

**EXH. LCM-4  
DOCKETS UE-220066/UG-220067  
2022 PSE GENERAL RATE CASE  
WITNESS: LAUREN C. MCCLOY**

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PUGET SOUND ENERGY,**

**Respondent.**

**Docket UE-220066  
Docket UG-220067**

**THIRD EXHIBIT (NONCONFIDENTIAL) TO THE  
PREFILED RESPONSE TESTIMONY OF**

**LAUREN C. MCCLOY**

**ON BEHALF OF NW ENERGY COALITION, FRONT AND CENTERED, AND  
SIERRA CLUB**

**JULY 28, 2022**

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

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

**NWEC DATA REQUEST NO. 064:**

**Re: CEIP**

Please specify what overall percentage of the requested increase in revenue requirement is attributable to CETA in each year.

**Response:**

The overall percentage of the revenue requirement attributable to the Clean Energy Transformation Act (“CETA”), as detailed in Puget Sound Energy’s (“PSE”) Clean Energy Implementation Plan (“CEIP”), and described in the Prefiled Direct Testimony of Joshua Jacobs in Exh. JJJ-1T on pages 27-37, in each year is presented in the table below.

PSE notes as part of this exercise one adjustment to Table 1 in Exh. JJJ-1T is required and will be made as part of PSE’s rebuttal filing. Table 1 notes the CEIP capital costs for the Distributed Energy Resources (“DER”) program are \$110.6 million and capital costs for Demand Response are \$3 million. As detailed in the Prefiled Direct Testimony of William T. Einstein, Exh. WTE-1CT at 74:1-4, only 74% of these costs are allocated to PSE’s CEIP. This correction has been made within the calculation in the table below. Otherwise, the revenue requirement is calculated based on capital additions and operating expense as noted in Tables 1 and 2 of Exh. JJJ-1T.

Finally, PSE has compared the CEIP Revenue Requirement to PSE’s cumulative revenue change by adding each rate year’s Net Revenue Change After Trackers and Riders from line 35 on page one of the Second Exhibit to the Prefiled Direct Testimony of Susan E. Free, Exh. SEF-3.

<b>Description</b>	<b>2023 Rate Year 1</b>	<b>2024 Rate Year 2</b>	<b>2025 Rate Year 3</b>
CEIP Revenue Requirement	\$31,226,764	\$44,139,969	\$63,190,505
Overall Electric Revenue Requirement (Exh. SEF-3, Page 1)	\$310,556,999	\$373,615,439	\$405,442,399
CEIP Costs as a percentage of overall	10.1%	11.8%	15.6%