BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

In the Matter of the Petition of

PUGET SOUND ENERGY

For an Order Authorizing Deferred Accounting Treatment for Puget Sound Energy’s Share of Costs Associated with the Tacoma LNG Facility

EXHIBIT TO TESTIMONY OF

HANNA E. NAVARRO

STAFF OF
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

PSE Response to UTC Staff Data Request No. 194, Attachment A

July 28, 2022
WUTC - Planning Process and future thoughts regarding benefits
Catherine Koch, Krista Malmgren, Jens Nedrud, Brian Tyson, Reid Shibata, Niecie Weatherby, Jeff Kensok

April 25, 2022
WUTC Questions

1a. Can you run through examples of how various qualitative benefits (such as Stakeholder benefit, platform for success, etc.) are quantified into dollars using the benefit calculation?

1b. Can you show examples of how risk benefit is calculated and the B/C ratio?

1c. Can you run through an optimization scenario of a recent portfolio where we can see how all these benefit calculations and other inputs turn into a final portfolio?

2a. We would like to have an informal conversation about any new benefits PSE is considering, particularly the ‘equity’ and ‘named population’ benefits.
   i. How would a qualitative benefit such as ‘equity’ be assigned a weight, quantified, what data sources would be used, etc?

3. Grid modernization Exh CAK-5 Appendix C- we would like to have an informal conversation about how you are thinking about equity within the grid modernization strategy, and if any of those concepts carryover to the pipeline modernization plan.

4. PBR Performance metrics- As they relate to named communities and equity, how do you see PSE’s proposed performance metrics being used to influence the capital planning process? How do you see those metrics being used to evaluate if/how a completed project succeeded in achieving an equitable outcome?
3. Grid modernization
Exh CAK-5 Appendix C-we would like to have an informal conversation about
how you are thinking about equity within the grid modernization strategy,
and if any of those concepts carryover to the pipeline modernization plan.

- Picture of the best grid and pipeline that meets community, customer, and PSE needs as the future approach's.
- It sets a tone for thinking about each step in the process
  Plan – where should we invest resources; how should we be informed to make different choices
  Execute – how do we manage the work; how do we make tradeoffs when needed; how do we behave when constructing; how do we pick routes
  Operate and maintain – how do we operate differently in different areas; how do we prioritize actions
Energy Delivery System Planning (DSP) Operating Model

1. Evaluate PSE and customer needs
2. Assess solutions* for planned work
3. Assess solutions* for partnering w/ customers
4. Optimize and select projects
5. Support IT/ development
6. Sand out to distribution
7. Align solutions with operations
8. Post install support & backcasting
9. Evaluate technologies
10. Load and DER forecasts
11. Maintain data and models

* Solutions are Wired & Pipes/ NWA and NPA/Hybrid alternatives.

Delivery System Planning
PSE's Diversity, Equity, and Inclusion (“DEI”) Playbook maps a 10 year journey that focuses on 4 areas.

COMMUNITY
Supporting our communities is an important part of PSE’s operations and a demonstration of our values. PSE’s cash and in-kind donations to community causes support our business and strengthen our relationships. We make meaningful contributions to causes that directly benefit people of color and historically underserved communities. Our brand and customer-facing messages authentically reflect the voices and experiences of the customers we serve.

CUSTOMERS
Because our customer base grows more diverse by the minute, we’re continually evaluating our products, services, brand and customer-facing messaging to ensure that we’re meeting the needs of all of our customers, and delivering options that speak to them and add value to their lives. We seek to understand our customer’s needs. The perspectives of historically underserved customers inform our decisions and investments.

PEOPLE
We cultivate an environment and culture that is inclusive. Our people are valued for their unique backgrounds, points of view, expertise and experiences. Our workforce reflects the communities we serve and we live our values. We all have a voice. We do what’s right. We have each other’s back. Our people respect each other, leverage diverse perspectives through teamwork and recognize each other’s accomplishments.

