transcr. 230:16 – 231:17 (Nov. 9, 2016).

b. If the response to part a of this question is deny, explain how you arrived at an 85% exceedance level in the top 10% of on-peak hours as the basis for your exceedance method.

c. Does the Southwest Power Pool still use an 85/10 metric for its exceedance method? If not, what metrics do they use?

d. If Southwest Power Pool no longer finds the 85/10 metrics for their exceedance method appropriate, please explain why those metrics are still appropriate for NorthWestern's exceedance method.

e. Provide a list of all utilities and/or independent system operators (ISOs) which use the 85/10 metric as the basis for an exceedance method, with references.

PSC-055

Regarding: Exceedance method
Witness: Bushnell

a. Would you agree that for any utility which is part of an ISO, it would be appropriate for that utility to calculate the capacity contribution of its own resources using the same method that is used by the ISO? If not, please explain under what circumstances it would not be appropriate for the utility to use the same method to calculate capacity contribution as does the ISO it is a member of.

b. Would you agree that the California ISO (CAISO) third revised straw proposal for establishing regional resource adequacy guidelines calls for an exceedance methodology to be used to determine the capacity contribution of an intermittent resource when it is not able to utilize the effective load carrying capability methodology (ELCC) to determine capacity value? See page 21 of the following link:

https://www.caiso.com/Documents/ThirdRevisedStrawProposal-RegionalResourceAdequacy.pdf

c. Do you believe it would be reasonable for NorthWestern to utilize the same metrics in the exceedance methodology that CAISO proposes to utilize, as referenced in part b to this question, for the purpose of establishing capacity value of intermittent resources in this docket? If not, please explain.

d. Please provide an electronic copy of the SPP's Net Planning Capability calculation tool Excel workbook as referenced in your rebuttal testimony on page JBB-11.

e. Is it NorthWestern's position that using the SPP's Net Planning Capability calculation tool and the 60/3 metrics utilized by SPP, is a superior method for estimating intermittent resources than the 85/10 exceedance method NorthWestern has proposed in this case? If not, please explain.

PSC-056

Regarding: Regional peak capacity contribution of Montana wind resources
Witness: Bushnell

a. Please explain what the aggregate system capacity contribution (ASCC) metric represents in the Northwest Power and Conservation Council's (NWPCC) 7th plan.

b. On August 2, 2016 John Fazio of the NWPCC provided a memorandum to council members on the system capacity contribution of Montana wind resources. A link to the presentation can be found here:
https://www.nwcouncil.org/media/7150484/3.pdf
The presentation seems to indicate Montana wind may have an ASCC that is significantly higher compared to other wind resources in the Pacific Northwest.

Please comment on the findings contained the August 2, 2016 NWPCC memorandum found at the above link.

c. How, if at all, should the Commission take into account Mr. Fazio's findings that Montana wind correlates well with the timing of the regional winter peak, in this docket?

d. When using an exceedance method, do you think it would be reasonable to examine the capacity an intermittent resource provides at times of regional peak loads instead of peak loads on NorthWestern's system considering NorthWestern is still dependent on the Mid-C market? If not, please explain.

PSC-057

Regarding: Flexible capacity
Witness: Bushnell

a. Please describe in detail the functional attributes of a flexible resource such as a RICE unit compared to the attributes of a least cost capacity resource such as an Aero.

b. To what extent are the capital and fixed O&M costs of a flexible unit such as a RICE unit related to the energy or other services it provides?

c. Is it possible to allocate the capital and fixed O&M costs of a RICE unit to energy and capacity, in order to find the avoided cost of a "pure" capacity resource? If so, please describe an appropriate method to accomplish this task.

PSC-058

Regarding: Table 2 updated proposed energy rates
Witness: Hansen

a. If not already provided, please provide the input and ouput PowerSimm files that were used to create Table 2 on page LPH-2.

b. For each of the three resources in table 2, indicate on an annual basis how many hours each resource fell into the short, long-1, and long-2 conditions.