

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND)	DOCKETS UE-220066, UG-220067, and
TRANSPORTATION COMMISSION,)	UG-210918 (<i>Consolidated</i>)
)	
Complainant,)	
)	
v.)	
)	
PUGET SOUND ENERGY,)	
)	
Respondent.)	
_____)	
)	
In the Matter of the Petition of)	
)	
PUGET SOUND ENERGY)	
)	
For an Order Authorizing Deferred Accounting)	
Treatment for Puget Sound Energy's Share of)	
Costs Associated with the Tacoma LNG)	
Facility.)	
_____)	

EXHIBIT NO. LDK-8
PSE RESPONSES TO AWEC DATA REQUESTS

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

AWEC DATA REQUEST NO. 032:

Please refer to Rule No. 6 which indicates that the margin allowance for residential gas customers decreased January 1, 2022. Please also refer to Exh. CAK-4, Table 3 and page 3, which indicates the values are net of CIAC. Please explain why the net construction cost per customer does not change substantially before and after 2022 despite the decrease in the margin allowance.

Response:

The Third Exhibit to the Prefiled Direct Testimony of Catherine A. Koch, Exh. CAK-4, Table 3, represents costs and contributions in aid of construction (“CIAC”) from Puget Sound Energy’s (“PSE”) five-year planning process, as discussed in the Prefiled Direct Testimony of Joshua A. Kensok, Exh. JAK-1T, page 24:9-18, which was effectively completed with final approval by the Board in November 2021. This five-year plan was developed prior to the Commission approval of the modifications to Rule No. 6, and therefore, the construction cost per customer did not include unapproved changes or assumptions regarding margin allowances or customer counts.

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

AWEC DATA Request No. 102:

Cost of Service

Please refer to JAP-1T, page 56, line 10.

- a. Did the Tacoma LNG facility affect how soon the Frederickson Gate Station upgrade was needed? Please provide all supporting documentation used to determine this.
- b. Did the Tacoma LNG facility affect the design of the Frederickson Gate Station upgrade? Please provide all supporting documentation used to determine this.
- c. Please provide all funding requests and capital approvals, including any change orders, related to the Frederickson Gate Station upgrade.
- d. Does the Tacoma LNG facility affect distribution pressure near the Frederickson Gate Station? Please provide all supporting documentation of pressure modeling related to the Tacoma LNG facility demand.

Response:

- a. Originally, yes, but ultimately no. The 2013 10-year distribution plan prioritized the South Tacoma Distribution Upgrades (including the Frederickson gate station upgrade) as a 2017 project. The original schedule for the Tacoma LNG Facility moved that forward by over a year. However, due to delays in construction of the Tacoma LNG Facility, the project was postponed until 2017.
- b. Yes. As described in the Testimony of Roque B. Bamba, Exh. RBB-1T, at page 24, the pre-upgrade delivery capacity of the Frederickson Gate Station (GS) was 2,356,000 standard cubic feet per hour (scfh). Based on load estimates in 2013, flows for the new Frederickson gate station would have required a flow of 3,027,000 standard cubic feet per hour ("scfh") for the winter 2017-2018 (with the South Tacoma Distribution Upgrades) but without the new Tacoma LNG Facility. Thus, an increase of 671,000 scfh (3,027,000 scfh minus the then current

capacity of 2,356,000 scfh) was needed for growth through 2017. Displacement to Frederickson gate station from North Tacoma, as a result of the Tacoma LNG Facility inlet requirements, required an additional 892,000 scfh (21,400 Dekatherm/day plant inlet times 1,000, divided by 24). Puget Sound Energy (“PSE”) upgraded the capacity at the Frederickson gate station from 2,356,000 scfh to 6,000,000 scfh (an increase of 3,644,000 scfh), using standard sizing components. The upgrade is attributed as follows: 671,000 scfh for existing load growth through 2017, 892,000 scfh related to the Tacoma LNG Facility, and 2,081,000 scfh for post-2017 load growth on the system (3,644,000 scfh minus 671,000 scfh minus 892,000 scfh). Thus 24.5% of the upgrade (892,000 scfh / 3,644,000 scfh) is attributed to the Tacoma LNG Facility. Results from flow studies performed by PSE are extremely large and complex files, which are not maintained beyond a few years. This response is based on the PSE system planner’s recollection of the particular model run results in 2013 – 2017.

