

1 STATE OF ALASKA

2 THE REGULATORY COMMISSION OF ALASKA

3 Before Commissioners:

Stephen McAlpine, Chairman
Rebecca L. Pauli
Robert M. Pickett
Norman Rokeberg
Janis W. Wilson

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6 In the Matter of the Request Filed by the)
MUNICIPALITY OF ANCHORAGE d/b/a)
7 MUNICIPAL LIGHT & POWER DEPARTMENT for)
Approval to Establish Depreciation Rates)
8)

U-16-094

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10 In the Matter of the Tariff Revisions, Designated as)
TA357-121, filed by the MUNICIPALITY OF)
ANCHORAGE d/b/a MUNICIPAL LIGHT &)
11 POWER DEPARTMENT)
12)

U-17-008

13 MUNICIPAL LIGHT AND POWER'S INITIAL RESPONSE TO
14 PROVIDENCE HEALTH & SERVICES' FIFTEENTH REQUEST FOR DISCOVERY
15 ON REPLY TESTIMONY (PHS-MLP-15)

16 The Municipality of Anchorage d/b/a Municipal Light and Power ("ML&P"),
17 hereby provides its initial response to Providence Health & Services' ("PHS") fifteenth request
18 for discovery on reply testimony. All responses to discovery are prepared by ML&P in
19 consultation with counsel. Witnesses at hearing will be available for cross-examination on their
20 testimony.

21 PRELIMINARY STATEMENT

22 Discovery in this docket is not complete. As discovery proceeds, facts,
23 information, evidence, documents, and other matters may be discovered which are not set forth
24 in these responses, but which may be responsive to these discovery requests. The following
25 responses are complete based on ML&P's current knowledge, information, and belief.

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Date: 11-28-17 Exh # H-24
Regulatory Commission of Alaska
U-16-094 By: APS U-17-008
Northern Lights Realtime & Reporting, Inc.
(907) 337-2221

REDACTED

Request for Admission (No. PHS-MLP-15-15): Attached as Exhibit A is a copy

of MLP30829, Mr. Reed's benefit calculation, modified only by replacing the gas price forecasts in 2020 through 2027 (tab "Heat rate benefits") with the GTP values calculated for the deferral scenario in Ms. Henderson's Exhibit ACH-2 from the BRU Docket (and highlighting the altered cells). In this regard:

(a) Admit that the gas price values in the altered cells of Exhibit A are the GTP values for the respective years calculated in the deferral scenario of Ms. Henderson's Exhibit ACH-2 from the BRU Docket.

(b) Admit that the following table accurately compares the estimated NPV for Plant 2A efficiency benefits for each gas price scenario in Mr. Reed's Table 5 with the NPV for

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REQUEST FOR DISCOVERY ON REPLY TESTIMONY (PHS-MLP-15)

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each gas price scenario that results from replacing Mr. Reed's market prices in years 2020 through 2027 with GTP prices under the *deferral scenario* from the 2017 BRU Docket:

Gas Price Scenario	NPV, Reed Table 5 (\$ millions)	NPV using Reed calculation from Ex. JJR-37, replacing Reed market prices in years 2020 through 2027 with GTP prices under <i>deferral scenario</i> from 2017 BRU Docket (\$ millions)
250 ASAP, Low LNG	253.0	151.7
No ASAP, Low LNG	284.0	181.6
BRU Acquisition Forecast	136.9	105.6
Hilcorp Cap Extrapolation	191.3	139.2

(c) Admit that replacing Mr. Reed's market price forecasts in 2020 through 2027 with ML&P's projected GTP values under the deferral scenario in the BRU Docket would decrease Mr. Reed's calculated average efficiency benefit from approximately \$216 million to approximately \$144.5 million (Ex. A to these discovery requests, tab "Results," cell B7).

(d) Admit that excluding cases based on gas price forecasts prepared more than five years ago for the 2012 Generation Study (Mr. Reed's Case 1 and 2) would reduce the average net present value of efficiency benefits calculated in Ex. A to approximately \$122.4 million.

If your response to any subpart of this request for admission is anything other than an unqualified admission, state what you believe the truth of the matter to be and the basis for your belief, and identify any documents supporting your belief.

Response: (a) Admitted.

(b) Admitted.

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1 (c) Admitted.

2 (d) Admitted.

3 Person(s) Supplying Information: John Reed, Anna Henderson.

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25 MUNICIPAL LIGHT AND POWER'S INITIAL RESPONSE TO PHS' FIFTEENTH
26 REQUEST FOR DISCOVERY ON REPLY TESTIMONY (PHS-MLP-15)

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