

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Docket Nos. UE-151871 UG-151872
Puget Sound Energy's
Electric and Natural Gas Equipment Lease Service**

WUTC STAFF DATA REQUEST NO. 054

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Please explain if PSE will provide customers with the interest rate used to calculate monthly payments and net present value of all leased equipment and installation costs before customers make any financial commitment to participate in the Lease Solutions program.

Response:

As detailed in Puget Sound Energy's ("PSE") letter to Mr. Steven V. King, dated November 6, 2015, PSE submitted a substitute attachment to include a field in the Equipment Lease Agreement (the "Agreement") for the total amount paid in monthly charges at the end of the lease term; which was a revision made at the request of the WUTC Staff. This information will be made available to customers before they make any financial commitment to participate in the Lease Solutions service. Additionally, as stated in Schedule 75, Sheet 75-L, customers will be informed of any non-standard installation costs prior to the equipment being installed and may elect at that time to cancel the installation without costs.

The discount rate implicit in the lease is equivalent to PSE's authorized rate of return, which is publicly available information. PSE will disclose the "Total Lease Payment over Lease Term", as detailed above; however, PSE has not proposed to provide all customers with a detailed breakdown of specific rates, net present value of leased equipment, standard installation costs, or manner in which the approved tariff schedule rates are calculated, during the process of communicating, educating, qualifying, and confirming a customer's participation in the Lease Solutions service.