- c. The distribution upgrades, including Frederickson gate station, related to connecting the Tacoma LNG Facility were included in materials provided to PSE management and the PSE Board of Directors in decisions related to development and construction of the larger Tacoma LNG Project. Original cost estimate and presentation made to secure approval of the upgrades can be found in the work papers of Ronald J. Roberts, *###LNG Financial Model 20160919 (C)*, in Exhibit D, Tables 1-4. Thereafter, project cost reports were reviewed on a monthly basis by management. There were two change orders with cost impacts during the construction of the project. These are provided in Attachments A and B to PSE’s Response to AWEC Data Request No. 102.
- d. The Tacoma LNG Facility has minimal pressure effects on the Frederickson gate station and related distribution system for multiple reasons. The North Tacoma and South Tacoma/Frederickson systems are separated by a limit station and therefore pressure differences are muted, except for a small pressure reduction upstream of the connecting limit station (Golden Givens) on the South Tacoma/Frederickson distribution system. The Tacoma LNG Facility is served from the North Tacoma gate station, but gas from the North Tacoma gate station that would have been serving other loads (but is now serving the Tacoma LNG Facility) must be replaced at the south end of the North Tacoma system. The replacement volumes are provided from the Frederickson gate station (including the upgrade) and the South Tacoma/Frederickson distribution system through the Golden Givens limit station to prevent pressure issues downstream of the Tacoma LNG Facility. Results from flow studies performed by PSE are extremely large and complex files, which are not maintained beyond a few years. This response is based on the PSE system planner’s recollection of the particular model run results in 2013 – 2017.

ATTACHMENT A to PSE's Response to AWEC Data Request No. 102

ATTACHMENT B to PSE's Response to AWEC Data Request No. 102

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

AWEC DATA Request No. 103:

Cost of Service

Please refer to RBB-1T, page 24, which states that the need for the Fredrickson Gate Station was driven by the peaking service to be provided by the Tacoma LNG Facility.

- a. Please provide all documents and studies used to determine that the need for the Fredrickson Gate Station was driven by the peaking service to be provided by the Tacoma LNG Facility.
- b. Was the need for the Fredrickson Gate Station driven in part by non-regulated uses of the Tacoma LNG Facility? If not, please explain how PSE determined that the need for the Fredrickson Gate Station was not driven by the non-regulated services provided by the Tacoma LNG facility.

Response:

- a. The Frederickson gate station upgrade was only partially driven by the peaking service provided by the Tacoma LNG Facility. Tacoma LNG inlet volumes (for peaking service and unregulated service) were only one of the needs served by the upgrade. The need for the Frederickson gate station upgrade was also driven by prior, current, and future customer load growth in the South Tacoma/Frederickson distribution system. See Puget Sound Energy's ("PSE") Response to AWEC Data Request No.102 b.
- b. Yes and no. Yes, because the unregulated service at Tacoma LNG can use 100% of the inlet capacity on any given day. No, because the peaking service at Tacoma LNG can use 100% of the inlet capacity on any given day. See response to subpart a., above. See also PSE's Response to AWEC Data Request No. 102 b.

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

AWEC DATA Request No. 105:

Cost of Service

Please refer to NEW-PSE-WP-JDT-4-GCOS-MODEL-PSE-22GRC-01-2022 sheet "General Inputs" cell D39.

- a. Please also refer to "NEW-PSE-WP-JDT-8-GAS-RESOURCE-ALLOC-22GRC-01-2022(C)" sheet "Capacity Use Calcs" cell G83. Please provide workpapers demonstrating that 21 percent of underground storage costs are attributable to balancing.
- b. Please explain how Jackson Prairie is used to support balancing.
- c. Please provide the volume of injections and withdrawals at the most granular time values available for underground storage from 2018 to present.
- d. Please provide daily underground storage balances from 2018 to present.
- e. Please provide system gas deliveries at the most granular time values available from 2018 to present.
- f. Please provide transport customer gas deliveries at the most granular time values available from 2018 to present.
- g. Please explain how PSE tracks and reconciles gas deliveries to commodity customers with gas received for delivery to transport customers.
- h. Please provide the volume of gas received for delivery to transport customers at the most granular level available from 2018 to present.

Response:

- a. Attached as Attachment A to Puget Sound Energy's ("PSE") Response to AWEC Data Request No. 104 is a study demonstrating that 21 percent of Jackson Prairie storage costs are attributable to balancing PSE's distribution system. The study indicated that 21.1% of the test year storage activity was attributable to

balancing, which was in line with the 10-year average from 2011 to 2020, excluding 2018, which indicated 21.5%. 2018 results were excluded from the average calculation since 2018 was an abnormal year impacted by the Enbridge Pipeline explosion in the fall of 2018, which impacted PSE's upstream gas capacity and storage operations for the last quarter of 2018.