SUPPLIERS
It’s simply good business to work with diverse suppliers. Cultivating a diverse supplier base yields a diversity of perspectives, experiences and expertise that benefits us all and helps strengthen the economic infrastructure of our communities. PSE’s supplier development program provides equitable access to purchasing opportunities for a diverse array of minority-owned, women-owned and small businesses. These businesses are our partners. We understand their needs and have developed mutually beneficial relationships.
Equity considerations in pipeline modernization will help ensure safe, reliable and affordable transition to clean energy

- Methane emissions and other outdoor air quality issues
- Incorporate equity measures in future project evaluation as defined by DSP
- Ensure all voices are heard and concerns understood
- Understand impacts and ensure equity on low carbons fuels
1a. Can you run through examples of how various qualitative benefits (such as Stakeholder benefit, platform for success, etc.) are quantified into dollars using the benefit calculation?

1b. Can you show examples of how risk benefit is calculated and the B/C ratio?

1c. Can you run through an optimization scenario of a recent portfolio where we can see how all these benefit calculations and other inputs turn into a final portfolio?

PSE will show the iDOT tool for context and then walk through quantification examples using a spreadsheet.
- Process that establish values and calculation
- iDOT calculations happen within the program so hard to demonstrate
- Walk through Stakeholder benefit
- Walk through Platform for success has 4 benefits
- Walk through Risk – will benefit be realized, will cost change
- Optimization run for 2023 then show outcome in spreadsheet
  - Sensitivities
Multi-attribute utility analysis (MUA) is at the root of the valuation logic for intangible benefits

This is an example of MUA – our benefits are different.
A benefit hierarchy captures qualitative and quantitative benefits which are weighted by important to the business.

Maximize value to PSE, customers, employees, and shareholders

- PSE financial success
- Health safety & the environment
- Customer satisfaction
- Stakeholder Concerns /perceptions
- Platform for success

Regulatory compliance

- Treated as constraint

- Project Cost
- Cost Savings in Other Areas
- Impacts on Revenue
- Public
- Workers
- Natural environment
- Outages
- Unmet Energy needs
- Service quality

- Strategic infrastructure
- Flexibility
- New technology, learning
- Advance other components of strategy

- Key constituents
- Citizens
- WECC/NERC
- WUTC
- IPPs
- State & fed agencies
- NGO's
- Other utilities
- Property owners

PSE

Sound Energy
Jump to tool here

Guidance documents

Spreadsheet for stakeholder and platform for success
iDOT can be used to determine the best alternative for a given need as well.

<table>
<thead>
<tr>
<th></th>
<th>PROJECT COST</th>
<th>RELIABILITY BENEFIT</th>
<th>CUSTOMER IMPACT</th>
<th>OPERATIONAL FLEXIBILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1</td>
<td>UNDERGROUND CONVERSION</td>
<td>$$</td>
<td>🍃 🍃 🍃</td>
<td>▼</td>
</tr>
<tr>
<td>#2</td>
<td>TREEWIRE / DA / NEW FEEDER TIE</td>
<td>$</td>
<td>🍃 🍃</td>
<td>▼</td>
</tr>
<tr>
<td>#3</td>
<td>LOCALIZED GENERATOR</td>
<td>$$$</td>
<td>🍃 🍃</td>
<td>▼</td>
</tr>
<tr>
<td>#4</td>
<td>LOCALIZED BATTERY</td>
<td>$$$</td>
<td>🍃</td>
<td>▼</td>
</tr>
</tbody>
</table>
There is a robust QA/QC process that ensures data and values have been entered consistent with guidance and all justification documents attached.
Jump to tool here

Optimization run
2a. We would like to have an informal conversation about any new benefits PSE is considering, particularly the 'equity' and 'named population' benefits.

i. How would a qualitative benefit such as 'equity' be assigned a weight, quantified, what data sources would be used, etc?

