

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND) DOCKETS UE-240004,
TRANSPORTATION COMMISSION,) UG-240005, and UE-230810
) (*Consolidated*)
Complainant,)
)
v.)
)
PUGET SOUND ENERGY,)
)
Respondent.)
_____)
)
In the Matter of the Petition of)
)
PUGET SOUND ENERGY)
)
Petitioner,)
)
For an Accounting Order Authorizing)
deferred accounting treatment of)
purchased power agreement expenses)
pursuant to RCW 80.28.410)
_____)

EXHIBIT BGM-4
RESPONSES TO DISCOVERY REQUESTS

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-240004 & UG-240005
Puget Sound Energy
2024 General Rate Case**

AWEC DATA REQUEST NO. 045:

RE: Colstrip Removal

Reference workpaper “240004-05-PSE-WP-SEF-6E-RemoveColstrip-24GRC-02-2024,” Tab “Lead”, Item COLSTRIP 3&4 D&R SPEND: The workpaper details a total liability balance of \$100,713,506 associated with Colstrip units 3&4, which PSE is removing through a pro-forma adjustment. Please explain how PSE is proposing to handle this liability balance, e.g. is PSE proposing to refund the excess liability balance to ratepayers?

Response:

Puget Sound Energy (“PSE”) objects to AWEC Data Request No. 045 to the extent it requests information that is publicly available or obtainable from some other source that is more convenient, less burdensome, or less expensive. Notwithstanding these objections, and subject thereto, PSE responds as follows:

Please refer to PSE's Response to AWEC Data Request No. 044 regarding decommissioning and remediation costs. Please refer to PSE's Response to AWEC Data Request No. 041 for a discussion of the treatment of Colstrip costs which are outside the scope of this proceeding.

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-240004 & UG-240005
Puget Sound Energy
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PUBLIC COUNSEL DATA REQUEST NO. 054:

RE: Cost of Capital

Direct Testimony of Daniel A. Doyle, Exh. DAD-1T, at 93–94.

Please provide:

- 1) All instances known to Daniel Doyle in which a state utility regulatory commission has included a rate of return on PPAs such as that proposed by PSE.
- 2) Documents supporting the instances cited in (1).

Response:

Puget Sound Energy (“PSE”) objects to Public Counsel Data Request No. 054 to the extent it requests information that is publicly available or obtainable from some other source that is more convenient, less burdensome, or less expensive. Notwithstanding these objections, and subject thereto, PSE responds as follows:

Mr. Doyle has not commissioned nor performed a study or survey of when, where, or how state utility regulators may have included a rate of return on PPAs. Accordingly, he can provide no response to this inquiry. That said, Mr. Doyle is aware that, pursuant to RCW 80.04.570 and *In the Matter of the Petition of Puget Sound Energy, Inc. for Approval of a Power Purchase Agreement for Acquisition of Coal Transition Power, as Defined in RCW 80.80.010, and the Recovery of Related Acquisition Costs*, Docket UE-121373, Order 03 (Final Order Granting Petition, Subject to Conditions) (Jan. 9, 2013),¹ PSE has and continues to earn a return on a Coal Transition PPA, in connection with legislation that requires the closure of the Centralia Coal Generation facility in the state of Washington.

¹ As confirmed by *In the Matter of the Petition of Puget Sound Energy, Inc., for Approval of a Power Purchase Agreement for Acquisition of Coal Transition Power, as Defined in RCW 80.80.010, and the Recovery of Related Acquisition Costs*, Docket UE-121373, Order 08 (Order Granting, in Part, and Denying, in Part, Puget Sound Energy, Inc.’s Petition for Reconsideration and Granting Motion to Reopen Record) (June 25, 2013).

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-240004 & UG-240005
Puget Sound Energy
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WUTC STAFF DATA REQUEST NO. 066:

REQUESTED BY: Paul Koenig

RE: Demand Response

Witness Archuleta states:

The initial reward threshold will activate at 105 percent of the DR target. The initial reward from the DR PIM will be a percent of DR program costs equal to PSE's approved weighted average cost of capital. The second reward threshold will activate if PSE exceeds 115 percent of the DR target. The reward for this threshold increases to 15 percent of DR program costs. The incentive provided by this DR PIM shall not exceed \$3 million over the course of this multiyear rate plan.

Archuleta, Exh. GA-1T at 20:6-12.

- a. Is PSE requesting the Commission adopt these new PIM parameters?
- b. Are these reward thresholds the same for all Demand Response programs?
- c. Does PSE plan to update the 105 percent and 115 percent thresholds and awards established in the last rate case? If not, please explain why.
- d. What is PSE's rationale for increasing the limit on incentives provided from \$1 million in the last rate case, to \$3 million now?

Response:

- a) Yes. PSE is requesting the Commission adopt these new PIM parameters.
- b) The reward thresholds are for all demand response programs in aggregate.
- c) No. These thresholds were established in the last rate case, and it is reasonable to continue with them.
- d) The PIM incentive amount is related to the overall program cost. As the CEIP MW targets increase, so do the program costs.