

**BEFORE THE WASHINGTON
UTILITIES & TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY

Respondent.

DOCKETS UE-220066, UG-220067, and UG-210918 (*Consolidated*)

**STEPHANIE K. CHASE
ON BEHALF OF THE
WASHINGTON STATE OFFICE OF THE ATTORNEY GENERAL
PUBLIC COUNSEL UNIT**

EXHIBIT SKC-3

Puget Sound Energy Response to The Energy Project Data Request No. 44

July 28, 2022

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

THE ENERGY PROJECT DATA REQUEST NO. 044:

Subject: Low-Income

Re: Direct Testimony of Carol Wallace, Exh. CLW-7

Please state:

- a. Why the Bill Discount Rate program is presented as a Capital Budget item for purposes of Corporate Spending Authorization (CSA).
- b. Please state whether the Bill Discount Rate will have any eligibility requirements specifically applicable to seniors, veterans, or disabled customers (p. 1).
- c. Please state specifically what is meant by the "Start Date" of January 2023, i.e., what activities would begin on that date? (p. 3).
- d. Please state whether any activities regarding the Bill Discount Rate are planned to take place prior the "Start Date." (p. 3).
- e. Please state what activities will occur between the January 2023 "Start Date" and the "Expected In-Service Date" of January 2024. (p.3), and provide a schedule of planned activities.
- f. Please state the specific purpose of the proposed capital expenditure of \$2.7 million (p. 4).
- g. Please state why the entire capital expenditure of \$2.7 million is projected for Year 2 (2023) with no expenditures after the "In-Service" date of January 2024.
- h. Please state why no ongoing benefits are listed (p.4).
- i. Please state why no approvals are shown for this CSA. (p. 5).
- j. Please provide any subsequent version or versions of the CSA, including but not limited to any version showing approval.
- k. Please identify any component of PSE's low-income programs, including PSE HELP and weatherization, that involves or has involved capital expenditures and state the type and amount of expenditure.

Response:

- a. Puget Sound Energy's ("PSE") business departments present Corporate Spending Authorizations ("CSA"), as a request for capital funding to support and enable specific business needs. The purpose of presenting the CSA for the Bill Discount Rate is to request and reserve the funding needed to implement the scope of work, which includes capital expenditures for billing system changes.

- b. PSE does not anticipate having separate eligibility requirements for seniors, veterans, or disabled customers.
- c. The Start Date within PSE's CSA of January 2023 is the date a project team will be assigned to begin the planning phase of the project. Activities include: a kick-off meeting, high level requirement identification, and development of a timeline to prepare for the design phase of the project.
- d. PSE has had one small workgroup meeting where members from PSE's Community Action Partner Agencies, the Low-Income Advisory Committee, the Washington Utilities and Transportation Commission, and Public Counsel attended and where some high-level Bill Discount Rate items were discussed. PSE is planning to continue to meet with this workgroup in 2022; however, the Bill Discount Rate project is not currently scheduled to begin until January 2023.
- e. PSE is anticipating four phases for the Bill Discount Rate project. The activities for the phases are as follows:
1. **Planning** is when a project team is created, high level requirements are identified, risks or impacts are identified, and the project plan is created.
 2. **Design** is when detailed level requirements are created to define the business and technical processes.
 3. **Execution** is when the project team builds what was agreed upon in design. The systems and processes are tested, all necessary training is performed, and internal and external customers receive communication. Systems and processes are then deployed and monitored to ensure anticipated processes are working correctly.
 4. **Closeout** is when knowledge transfer from the project team to the business operations and technical teams occurs to support the system and process needs, as the project team completes the implementation of the scope of the project.

See below for the anticipated timeline for the Bill Discount Rate.

Phase	Planning	Design	Execution	Closeout
Duration in Months	2 months	3 months	7 months	3 months
Anticipated Start Date	Jan-2023	Mar-2023	Jun-2023	Jan-2024
Anticipated End Date	Feb-2023	May-2023	Dec-2023	Mar-2024

- f. The purpose of the proposed capital expenditures of \$2.7 million is to cover the software costs associated with the Bill Discount Rate project from planning through closeout.
- g. CSAs are necessary for projects requiring capital expenditures. The entire amount included in the Bill Discount CSA is for the capital expenditures for implementation of the software programming required for the Bill Discount Rate project implementation. PSE is not anticipating ongoing capital for additional ongoing implementation of the Bill Discount Rate, after the in-service date of January 2024.
- h. No ongoing benefits are listed as PSE does not anticipate any tangible financial benefits post deployment of the Bill Discount Rate project.
- i. These approvals are for when the project moves through different activities of planning, design, execution, deployment, monitoring and close out as applicable. As this project is not yet active, the approval fields are currently blank.
- j. The Bill Discount Rate CSA that was submitted is the most current version.
- k. The only previous capital expenditure for PSE's low-income programs was the project completed as part of the Get to Zero program as discussed in the Fifth Exhibit to the Prefiled Direct Testimony Suzanne L. Tamayo, Exh. SLT-6, pages 5 and 15.