



NW Energy Coalition

for a clean and affordable energy future

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Amanda Maxwell, Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

Re: Docket UE-220216, PSE'S Penalty Mitigation Request for SQI-11 (2021)

Dear Ms. Maxwell:

Please accept this comment regarding Docket UE-220216, Puget Sound Energy's (PSE) request for penalty mitigation for missing 2021's service quality index number 11 (SQI-11), regarding electric outage response time. We agree with both Staff and Public Counsel that PSE should incur the full penalty as a result of missing performance target for SQI-11. This metric is an important one for understanding impacts of electric outages on customers, and it is important to address proactively to protect customers.

While we recognize the specific challenges for 2021 that the Company has noted in testimony regarding extreme weather and staffing impacts, we also note that the Company has been close to the performance benchmark limit for many of the recent years, as shown in the table below.

PSE Annual SQI-11 Performance

SQI Year	SQI-11	SQI Year	SQI-11
2003	44	2012	51
2004	51	2013	53
2005	49	2014	53
2006	49	2015	54
2007	52	2016	55
2008	55	2017	55
2009	51	2018	52
2010	52	2019	54
2011	51	2020	51
		2021	65

From PRM-1T, 9:10

Washington State is moving toward a performance-based regulatory framework for investor-owned energy utilities, as noted by SB 5295 (2021) and the associated Docket U-210590. The service quality metrics that have been in place for a number of years for PSE and other utilities will be informative for guiding regulation in other areas of public policy importance. Developing performance incentive mechanisms like these SQI metrics, with penalties and/or incentives, can be a powerful motivator to shift utility performance and meet public policy objectives, but if the UTC mitigates penalties without sufficient reason, we collectively risk undermining effective regulation. Thank you for reviewing our comments.

Sincerely,

Amy Wheelless
Senior Policy Associate