

October 30, 2024

UE-200780

Received  
Records Management  
Oct 30, 2024

**Filed Via Web Portal**

Jeff Killip, 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 Executive Director Killip:

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, 2024, 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.

**Puget Sound Energy**  
Quarterly COVID Report  
Dockets UE-200780 and UG-200781  
For the month ended September 30, 2024

Electric Categories	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Combined Total
Direct Costs						0
Direct Savings						(0)
Bad Debt Expense Accrued Above Baseline	364,296	4,199,016	3,826,442	(136,088)	2,527,870	18,587,178
Foregone Late Payment Fees						0
Foregone Disconnection Fees						0
COVID-19 Bill Assistance Program	(5,728,502)	1,166,735	-	-	-	(946,381)
<b>Totals</b>	<b>(5,364,206)</b>	<b>5,365,751</b>	<b>3,826,442</b>	<b>(136,088)</b>	<b>2,527,870</b>	<b>17,640,797</b>

Gas Categories	Q3 2023	Q4 2023	Q1 2024	Q2 2024		Combined Total
Direct Costs						(0)
Direct Savings						0
Bad Debt Expense Accrued Above Baseline	(341,872)	697,041	1,024,396	(406,478)	(298,599)	5,047,262
Foregone Late Payment Fees						0
Foregone Disconnection Fees						(0)
COVID-19 Bill Assistance Program						-
<b>Totals</b>	<b>(341,872)</b>	<b>697,041</b>	<b>1,024,396</b>	<b>(406,478)</b>	<b>(298,599)</b>	<b>5,047,261</b>

\*Note Order 01 in Dockets UE-200780 and 200781 state, “The first report should be filed by December 1, 2020, and should cover the period from March 1, 2020, to September 30, 2020.” As PSE did not file its accounting petition until September 3, 2020, no costs prior to this period were deferred and the first entry to record any deferrals from September forward was made in December 2020 and reported in the Q4 2020 amount.

\*\* The Q2 2024 activity for electric and gas reflect a negative change in the bad debt deferral balance. This negative change is driven by a write off of 2021 deferrals, as actual bad debt write-offs of 2021 billings were lower than previously estimated bad debt expense for 2021.

Jeff Killip, Executive Director

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In the Settlement Agreement of the Company's most recent approved 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 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. On March 29, 2024, the Company filed another Amended Petition to Amend Order 03 to request that the Commission approve deferred accounting treatment for PSE's 2024 bad debt expense that is incurred above the baseline amount included in customer base rates. In May 2024, the Commission granted PSE's petition to amend Final Order 24/10 which allows PSE to conduct targeted outreach to all customers who have an arrearage balance above \$250 and more than 90 days overdue, and to begin a phased approach to resume the dunning process.

Please contact me at [tyler.pavel@pse.com](mailto:tyler.pavel@pse.com) should you have any questions.

Regards,

*/s/ Tyler Pavel*

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