

**Exh. DJR-3
Dockets UE-220066 and UG-220067,
UG-210918
Witness: Deborah J. Reynolds**

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

**DOCKETS UE-220066, UG-220067,
UG-210918 (consolidated)**

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

DEBORAH J. REYNOLDS

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

*PSE response to UTC Staff Data Request No. 292,
Performance Measures and Incentive Mechanisms*

July 28, 2022

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-220066 & UG-220067
Puget Sound Energy
2022 General Rate Case**

DATA REQUEST DIRECTED TO: John Pillaris
REQUESTED BY: Kathi Scanlan

**UTC STAFF DATA REQUEST NO. 292:
Re: Performance Measures and Incentive Mechanisms**

Attached to this data request is Attachment 2, a spreadsheet titled, "List of PSE's New Filings." The spreadsheet is a simplified representation of PSE's comment filing of April 9, 2021, in Docket U-210151.

PSE filed comments in docket U-210151 on April 9, 2021, in the form of a utility's filings template, as part of Inquiry into Reducing the Administrative Burden in Support of the Commission's Ongoing Inquiry Into the Adequacy of the Current Regulatory Framework.

Request

Please reference JAP-1T, Part VI., the removal or modification of certain outdated reporting requirements for PSE in the public interest, at page 62 of 79, please also answer the questions in Attachment 2 Excel Spreadsheet regarding PSE's new reporting proposal accompanying its first multiyear rate plan.

- a. Column I— With reference to RCW 80.28.425, does PSE recommend adding a new filing identified in column B to support a key or specific performance area? If yes, please complete Column I and insert applicable information to columns B – H.
- b. Column J— If yes in Column I, please explain and identify relevant testimony and citations that support this claim.
- c. Column K— With reference to RCW 80.28.425(1), does the filing in column B support PSE's decision-making processes in this MYRP? Please explain.
- d. Column L— Does this filing support performance measures, incentives, or penalty mechanisms as outlined in RCW 80.28.425(7)? If yes, please identify and explain.

Response:

Attached as Attachment A to Puget Sound Energy's ("PSE") Response to WUTC Staff Data Request No. 292, please find a list of new filings contemplated as part of the proposed multiyear rate plan.

- a. Please see PSE's Response to Staff Data Request No. 290(b).
- b. Please see PSE's Response to Staff Data Request No. 290(b).
- c. PSE objects to WUTC Staff Data Request No. 292(c) as vague and ambiguous as to the phrase "PSE's decision-making process." Without waiving such objections, and subject thereto, PSE responds as follows:

The scorecard described in the Prefiled Direct Testimony of Mark N. Lowry, Exh. MNL-1T, will generally inform whether PSE is placing sufficient emphasis in the areas listed and could inform decisions made to improve performance as deemed appropriate. Generally speaking, PSE considers the impact of all regulatory filings in its decision making processes to the extent that the filing is not perfunctory and may either impact PSE's financial results or is designed or intended to influence PSE's decisions for prioritization of capital or operating expenditures. The proposed performance metrics and SQL's outlined in Exh. MNL-1T would be considered, although may not directly influence any outcomes in PSE's prioritization based on the value assigned to those priorities in PSE's prioritization models relative to other investments PSE deems necessary to deliver on its service requirements to customers considering all known constraints.

- d. Please see PSE's Response to Staff Data Request No. 290(b).

ATTACHMENT A to PSE's Response to WUTC Staff Data Request No. 292

| Project Sound Energy | | REQUIRED BY | | Frequency | Filing Date | Brief description of information provided/purpose | Column B - With reference to RCW 80.28.425, does PSE recommend adding a new filing identified in column B to support a key or specific performance asset? If yes, please complete Column H and insert applicable information to columns B - H. | If yes in Column F or J, please explain and identify relevant testimony and citations that support this claim. | With reference to RCW 80.28.425(1), does the filing in column B support PSE's decision-making processes in this WYRP? Please explain. | Does this filing support performance measures, initiatives, or penalty mechanisms as outlined in RCW 80.28.425(7)? If yes, please identify and explain. | Is this filing included as part of the proposed PSE Scorecard public reporting proposal? If yes, please provide citation in testimony. If no, why not? |
|---|--|-------------|----------|-----------|-------------|---|---|--|---|---|--|
| Grid Compliance Filing | | | | | | Consistent with past practice, PSE will make filing shortly after Commission render's order. This filing will be reviewed by UTC Staff and approved by the Commission before rates take effect. | | | | | |
| Base rates | | | UE- | | 12/29/22 | | | | | | |
| Schedule 141N | | | UG- | | 12/29/22 | | | | | | |
| Schedule 141R | | | UE- | | 12/29/22 | | | | | | |
| Annual Prudence and Earnings Sharing Review | | | | | | | As described in testimony of Ms. Susan Free, ERM SFE-1T, includes a limited review of investments included in rates subject to refund and a test of PSE's earnings during measurement period. Earnings test does not apply to 2022. Filings would update Schedules 141N and 141R, after approval in Open Meeting. | | | | |
| FY2022 Prudence Review Filing | | | NEW, UE- | | 3/31/23 | | | | | | |
| FY2023 Prudence and Earnings Review Filing | | | 220066 | | 3/31/24 | | | | | | |
| FY2024 Prudence and Earnings Review Filing | | | UG- | | 3/31/25 | | | | | | |
| FY2025 Prudence and Earnings Review Filing | | | 220067 | | 3/31/26 | | | | | | |
| Annual PCA Review | | | | | | | As described in the testimony of Ms. Janet K. Phelps, JRP-1T, includes usual review of prior year's power costs and true-up of deferrals, subject to sharing between customers and company. Filings would update Schedule 95, after approval by Commission order. | | | | |
| FY2023 PCA Review Filing | | | UE-1306 | | 4/30/24 | | | | | | |
| FY2024 PCA Review Filing | | | | | 4/30/25 | | | | | | |
| FY2025 PCA Review Filing | | | | | 4/30/26 | | | | | | |
| Annual PCA Baseline Rate Update | | | | | | | As described in the testimony of Ms. Janet K. Phelps, JRP-1T, This filing, made jointly with annual PCA review, includes an update to power costs to reset the PCA Baseline Rate. Filings would update Schedule 95, after approval by Commission order. | | | | |
| FY2024 PCA Baseline Update Filing | | | NEW, UE- | | 4/30/24 | | | | | | |
| FY2025 PCA Baseline Update Filing | | | 220066 | | 4/30/24 | | | | | | |
| Annual Performance Metric Scorecard and Service Quality Index Report | | | | | | | As described in the testimony of Dr. Mark N. Lowry, WML-1T, includes reporting of performance metrics, service metrics and qualification for performance incentives or penalties. Incentive or penalties, if any, would be recovered through schedule 141N and approved at same open meeting as prudence review filing. | | | | |
| FY2023 Performance Scorecard and SQI 480-100-UE- | | | UE- | | 3/31/24 | | | | | | |
| FY2024 Performance Scorecard and SQI 398-480-170033 | | | UG- | | 3/31/25 | | | | | | |
| FY2025 Performance Scorecard and SQI 07-140(5) | | | UG- | | 3/31/26 | | | | | | |