- Equity will be defined by burdens/disparities and will lean on ongoing CEIP work with the Equity Advisory Groups (EAG) Equity Assessment incorporating stakeholder and named community feedback.
- Identified benefits will relate to burdens/disparities and contribute to equity ideas
- Four steps in the planning process where equity can be considered
- Enhanced complex process to incorporate stakeholder inputs into planning tools that result in the expected outcome
Align with CETA facilitated “Equity” thinking; Equity won’t be one benefit but instead defined by the specific burdens

<table>
<thead>
<tr>
<th>CETA Category</th>
<th>Customer Benefit Indicators</th>
<th>Metric</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy Benefits, Non Energy</td>
<td>Improved participation in clean energy programs from highly impacted communities and vulnerable populations</td>
<td>Increase percentage of participation in energy efficiency, demand response and distributed resource programs or services by PSE customers within highly impacted communities and vulnerable populations. Increase percentage of electricity generated by distributed renewable energy projects</td>
</tr>
<tr>
<td>Burden Reduction</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Energy Benefits</td>
<td>Increase in quantity and quality of clean energy jobs</td>
<td>Increase quantity of jobs based on: • Number of jobs created by PSE programs for residents of highly impacted and vulnerable populations. • Number of local workers in jobs for programs. • Number of part-time and full-time jobs by project. Increase quality of jobs based on: • Range of wages paid to workers. • Additional benefits offered. • Demographics of workers.</td>
</tr>
<tr>
<td>Non-Energy benefits</td>
<td>Improved home comfort</td>
<td>Increase total dollar in NPV in NEI benefits for EE programs.</td>
</tr>
<tr>
<td>Burden reduction</td>
<td>Increase in culturally- and linguistically-accessible program communications for highly impacted communities and vulnerable populations</td>
<td>Increase outreach material available in non-English languages</td>
</tr>
<tr>
<td>Cost reduction</td>
<td>Improved affordability of clean energy</td>
<td>Reduce median electric bill as a percentage of income for residential customers. Reduce median electric bill as a percentage of income for residential customers who are also energy-burdened.</td>
</tr>
<tr>
<td>Environment</td>
<td>Reduced greenhouse gas emissions</td>
<td>Reduce PSE-owned electric operations metric tons of annual CO2e emissions. Reduce PSE contracted electric supply metric tons of annual CO2e emissions.</td>
</tr>
<tr>
<td>Environment</td>
<td>Reduction of climate change impact</td>
<td>Increase avoided emissions times social cost of carbon.</td>
</tr>
<tr>
<td>Public Health</td>
<td>Improved outdoor air quality</td>
<td>Reduce regulated pollutant emissions (SO2, NOx, PM2.5).</td>
</tr>
<tr>
<td>Public health</td>
<td>Improved community health</td>
<td>Reduce occurrence of health factors like hospital admittance and work loss days.</td>
</tr>
<tr>
<td>Resilience</td>
<td>Decrease frequency and duration of outages</td>
<td>Decrease number of outages, total hours of outages and total backup load served during outages using SAIDI and SAIFI. Reduce peak demand through demand response programs.</td>
</tr>
<tr>
<td>Risk Reduction Energy Security</td>
<td>Improved access to reliable clean energy</td>
<td>Increase number of customers who have access to emergency power.</td>
</tr>
</tbody>
</table>
PSE’s ongoing work for the 2023 biennial CEIP update

• **Incorporate the analysis** contained in the 2023 Electric Progress report and results of the 2021 All-Source and 2022 Targeted DER RFPs

• Develop the building blocks for an **equity assessment for 2023 CEIP update**:  
  - **Continue to develop data sources for CBIs and baseline data**
  - **Assess and measure disparities within existing programs and understand root factors causing disparities**
  - **Engage** highly impacted communities and vulnerable populations on program design

**Report on progress for next CEIP:**  
  - **Potential CBIs on:**
    - Fish and wildlife impacts
    - Wildfire impacts
    - Sense of pride and self sufficiency
    - Indoor air quality
  - **Methodology for scoring and weighting CBIs**

---
Working with the EAG on the equity assessment

Current state:
• What are the existing disparities?
• What are the needs from a clean energy and equity perspective?

Burdens:
• What are the existing barriers or challenges?
• Who is experiencing these disparities or burdens? Specifically in highly impacted communities and vulnerable populations

Specific Actions
• What steps can PSE take to address these disparities or needs?
• How can we design programming to alleviate these burdens?