- b. The Jackson Prairie storage facility is used by PSE to manage, beyond the planned injection and withdrawals for system supply, the difference between planned gas purchases and planned withdrawals based on expected load to actual load. Each day, to the extent the actual load is different from the projected load, PSE modifies its withdrawal or its injection to bring the total volumes into balance.
- c. Please see Attachment A to PSE's Response to AWEC Data Request No. 105 for the daily volumes of injections and withdrawals at the Jackson Prairie storage facility for the time period of 2011 to the end of the test year. Within the work sheets included in the Attachment, this data can be found in the column labeled "J. Prairie W/D or (INJ)".
- d. Attached as Attachment B to PSE's Response to AWEC Data Request No. 105 are the daily storage balances for PSE's Gas Sales account at the Jackson Prairie storage facility for the time period of 2018 to present.
- e. Please see Attachment A to PSE's Response to AWEC Data Request No. 105 for the daily system gas deliveries for the time period of 2011 to the end of the test year. Within the work sheets included in the Attachment, this data can be found in the columns labeled "Firm Sales", "Int. Sales", and "Cog Del'd". The total of all three columns is the system gas deliveries.
- f. Please see Attachment A to PSE's Response to AWEC Data Request No. 105 for the daily transportation customer gas deliveries for the time period of 2011 to the end of the test year. Within the work sheets included in the Attachment, this data can be found in the column labeled "Cog Del'd".
- g. PSE tracks gas received and deliveries for sales and transportation customers separately. Within the work sheets of Attachment A to PSE's Response to AWEC Data Request No. 105, transportation customer volumes received on PSE's distribution system can be found in the column labeled "COG Rec'd" while volumes delivered to transportation customers can be found in the column labeled "Cog Del'd".
- h. Please see Attachment A to PSE's Response to AWEC Data Request No. 105 for the daily transportation customer gas received for delivery for the time period of 2011 to the end of the test year. Within the work sheets included in the Attachment, this data can be found in the column labeled "Cog Rec'd".

**ATTACHMENTS A & B to
PSE's Response to
AWEC Data Request No. 105**

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

AWEC DATA Request No. 108:

Cost of Service

Please refer to NEW-PSE-WP-JDT-3-GAS-NORMALIZED-REVENUE-22GRC-01-2022(C).

- a. Please refer to sheet “(C) WN Therms By Block” cells N119 through N124. These cells indicate that all eight Schedule 87T-I customers exceed the first four blocks in nearly every month. Please confirm that if load change occurs for these existing customers, the change will occur in the fourth and fifth block.
- b. Please refer to “(C) RY#1 Revenue” and “(C) Norm Rev at 2019 PLR Rates” line 729. Please explain why forecasted volumes increase but demand decreases.
- c. Please refer to sheet “F2021 Forecast”. Please provide all workpapers supporting the forecasted load for each schedule. Please include all models, statistical software scripts and settings, input data, and results.
- d. Please refer to sheet “F2021 Forecast”. Please provide weather normalized and actual use for each schedule forecasted on this sheet from 2012 to present by month. Please include demand if available.
- e. Please refer to sheet “Puget LNG”. Please provide all workpapers supporting the forecasted load for this customer and provide the basis for this forecast. Please provide weather normalized and actual use for this customer from January 2022 to present.
- f. Please refer to sheet “Puget LNG”. Please provide all contracts and agreements between PSE and the customer referenced in this sheet.

Response:

- a. Puget Sound Energy (“PSE”) does not forecast usage at the customer level but based on the test year usage for the seven Schedule 87T-I customers shown in the worksheet “(C) WN Therms By Block.” It is likely that forecasted changes in usage for existing customers during the rate plan would impact the total therms in the fourth, fifth, and sixth rate blocks. Usage for new customers would impact the total therms for the rate blocks applicable to each new customer’s total monthly throughput.

- b. For Schedule 87T customers and other Interruptible rate schedules, there is no correlation between demand therms and regular usage therms. Interruptible customers have the option to contract for the amount of their usage they want to be firm, and the demand therms represent the amount of these customers' contracted firm demand.
- c. PSE develops a long-term (20-year) load forecast, which is the source for the rate year load assumptions. The load forecast is developed through a number of steps and uses various software such as Eviews and Itron's MetrixND. Steps include running an economic-demographic model to develop economic and demographic variables specific to PSE's service area, and developing regression equations (including degree-day variables, economic and demographic variables, and other drivers) for customer counts and use per customer for each customer class (i.e., residential, firm commercial, firm industrial, etc.). Once model results are produced, adjustments are made to the results in order to calibrate to recent trends and account for additional drivers of energy consumption that are not included in the regression equations. Examples of these adjustments include the incorporation of forecasts of electric vehicles and incremental/new demand side resources. The class-level forecast results are then allocated to each rate schedule through additional modelling steps. Input data and models for the class-level forecast are voluminous and overly cumbersome to provide in a data request response. For results of the class-level forecast, please refer to Attachment A to PSE's Response to NWECA Data Request No. 079, which is an MS Excel workbook containing the PSE F2021 natural gas load forecast.

