

**Exh. JES-2  
Dockets UE-220066, UG-220067,  
UG-210918  
Witness: Jennifer E. Snyder**

**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**

**JENNIFER E. SNYDER**

**STAFF OF  
WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION**

***PSE Response to UTC Staff Data Request No. 188 - AMI Benefits Accrual***

**July 28, 2022**

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

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

**WUTC STAFF DATA REQUEST NO. 188:**

REQUESTED BY: David Gomez

**Re: AMI (Automated Metering Infrastructure)**

Exh. SIS-1T at page 13, lines 11-13 refers to five major benefit categories further described in page 23-24, Exh. SIS-3. All five benefits appear to be evaluated on a utility system basis. Please verify that the five benefit categories were evaluated on a utility system basis and, for each use case, specify the value of stated benefits that accrue to each of the following categories: the utility, customers, participants, vulnerable populations, highly impacted communities, and the general public.

**Response:**

Puget Sound Energy (“PSE”) objects to WUTC Staff Data Request No. 188 to the extent it implies that RCW 19.405.040(8) governs or is otherwise applicable to PSE’s Advanced Metering Infrastructure (“AMI”) investment, which PSE began implementing prior to the enactment of Chapter 19.405 RCW. Moreover, to the extent this data request seeks to impose or imply requirements on PSE that go beyond the scope of Chapter 19.405 RCW, to the extent applicable, PSE objects. PSE objects further as WUTC Staff Data Request No. 188 is vague and ambiguous. Without waiving these objections and subject thereto, PSE responds as follows.

The major benefit categories associated with PSE’s AMI investments as described in the Prefiled Direct Testimony of Dr. Sanem Sergici, Exh. SIS-1T, and the Maximizing Benefits through PSE’s Advanced Metering Infrastructure Report (“AMI Report”), which is the Second Exhibit to Dr. Sanem’s testimony, Exh. SIS-3, reflect the benefits accrued to the utility system as a whole. Dr. Sergici evaluated these benefits in the context of benefit-cost analysis for PSE’s AMI investments. Exh. SIS-3, Figure 7, page 25, describes which benefits were evaluated for each use case and what benefits will be passed on, including in the form of reduced need for infrastructure investments, lower energy costs, and lower greenhouse gas emissions as follows:

- Avoided generation capacity costs: reduction in system peak demand lowers the need to invest in new generation capacity. The benefits in the form of avoided or deferred investment costs will be shared by all customers, including program

participants, non-participants, vulnerable populations, and highly impacted communities.

- Avoided transmission and distribution capacity costs: reduction in system peak demand lowers the need to invest in new transmission and distribution capacity. The benefits in the form of avoided or deferred investment costs will be shared by all customers, including vulnerable populations and highly impacted communities.
- Avoided energy costs: when load is shifted from higher price hours to lower price hours, the costs that PSE incurs to generate or procure electricity will be lower, and costs for all customers in turn will be reduced.
- Avoided emissions: Less electricity and gas consumption means less greenhouse gas emissions, which will benefit all of PSE's customers as well as non-customers.
- Avoided transmission and distribution losses: avoided losses in the transmission and the distribution process means lower demand for electricity. The reduced peak demand and energy usage result in the benefits described above to all customers.

As explained in Exh. SIS-3, page 23, the design and implementation of any AMI programs will have to comply with applicable Washington laws and regulations. This includes any applicable laws and regulations with respect to participants, customers, vulnerable populations, highly impacted communities, the general public, and the specific distributional impacts and benefit accruals of the programs that are best determined after the program designs are finalized. Given the large benefits estimated from the programs, in terms of avoided system costs, it is PSE's expectation that these benefits will be enjoyed by both program participants and non-participants. For instance, customers who participate in PSE's proposed Time Varying Rates pilot may enjoy direct bill savings from the program, but non-participants will benefit from potentially lower future rates due to avoided system costs. Similarly, environmental benefits of these programs will likely be shared by all customers, including vulnerable populations and highly impacted communities.