

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Docket Nos. UE-151871 UG-151872
Puget Sound Energy's
Electric and Natural Gas Equipment Lease Service**

WUTC STAFF DATA REQUEST NO. 008

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Please explain why PSE proposes to offer energy equipment lease services as a regulated product, as opposed to an unregulated product. What advantages or efficiencies does the Company believe are gained by offering lease services as a regulated product, as opposed to an unregulated product?

Response:

Puget Sound Energy ("PSE") objects to WUTC Staff Data Request No. 008 to the extent (i) it requests PSE to perform an analysis of a hypothetical and speculative product and business structure that PSE has not previously performed and (ii) such request is unclear as to what assumptions should be made and would be necessary to perform such analysis. Without waving the objection and subject thereto, PSE provides the following response.

PSE is currently authorized by the Commission to offer its customers similar lease services and optional end-use equipment services, as a regulated service, for both natural gas and electric customers. Please see page 4 of the Prefiled Direct Testimony of Jason E. Teller, Exhibit No. ____ (JET-IT). PSE has offered Commission-approved end-use equipment leasing services similar to PSE's proposed lease service, as a regulated service, for over 50 years. PSE currently offers several, fully optional Company-owned, end-use equipment services, as regulated services, that share several similar features with PSE's proposed equipment lease service. The equipment lease service is simply an extension of these services. Please see pages 2 through 8 of the Prefiled Direct Testimony of Eric E. Englert, Exhibit No. ____ (EEE-IT).

There are many advantages and efficiencies for customers who choose to participate in selecting an equipment leasing service product from PSE. Research with our customers indicates that they value the features of affordability, simplicity, reliability and efficiency in an equipment leasing service product offered by PSE. Please see page 10 of the Prefiled Direct Testimony of Jason E. Teller, Exhibit No. ____ (JET-IT); Pages 4 to 8 of the Prefiled Direct Testimony of Malcolm B. McCulloch, Exhibit No. ____ (MBM-IT).

Another advantage for PSE customers in having PSE offer this service, is that customers view PSE as a trusted partner. Please see page 8 of the Prefiled Direct Testimony of Malcolm B. McCulloch, Exhibit No. ____ (MBM-IT). Every day, PSE's customers turn to PSE to help them with their energy needs. These inquires seek PSE's input on such issues as how to save money on energy bills, assistance with selection and installation of energy-efficient equipment, and solutions to minimize their carbon footprint. Please see pages 4 and 5 of the Prefiled Direct Testimony of Jason E. Teller, Exhibit No. ____ (JET-IT).