## BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of	)	
	)	Docket UE-190129
PUGET SOUND ENERGY	)	
	)	
For an Order Authorizing Accounting Treatment of	)	AMENDED PETITION OF
Costs of New Electric Services Related to Products	)	PUGET SOUND ENERGY
and Services for Electric Vehicle Charging	_)´	

#### I. INTRODUCTION

- In accordance with WAC 480-100-203(3) and WAC 480-07-370(3), Puget Sound Energy ("PSE" or the "Company"), hereby petitions the Commission for an Order authorizing the accounting and ratemaking treatment detailed in this petition related to costs the Company will incur by offering new Electric Service for Electric Vehicle Charging ("Petition").
- 2 PSE is a combined electric and natural gas utility serving more than one million electric customers and approximately 840,000 natural gas customers in Western Washington.
  - All correspondence related to this Petition should be directed as follows:

Puget Sound Energy Attn: Jon Piliaris Director, Regulatory Affairs P.O. Box 97034, EST-07W Bellevue, WA 98009-9734 Telephone: (425) 456-2142

E-mail: Jon.Piliaris@pse.com

3

Rules and statutes that may be brought at issue in this Petition include RCW 80.01.040, RCW 80.28.020, and WAC 480-07-370(3)(b).

#### II. SUMMARY OF PETITION

PSE requests Washington Utilities and Transportation Commission ("Commission") approval to defer, for consideration for later recovery in rates, the costs incurred to offer

various products and services for electric service for electric vehicle ("EV") charging and electric vehicle supply equipment ("EVSE"). All of these products and services are designed to meet the intent of the Commission's Final Policy Statement<sup>1</sup> ("Policy Statement") on EV charging services under the law of RCW 80.28.360 to promote EVSE on a state regulated basis, in order to accelerate EV adoption to serve multiple public policy purposes.

In response to and in support of these public policy purposes, PSE believes it is reasonable to recover the net costs associated with this new electric service from all electric customers through base rates on a timely basis, since the Commission recognized the public purpose for investor-owned utilities to pursue electrification of the transportation system.

Therefore, the Company is requesting this deferral accounting petition in order to preserve the costs of the EV program so that the issue of cost recovery can be discussed in a future general rate case filed by the Company.

#### III. BACKGROUND

# A. Summary of Commission Approved Electric Vehicle Charging Products and Services

- The approved new electric services for PSE's portfolio of EV and EVSE products and services under Docket UE-180877 are:
  - Schedule 551 Electric Vehicle Non-Residential Charging Products and Services: This schedule provides for non-residential charging products and services and sets rates associated with public charging.
  - Schedule 552 Electric Vehicle Residential Charging Products and Services: This schedule provides for single-family and multi-family residential charging products and services and allows PSE to provide incentive for changing the time of residential EV charging.

1

<sup>&</sup>lt;sup>1</sup> Policy and Interpretive Statement Concerning Commission Regulation of Electric Vehicle Charging Services, Docket UE-160799.

- Schedule 553 **Electric Vehicle Education and Outreach**: This schedule provides for PSE's EV education and outreach programs.
- Schedule 554 **Electric Vehicle Low Income Transportation Service**: This schedule provides for EV products and services targeted to low income customers.
- Schedule 583 **Electric Vehicle Charging Products and Services**: This schedule sets the overall terms and conditions for transportation electrification products and services.

#### IV. PROPOSED ACCOUNTING TREATMENT

- PSE requests an order authorizing the deferral of the net costs incurred for PSE to offer the new electric service for EV charging under the approved electric tariff Schedules 551-554 and 583. PSE began offering this new electric service to customers on December 1, 2018, upon approval of the EV service tariff schedules by the Commission. The costs to be deferred will consist of:
  - a. Return on rate base at PSE's authorized rate of return;
  - b. Depreciation expense;
  - c. Operating costs as detailed in Attachment A to this petition; and
  - d. Revenues received from Schedule 551
- The deferral of net costs incurred by PSE would begin on March 1, 2019 which is the start of the first calendar month after this petition was originally filed.
- The Company proposes to accrue interest on the deferred balances associated with items b through d in paragraph 8 above at the quarterly rate published by the Federal Energy Regulatory Commission<sup>1</sup> until the rate effective date after the Commission decision is made regarding the ability to defer and/or recover the deferral. PSE is not proposing to accrue interest on the deferred return.

<sup>&</sup>lt;sup>1</sup> https://www.ferc.gov/enforcement/acct-matts/interest-rates.asp

The Company requests to defer the costs in Account 182.3 – Other Deferred debits for consideration of future inclusion in rates. A summary of the accounting entries follows:

#### Summary of Accounting Entries

FERC Acct. No.	Account Description Deb	it Credit
Originating FERC a/c's	Originating FERC Descriptions \$XXX	ζ
131	Cash	\$XXX
131	To record payment of expenses and receipt of reve	+
	with EV programs	тиез аззоснией
182.3	Other Regulatory Assets - net expense \$XX	X
407.4	Regulatory Credits – Deferral	\$XXX
555	Power Costs	\$XXX
182.3	Other Regulatory Assets - return \$XX	X
456	Other Operating Revenue	\$XXX
	To record deferral of net EV program costs and r base	eturn on EV rate
182.3	Other Regulatory Assets - net expense \$XX	X
419	Interest and Dividend Income	\$XXX
	To record deferral of carrying charges on EV net	expense
	deferral (entry #1 above) at FERC rate	•

Attachment B is a detail of the estimated net costs provided in Docket UE-180877.

### V. REQUEST FOR RELIEF

PSE respectfully requests that the Commission issue an order approving the deferred accounting treatment of the net costs and return incurred for PSE to offer the new electric service for EV charging and EVSE, as set forth in this Petition. The request for recovery of the deferred costs would occur through a future general rate case filed by the Company, as explained in this Petition.

13

### **Puget Sound Energy**

By /s/ Jon Piliaris

Director, Regulatory Affairs Puget Sound Energy PO Box 97034, EST-07W Bellevue, WA 98009-9734 425-456-2142 Jon.Piliaris@pse.com

#### VERIFICATION

STATE OF WASHINGTON	1)	
	)	SS
County of King	)	

Jon Piliaris, being first duly sworn on oath, deposes and says: That he is a Director, Regulatory Affairs, for PSE and makes this verification for and on behalf of said corporation, being thereto duly authorized;

That he has read the foregoing Petition, knows the contents thereof, and believes the same to be true.

Jon A. Piliaris

SIGNED AND SWORN to before me on this 5th day of April, 2019.

ASHGAR NOTHING NOTHING

Showh Kashgar

Print Name: SHOWEH LASHGARI

Notary Public in and for the State of Washington,

Residing at 2418-13.5th Pl. Sw. Lywnbold WA. 98087

My commission expires: 3-12-2620