Benefits
• What benefits do we forecast for customers, especially highly impacted communities & vulnerable population?
• How will we measure and forecast these benefits?

Costs
• What will it cost customers and PSE to implement the specific actions?
### Additional benefits that will be considered can support CEIP type themes

<table>
<thead>
<tr>
<th>Additional or relatable benefits</th>
<th>Objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Methane/GHG Reduction</td>
<td>Environmental safety and public health</td>
</tr>
<tr>
<td>DEI culture</td>
<td>Drive roadmap</td>
</tr>
<tr>
<td>Resilience - critical facilities</td>
<td>Ensure critical facilities are available in extreme events</td>
</tr>
<tr>
<td>Leverage [AMI] assets</td>
<td>Drive innovation</td>
</tr>
<tr>
<td>Stakeholders - add VP, HIC, others</td>
<td>Support at risk communities</td>
</tr>
<tr>
<td>Reduced time to improvement</td>
<td>Increase speed to improved performance</td>
</tr>
<tr>
<td>Job creation or sustainment</td>
<td>Create or support jobs; Drive DEI roadmap</td>
</tr>
<tr>
<td>Enable renewable energy source</td>
<td>Reduce costs to integrate</td>
</tr>
<tr>
<td>Enable local climate action plan</td>
<td>Drive what matters to unique communities</td>
</tr>
<tr>
<td>Asset health / integrity risk reduction</td>
<td>Reduce system risk</td>
</tr>
<tr>
<td>Wildfire risk reduction</td>
<td>Reduce community health and safety</td>
</tr>
<tr>
<td>Decreases third party damage risk</td>
<td>Reduce emissions and public safety</td>
</tr>
<tr>
<td>Contributes to clean energy targets</td>
<td>Directly supports resource targets set in 2021 IRP</td>
</tr>
<tr>
<td>Contributes to decarbonization targets</td>
<td>Directly supports BNZ commitment relative to natural gas</td>
</tr>
<tr>
<td>SAIDI for HIC and VP, all outages, single year</td>
<td>Directly supports CEIP resiliency</td>
</tr>
<tr>
<td>SAIDI for HIC and VP, IEEE defined</td>
<td>Directly supports CEIP resiliency</td>
</tr>
<tr>
<td>SAIFI for HIC and VP, all outages, single year</td>
<td>Directly supports CEIP resiliency</td>
</tr>
<tr>
<td>SAIFI for HIC and VP, IEEE defined</td>
<td>Directly supports CEIP resiliency</td>
</tr>
<tr>
<td>Service Quality Indicies</td>
<td>Meet SQIs</td>
</tr>
<tr>
<td>Other metrics</td>
<td>TBD</td>
</tr>
</tbody>
</table>
Four steps in delivery system planning process where “Equity” considerations can be incorporated.

1. **System evaluation**
   - System performance
   - Load forecasts
   - External Inputs
   - Goals
   - Commitments

2. **System needs, modeling & analysis**
   - Issue(s) identification
   - System modeling
   - Probabilistic outcomes
   - Alternatives
   - Financial analysis
   - Cost / Benefit

3. **Alternatives & recommended solution**
   - Peer and Management Review

4. **Optimize with other projects**
   - Investment Decision Optimization Tool process
   - Resource planning

5. **Final Plan: portfolio of projects**
   - Management review and approval

- Defining the performance or input that triggers a study a particular asset or area
- Defined benefits increase value of certain solution alternatives that compared
- Defined benefits increase value of certain investments
- Portfolio level review and possibly requirements
“Equity” may be considered differently in each step

Current thresholds defined in planning guidelines. For example:
- Capacity – i.e., growth rate in an area, large new customer loads, asset utilization thresholds, equipment ratings and load limits
- Reliability and Resiliency – i.e., CMI thresholds; CEMI, complaints, SAIDI, SAIFI
- Define impact with new thinking (i.e., impact of an outage or length such as in ability to get to a job, remote learning, cost of loss of food) may change the thresholds to something lower in particular circuits or pipelines

If a need is in a named community, alternatives with additional considerations may be important. For example:
- One alternative may be to add capacity, while another may be to pursue demand response.
- If costs are equal and reliability is the same, then cost to the customer that considers energy burden may drive a demand response alternative that lowers customers overall usage and therefore bills.

