

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION STAFF
RESPONSE TO DATA REQUEST

DATE PREPARED:	December 11, 2014	WITNESS:	Thomas E. Schooley
DOCKETS:	UE-121697, et al.	RESPONDER:	Thomas E. Schooley
REQUESTER:	Public Counsel	TELEPHONE:	(360) 664-1307

Re: Testimony of Thomas E. Schooley, Exhibit No. TES-6T, p. 5, ll. 19-22.

REQUEST NO. 14:

- a. Please describe in as much detail as possible the manner in which Staff expects to be able to assess the risk reduction impact on Puget at the conclusion of the current rate plan.
- b. Please provide complete copies of any studies, memoranda or reports produced or reviewed by Staff regarding the manner in which the cost of capital impact of decoupling may be assessed for Puget.
- c. If the Staff has no such plan, please so state.

RESPONSE:

- a. It is difficult to judge risk for PSE since its common stock is held privately. To do so Staff is reviewing PSE's recently filed commission basis report for the period ending June 30, 2014. This period covers one full year of results in the decoupling era. Staff plans to evaluate the various effects of decoupling, the rate plan, and PSE's cost savings measures in an effort to quantify the effects of each. Other aspects of risk to PSE's common stock include deferred cost recovery, regulatory actions, and interest rate movements. Isolating the impact of decoupling at PSE will require careful thought.
- b. The only study reviewed to date is the testimony of Dr. Michael Vilbert filed in this remand proceeding.
- c. See part a, above.