

**Exh. ECO-22
Dockets UE-170033/UG-170034
Witness: Elizabeth O'Connell**

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

**DOCKETS UE-170033 and
UG-170034 (*Consolidated*)**

**EXHIBIT TO
TESTIMONY OF**

Elizabeth C. O'Connell

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

Staff's proposed legal costs adjustments

June 30, 2017

**PUGET SOUND ENERGY - ELECTRIC
LEGAL COSTS
FOR THE TEST YEAR TWELVE MONTHS ENDED SEPTEMBER 30, 2016
2017 GENERAL RATE CASE**

LINE NO.	DESCRIPTION	AMOUNT
1	<u>ELECTRIC LEGAL COSTS</u>	
2		
3	TOTAL RATE YEAR LEGAL COSTS	(485,780)
4		
5	INCREASE (DECREASE) FIT @ 35% (LINE 11 X 35%)	170,023
6		
7	INCREASE (DECREASE) NOI	<u><u>315,757</u></u>
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15		

**PUGET SOUND ENERGY-GAS
LEGAL COSTS
FOR THE TEST YEAR TWELVE MONTHS ENDED SEPTEMBER 30, 2016
2017 GENERAL RATE CASE**

LINE NO.	DESCRIPTION	AMOUNT
1	<u>GAS LEGAL COSTS</u>	
2		
3	TOTAL RATE YEAR LEGAL COSTS	(904,198)
4		
5	INCREASE (DECREASE) FIT @ 35% (LINE 11 X 35%)	316,469
6		
7	INCREASE (DECREASE) NOI	<u><u>587,729</u></u>
8		
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UTC Docket number	Description	Costs included in current GRC	PSE	Costs included in current GRC Staff	Difference	Reason for disallowance recommendation
UE-151871	Leasing Solutions Program*	485,780.00		-	(485,780.00)	The Commission determined that the terms and conditions of the leasing program presented in this Docket were not fair, just, and reasonable and that the proposed leasing program was not in the public interest.
	Total	485,780.00		-	(485,780.00)	

*See Exh. ECO-21. Total costs associated with the Leasing program is \$971,560. The reduction of total costs have been allocated to Electric and Gas equally (50% for each).

UTC Docket number	Description	Costs included in		Difference	Reason for disallowance recommendation	
		current GRC	PSE			current GRC Staff
UG-151663	Tacoma Liquefied Natural Gas: Legal and Operations and Maintenance costs	734,067.01		315,648.81	(418,418.20)	Costs were incurred to gain necessary regulatory approvals in order to pursue the development of the Tacoma LNG Facility. Both unregulated and regulated sides of operations should cover for costs because the plant itself can not operate without regulatory approval.
UG-151872	Leasing Solutions Program*		485,780.00	-	(485,780.00)	The Commission determined that the terms and conditions of the leasing program presented in this Docket were not fair, just, and reasonable and that the proposed leasing program was not in the public interest.
Total		1,219,847.01		315,648.81	(904,198.20)	

*See Exh. ECO-21. Total costs associated with the Leasing program is \$971,560. The reduction of total costs have been allocated to Electric and Gas equally (50% for each).

Type	Order	Order Description	Total Included in GRC	Total allocated with Common Item Allocators - Regulated operations
Legal	88000029	1900 - LNG Outside Services Legal	493,113.44	212,038.78
Legal Total			493,113.44	212,038.78
O&M During Dev Phase	88000029	1900 - LNG Outside Services Legal	2,161.90	929.62
	92000165	5315-A&G Salaries - LNG Initiative	12,200.21	5,246.09
	92003165	5315-A&G Salaries - LNG Initiative	126,350.67	54,330.79
	92006165	5315-A&G Salaries - LNG Initiative	91,456.19	39,326.16
	92306185	5315 - O/S Svcs - LNG Initiative	8,784.60	3,777.38
O&M During Development Phase Total			240,953.57	103,610.04
Grand Total			734,067.01	315,648.81

Projected Common Items Allocators According to Settlement in Docket UG-151663. Order 10. Appendix A to Final Order. Attachment D.	
Common Allocator	43%