Benefits that mimic community burdens or equity disparities can be included. Example of options for integration:
- Benefit(s) tied to a specific burden or disparity in a “named community” are included along with its own weight per the Multi Utility Attribute Theory
- A benefit is called “named community” and like the stakeholder benefit a project gets extra points by scoring that benefit.

Review overall portfolio benefits relative to burdens; is there enough investment to drive a particular goal or strategy related to key CBI’s or other identified disparities.
- Does the portfolio deliver enough “non-wires” MW to support CETA (i.e., 22 MW by 2025)
- Does the portfolio equitably improve SAIDI and SAIFI in named communities.
A benefit hierarchy captures qualitative and quantitative benefits which are weighted by important to the business.
Considerations for monetizing benefits depends on how we incorporate the benefits

Benefits that mimic community burdens or equity disparities can be included. Example of options for integration:
- Benefit(s) tied to a specific burden or disparity in a “named community” are included along with its own weight per the Multi Utility Attribute Theory
- A benefit is called “named community” and like the stakeholder benefit a project gets extra points by scoring that benefit.

Manageable and meaningful benefit impact
- Have to be a to manageable number of benefits.
- Have to able to attribute to a specific project / asset
- Meaningful if significant differential to result in final plan
- Leverage current monetizing approach; establish benchmark for relating all benefits

Sources
- CEIP CBI data and data sources
- Expert studies and research
- Internal customer data systems or map systems
- Regulatory reporting calculations
- Stakeholder process

Optimize with other projects

Stakeholder Types | Weights
--- | ---
Citizens | 1
Property Owners | 1
Media | 1
WECC/NERC | 2
NUTC | 2
IPs | 1
State and Federal Agencies | 2
NGOs | 1
Other Utilities | 1
Cities | 2
Other Key Constituents | 1
## Enhancing Delivery System Planning Process with new benefits reflecting equity and closing the gap on disparities

<table>
<thead>
<tr>
<th>Define Metrics</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025+</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metric inventory; initial definition, data source, availability for granular process</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Process application of metric; define planning study trigger; optimization</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Complete new tool</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Baseline metrics: CEIP Equity Assessment</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Stakeholder Input

- Define stakeholders and groups and introduce ideas
- Define “Input” Metrics; metric definition, criteria/thresholds, value weighting
- Collect input Meeting schedules; method for capture
- Feedback loop – share all input
- Integrated all input for one value (if needed)
- Feedback loop

<table>
<thead>
<tr>
<th>Stakeholder Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>EAG</td>
</tr>
<tr>
<td>Communities</td>
</tr>
<tr>
<td>Executives</td>
</tr>
<tr>
<td>Investors</td>
</tr>
</tbody>
</table>

### Incorporate into process

- Consider study thresholds
- Define process success metrics
- Develop new processes
- Modification of existing priorities based on new thresholds
- KPI in execution management: Tradeoff mechanisms; prioritizing; constructing; engaging community

### Develop the plan

- Develop new investment plan
- Feedback loop
- Integrate back in with Corporate Budget Planning Processes
- Modification of existing priorities based on new benefits?
- 2025+
- Execution with values in mind
- Backcasting

- Process Revisions; Reweight; New data; Reprocess

---

Draft – not through full internal review
4. PBR Performance metrics

As they relate to named communities and equity, how do you see PSE's proposed performance metrics being used to influence the capital planning process?

How do you see those metrics being used to evaluate if/how a completed project succeeded in achieving an equitable outcome?

