



Puget Sound Energy
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Kathy Hunter, Acting Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

**Re: Quarterly COVID-19 Deferral Reporting
Dockets UE-200780 and UG-200781**

Dear Director Hunter:

On September 3, 2020, Puget Sound Energy (“PSE”) filed a Petition for an Order Approving Deferral of Costs Associated with the COVID-19 Public Health Emergency which was subsequently approved under Dockets UE-200780 and UG-200781 (“COVID Deferral Dockets”). As required in Docket U-200281, PSE is submitting its quarterly report that itemizes the costs approved for deferral.

As of September 30, 2023, and prior quarterly periods beginning as of December 31, 2020, the Company has identified and/or deferred the below costs and benefits associated with the COVID-19 pandemic which were calculated as outlined in Order 01 of Dockets UE-200780 and UG-200781.

Electric Categories	Q4 2020*	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Combined Total
Direct Costs	257,591	106,976	116,135	28,212	33,771	59,726	-	97,994	(700,406)				0
Direct Savings	(552,968)	(12,154)	(276,622)	(445,734)	(116,491)	(497,722)	-	(263,434)	2,165,126				(0)
Bad Debt Expense Accrued Above Baseline	-	1,694,529	2,349,857	2,956,913	(4,687,180)	996,840	100,223	722,464	424,817	2,442,994	804,186	364,296	8,169,937
Foregone Late Payment Fees	838,744	540,490	536,073	538,797	538,212	537,833	-	-	(3,530,150)				0
Foregone Disconnection Fees	(77,912)	52,490	68,747	23,929	(8,675)	14,329	-	-	(72,908)				0
COVID-19 Bill Assistance Program	-	-	8,626,022	5,199,522	7,928,187	2,541,846	1,304,908	10,462	(8,239,488)	(7,760,131)	(5,995,941)	(5,728,502)	(2,113,116)
Totals	465,455	2,382,331	11,420,212	8,301,639	3,687,825	3,652,852	1,405,131	567,486	(9,953,010)	(5,317,138)	(5,191,755)		6,056,822

Gas Categories	Q4 2020*	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Combined Total	
Direct Costs	127,336	52,599	57,568	12,891	15,013	29,514	-	47,479	(342,401)				(0)
Direct Savings	(277,811)	(4,294)	(139,325)	(225,591)	(57,153)	(255,350)	-	(131,760)	1,091,284				0
Bad Debt Expense Accrued Above Baseline	-	655,380	469,481	337,614	(927,934)	871,487	262,316	(1,133,803)	1,957,753	1,613,833	266,646	(341,872)	4,030,902
Foregone Late Payment Fees	332,597	211,814	211,775	211,853	213,593	211,682	-	-	(1,393,314)				0
Foregone Disconnection Fees	10,002	9,106	10,264	11,180	10,530	13,783	-	-	(64,865)				(0)
COVID-19 Bill Assistance Program	-	-	1,912,594	863,863	(2,776,457)	-	-	-	-	-	-	-	-
Totals	192,124	924,606	2,522,357	1,211,810	(3,522,409)	871,116	262,316	(1,218,083)	1,248,457	1,613,833	266,646		4,030,901

In the Settlement Agreement of the Company’s most recent General Rate Case, PSE agreed to a partial write-off of the COVID deferral. Deferred costs, savings, and fee revenues were written-off and will no longer be deferred. Further, PSE began recovering the deferral associated with its customer assistance programs over one year through its electric Schedule 129 under Docket No. UE-220656. Accordingly, the only costs left that PSE is deferring under the COVID Deferral Dockets is bad debt expense. The Commission approved PSE’s amended petition under the

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COVID Deferral Dockets to allow PSE to extend the time period over which it may defer its bad debt expense through 2023 to accommodate the potential effects of the Commission's extension of the April 1, 2022 date by which PSE was to resume the charging of late fees, reconnection fees and customer deposits. These charges are now suspended until such time that the Commission issues an order adopting rules or otherwise determining the propriety of the fee and deposit rules in Docket U-210800.¹

Please contact me at (425) 462-3414 should you have any questions.

Regards,

/s/ Susan Free

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Cc: Kristen Hillstead Regulatory Analyst

¹ In the Matter of Response to the COVID-19 Pandemic, Docket U-200281, Order 01 ¶23 (Oct. 20, 2020).