

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**Dockets UE-170033 and UG-170034
Puget Sound Energy
2017 General Rate Case****PUBLIC COUNSEL DATA REQUEST NO. 393****PUBLIC COUNSEL DATA REQUEST NO. 393:**

Re: Direct Testimony of Katherine J. Barnard, Exhibit No. KJB-1T at 69; Puget Sound Energy Response to Public Counsel Request No. 280 (ERF Procedural Issues).

At page 69, Ms. Barnard states:

One of the most critical elements is for ERF rates to be implemented in a condensed time period, such as a 60 to 90 day timeframe. Since an ERF is merely an update of PSE's costs based on the Commission Basis Report format and specifically is not to include any pro forma adjustments, an extended procedural schedule is not necessary. If the extended procedural schedule is required it removes any advantages associated with such a filing and essentially forces PSE into filing back to back general rate cases.

Please provide the following additional information:

- a. Explain whether and quantify any time limitation that is proposed by Ms. Barnard or PSE that would preclude the filing of an ERF after a predetermined maximum number of months have passed since the utility's last general rate case. Describe how the risk that re-using the ROE, revenue spread, and rate design findings from the prior rate case are addressed under the Company's proposed limitation, if any.
- b. Explain whether PSE would accept implementation of ERF-proposed new rates on an interim or temporary basis, within the proposed 60 to 90 day timeframe, subject to more extensive analysis and a later final rate order by the Commission, with any over-recovered revenues subject to refund to ratepayers with interest.
- c. Provide an illustrative procedural schedule, showing the proposed public notice, discovery and filings dates for PSE and all other parties that could be involved in the proposed ERF process being proposed by PSE. Explain whether and how the intervals proposed within the illustrative procedural schedule are expected to provide ample opportunity for Public Counsel and intervenors to identify and develop issues for consideration by the Commission.

- d. To what extent does the Company's proposed ERF process anticipate an opportunity for Public Counsel or other intervenors to analyze test year expenses of PSE to identify and quantify potentially appropriate "restating adjustments only...to 'clean' the books in order to reflect proper ratemaking" that were not proposed in PSE's filing?
- e. Does PSE contend that its future ERF filings should not include the submission of any standardized filing requirements and/or responses to standardized data requests at the time of filing, in order to assist the Staff, Public Counsel, and Intervenors in an expedited review of the filing?
- f. Please explain your response to part (e), with detailed descriptions of any standardized filing requirements or data request responses that are proposed

Response:

- a. As indicated in Puget Sound Energy's ("PSE") Response to Public Counsel Data Request No. 281, PSE supports the filing of an Expedited Rate Filing ("ERF") up to two years after the date rates became effective in the prior general rate case ("GRC"). The use of the ROE, revenue spread and rate design findings from the prior GRC is consistent with the Commission's final order that approved PSE's original ERF filing in WUTC Dockets UE-130137 and UG-130138. Additionally, utilization of the previously-approved ROE is also consistent with prior Commission orders in which the previously authorized return on equity remained unchanged, where the Commission had recently determined the company's cost of capital in a GRC.
- b. PSE believes that only if the Commission determines that an adjudicative proceeding is necessary, the ERF rates should be implemented subject to refund to allow additional time to conduct an adjudicated proceeding. However, PSE believes that such an adjudicated proceeding should be able to be completed within the 120-day period after suspension and should not be unduly drawn out as there will be no changes to methodology and a GRC review will have been concluded within the prior two years of making the ERF filing.
- c. As previously indicated in PSE's Response to Public Counsel Data Request No. 280, PSE believes that an ERF could be reviewed and approved through an Open Meeting rather than an adjudicative proceeding. PSE proposes to serve the ERF filing on all parties who were granted intervention status in the last GRC allowing parties adequate time to review the filing and conduct discovery. Such time should be adequate considering an ERF is not to include new pro forma adjustments or new methodologies allowing parties' review to be straight forward. Additionally, since the prior GRC proceeding will have concluded within the prior two years, parties should be familiar with PSE's books/records further streamlining their review. Public noticing requirements would be met consistent with the requirements of WAC 480-100-194 and WAC 480-90-194. Should the

Commission determine that an adjudicated proceeding is necessary, attached as Attachment A to PSE's Response to Public Counsel Data Request No. 393 is a copy of the procedural schedule followed in WUTC Dockets UE-130137 and UG-130138 that provides an illustrative procedural schedule.

- d. As discussed in PSE's Response to Public Counsel Data Request No. 280, PSE would provide the filing to those parties that participated in the last GRC at the time of the filing, including the testimony, exhibits and supporting workpapers. Therefore, the 60 to 90 days period prior to the rate effective date would allow parties adequate time to conduct discovery and file comments on the filing prior to the open meeting. A technical conference on the filing could be scheduled at approximately 45 days to address questions of the parties if necessary.
- e. No, PSE's proposal is to follow the format utilized in the ERF filing that the Commission approved in WUTC Dockets UE-130137 and UG-130138.
- f. The format utilized in the ERF approved by the Commission in WUTC Dockets UE-130137 and UG-130138 represents a standardized filing format. PSE's initial filing in that docket included testimony and exhibits to support the proposed ERF increase, including supporting workpapers. Please reference PSE's Response to Public Counsel Data Request No. 278, Attachment A, for PSE's initial filing in the 2013 ERF docket.

ATTACHMENT A to PSE's Response to PUBLIC COUNSEL Data Request No. 393

APPENDIX B
PROCEDURAL SCHEDULE
DOCKETS UE-130137 and UG-130138

<u>EVENT</u>	<u>DATE</u>
Company Direct Testimony and Exhibits	February 4, 2013
Prehearing Conference	March 22, 2013
Staff Testimony	March 27, 2013
Issues/Technical Conference (<i>parties only</i>)	April 4, 2013
Discovery Cut-Off Date ²	April 10, 2013
Public Counsel and Intervenor Response Testimony and Exhibits	April 26, 2013
Rebuttal and Cross-Answering Testimony	May 7, 2013
Cross Examination Exhibits	May 14, 2013
Hearing	May 16, 2013
Post-Hearing Briefs	May 30, 2013

² Responses to all data requests are due five business days following receipt.