- PSE proposed metrics
  - Total SAIDI and SAIFI for named communities
  - SQI-3 similar SAIDI and SQI-4 similar SAIFI for named communities
  - Tracking HIC and VP separately in CEIP reporting
  - Reshape trigger thinking
  - Disparity monitoring
Performance metric incorporation today

1. Understand difference in performance
2. Adjust triggers to expand focus to more areas

Study triggers define what is studied
Solutions are developed for identified issues
IDOT optimizes portfolio of proposed solutions
Funded projects are sent to implementation team and tracked
Projects improve reliability and impact metrics

Capital Planning Process

- Study triggers can be adjusted
- Benefit weights can be adjusted
- If SAIDI/SAIFI benefits are disproportionate, project development and selection can be adjusted
iDOT helps standardize the approach to planning

**Framework**
Create a customized approach to valuation using both business metrics and executive strategic priorities

**Business Cases**
Allow project planners to submit business cases in a standardized template format, and document costs and benefits

**Portfolio Management**
Support data quality processes by allowing portfolio managers to review business cases, request clarifications, etc.

**Portfolio Analysis**
Generate reports comparing the relative merits of each project based on the company’s strategic priorities and expanding on traditional cost-benefit analysis

**Decision Support**
Executives gain better visibility into the portfolio of opportunities and can make better decisions as to which projects to pursue and which ones to abandon or defer

iDOT day to day
iDOT is PwC’s Project Portfolio Optimization tool called Folio

iDOT determines the best set of projects that deliver the optimal benefit-cost portfolio for given financial constraints.

iDOT does not prioritize or rank projects.
An example of how a qualitative benefit is calculated and monetized:

### Stakeholder Perception Benefit Calculation

<table>
<thead>
<tr>
<th>Stakeholder Type</th>
<th>Weight Without Project</th>
<th>Perception without Project</th>
<th>Stakeholder Type</th>
<th>Weight With Project</th>
<th>Perception with Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Citizens</td>
<td>1</td>
<td>-0.1</td>
<td>Media</td>
<td>1</td>
<td>-0.3</td>
</tr>
<tr>
<td>WUTC</td>
<td>2</td>
<td>-0.3</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Stakeholder Metric** = Weight * (Perception with Project - Perception without Project)

**Normalized Weight** = Stakeholder Weight / Impacts to Revenue Weight

**Dollar Value of Benefit** = (Benefit Input Total / Units Per Point) * Normalized Weights * $1M

Exh. HEN-11
Dockets UE-220066, UG-220067, UG-210918
Page 29 of 33
Guidance documents ensure consistency in value across many different types of projects and planners.

### Electric Regional System Planning Guidelines

<table>
<thead>
<tr>
<th>IDOT Electric Regional System Planning Scoring Suggestion</th>
<th>Capacity</th>
<th>Reliability/Capacity</th>
<th>Reliability</th>
<th>Programs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Stakeholder Guidance

<table>
<thead>
<tr>
<th>Stakeholder Type</th>
<th>Scored when</th>
</tr>
</thead>
<tbody>
<tr>
<td>Citizens</td>
<td>Since all projects impact citizens this should be used only in instances where there is an organized group of citizens. Above and beyond the normal.</td>
</tr>
<tr>
<td>Property Owners</td>
<td>Since all projects impact property owners this should be used only in instances where there is an organized group of property owners such as an active homeowners association or a NHB group.</td>
</tr>
<tr>
<td>Media</td>
<td>The project addresses concerns that had previously been reported in any media outlet or probably would be reported if we didn’t address the problem.</td>
</tr>
<tr>
<td>WCC/NCRC</td>
<td>Project is a result of the WCC/NCRC requirements.</td>
</tr>
<tr>
<td>UUTC</td>
<td>Any project where the UUTC is a major player.</td>
</tr>
<tr>
<td>IPPs</td>
<td>Independent Power Producers</td>
</tr>
<tr>
<td>State and Federal Agencies</td>
<td>Must be a different agency than the UTC. It project impacts multiple agencies, each agency must express different concerns.</td>
</tr>
<tr>
<td>NGOs</td>
<td>Non-governmental organization</td>
</tr>
<tr>
<td>Other Utilities</td>
<td>Other utilities can include telephone, cable, or other gas and electric utilities.</td>
</tr>
<tr>
<td>Cities</td>
<td>Project potentially impacts PSE’s working relationship with any city. Examples include taking advantage of a public improvement project or there is a potential loss if customers to municipalization.</td>
</tr>
<tr>
<td>Other Key Constituents</td>
<td>Project potentially impacts PSE’s working relationship with any Major Account or Business Account (customers must be on the Managed Customer Account List worksheet)</td>
</tr>
</tbody>
</table>

---

**Exhibit HEN-11**

Dockets UE-220066, UG-220067, UG-210918

Page 30 of 33
There are many supporting tools to capture and develop data for input into iDOT.

**ELECTRIC COST ESTIMATING TOOL**

<table>
<thead>
<tr>
<th>Alternative Code</th>
<th>Alternative Description</th>
<th>Change Direction</th>
<th>Capital 100K</th>
<th>Capital 100K Description</th>
<th>DEER 100K Description</th>
<th>DEER 100K Description</th>
<th>Capital Evaluation</th>
<th>USM</th>
<th>Percentage</th>
<th>USM Evaluation</th>
<th>Reliability Disclosure</th>
<th>Usage Year</th>
<th>City</th>
<th>Cost Category</th>
<th>Total Amount</th>
<th>Final Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>03101101</td>
<td>YES</td>
<td>6,000,000</td>
<td>3,000,000</td>
<td>1,500,000</td>
<td>450,000</td>
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<td>12.7%</td>
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<td>King</td>
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<td>Issaquah</td>
<td>King</td>
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</table>

**CUSTOMERS INQUIRIES REGARDING RELIABILITY ISSUES LOG**

<table>
<thead>
<tr>
<th>Inquiry</th>
<th>Location</th>
<th>Time Zone</th>
<th>Contact Name</th>
<th>Contact Email</th>
<th>Contact Phone</th>
<th>Priority</th>
<th>Resolution Time</th>
<th>Resolution Date</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Docket 1</td>
<td>Region 1</td>
<td>Pacific</td>
<td>John Doe</td>
<td><a href="mailto:john.doe@email.com">john.doe@email.com</a></td>
<td>555-123-4567</td>
<td>High</td>
<td>1 hour</td>
<td>2023-01-01</td>
<td>None</td>
</tr>
<tr>
<td>Docket 2</td>
<td>Region 2</td>
<td>Central</td>
<td>Jane Smith</td>
<td><a href="mailto:jane.smith@email.com">jane.smith@email.com</a></td>
<td>555-876-5432</td>
<td>Medium</td>
<td>2 hours</td>
<td>2023-02-01</td>
<td>None</td>
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<tr>
<td>Docket 3</td>
<td>Region 3</td>
<td>Eastern</td>
<td>Robert Johnson</td>
<td><a href="mailto:robert.johnson@email.com">robert.johnson@email.com</a></td>
<td>555-987-6543</td>
<td>Low</td>
<td>24 hours</td>
<td>2023-03-01</td>
<td>None</td>
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</table>

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**OUTAGE BENEFIT TOOL**

- **Project Name:** Columbia River East Transmission Line, Docket 12345
- **Estimated Benefit:** $500,000
- **Estimated Cost:** $200,000
- **Retained:** $300,000
- **Benefit to Cost Ratio:** 2.5:1

---

**PUGET SOUND ENERGY**

- **Columbia River East Transmission Line**
- **Docket:** 12345
- **Estimated Benefit:** $500,000
- **Estimated Cost:** $200,000
- **Retained:** $300,000
- **Benefit to Cost Ratio:** 2.5:1

---

**INPUT THESE COST/BENEFIT PROJECTIONS**

- **Benefit to Cost Ratio:** 2.5:1
- **Estimated Benefit:** $500,000
- **Estimated Cost:** $200,000
- **Retained:** $300,000
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- **Estimated Cost:** $200,000
- **Retained:** $300,000
- **Benefit to Cost Ratio:** 2.5:1
Optimization results can tell us what would be funded if constraints and options were changed.

Annual Budget Constraints

Optimization options

Optimization results
Project Portfolio is finalized after reviewing for additional considerations such as resource capacity.