To produce the rate schedule forecast of delivered load, PSE uses a two-step process to allocate the class-level forecast to rate schedules. The first step is to develop time series regression models that predict monthly loads for each rate schedule. The same Itron forecast software used in forecasting class-level loads is used for the schedule-level forecast. The source data for this step is the historical monthly consumption data collected from the billing system. The month variable coefficients of those equations vary by rate schedule. The second step is to reconcile the predicted results from the previous step to the class-level forecast. The class-level forecast is allocated to each of the applicable schedules by calculating the reconciliation factor of the sum of predicted loads from the previous step relative to the class-level forecast, and by multiplying the predicted loads by this reconciliation factor, with one exception for residential class. Loads from rate schedule 16G, a residential gas light schedule, are small and relatively stable so that a reconciliation factor calculation is not necessary. The predicted loads from the rate schedule 16G regression model are directly assigned to its schedule-level forecast. For rate schedule 23G, the other rate schedule in the residential class, forecasted loads are equal to the residential class forecast minus the loads from rate schedule 16G. Attached as Attachment A to PSE's Response to AWEC Data Request No. 108 is an MS Word file containing screen

shots of all gas rate schedule level forecast regression models, coefficients, and reconciliation factor calculation equations from Itron MetrixND forecast software.

- d. Attached as Attachment B to PSE's Response to AWEC Data Request No. 108 is an MS Excel file containing weather normalized and actual use for each schedule from 2012 to present by month. Demand data is not available.
- e. See Attachment C to PSE's Response to AWEC Data Request No. 108, which is an Excel file showing on tab "PLNG RS 87T Fcst" the internal forecast used to populate the monthly therms on the referenced sheet. Tab "Actual 2022" shows volumes delivered via RS 87T for PLNG in 2022. The volumes transported in February and March were for Puget LNG, LLC's ("PLNG") share of commissioning/testing gas and initial build-up of LNG inventory. The year to date volumes are significantly lower than forecast because the off-take by a major PLNG customer has been delayed until Fall 2022. Deliveries to PLNG at Tacoma LNG are not considered weather sensitive, so there is no separate weather normalized volume.
- f. See Attachment D to PSE's Response to AWEC Data Request No. 108 which is a PDF of the Rate Schedule 87T agreement between PSE and PLNG.

**ATTACHMENTS A–D to PSE’s Response
to
AWEC Data Request No. 108**

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

AWEC DATA Request No. 111:

Cost of Service

Please refer to JDT-1T, page 31, lines 15 to 21. Please explain what costs the demand charge is intended to recover.

Response:

The demand charge is intended to recover demand-related costs. Please see pages 11 and 12 of the Prefiled Direct Testimony of John D. Taylor, Exh. JDT-1T, for a description of these costs.

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

AWEC DATA Request No. 112:

Cost of Service

Please refer to “220066-67 PSE Resp Nucor DR 010_Attach K”.

- a. Please explain the functions of the asset “FTIP2 ECC - SW.CS.10YR-143003167” and explain why this asset is allocated to labor.
- b. Please explain the functions of the asset “Web, Content Mgmt & Web Analytics-SW.CS.7YR-143003146” and explain why this asset is allocated to labor.
- c. Please explain the functions of the asset “FTIP ECC - SW.CN.10YR” and explain why this asset is allocated to labor.
- d. Please provide this workbook updated to be consistent with the intangible plant requested in this rate case.
- e. Please identify all intangible plant used to support the procurement or production of gas.

Response:

- a. This asset comprises capitalized costs of additional functionality to Puget Sound Energy’s (“PSE”) SAP system. These costs are allocated based on labor as SAP supplements and enhances the productivity of PSE’s labor force.
- b. This asset comprises capitalized costs of content management and web analytics software. These costs are allocated based on labor as content management and web analytics software supplements and enhances the productivity of PSE’s labor force.
- c. This asset comprises capitalized costs of additional functionality to PSE’s SAP system. These costs are allocated based on labor as SAP supplements and enhances the productivity of PSE’s labor force.

- d. This workbook only contains miscellaneous intangible plant assets that are above the 0.5% threshold of the test year account balance; in accordance with the Commission cost of service rules (see WAC 480-85-060) “Each type of intangible and amortization in a separate account, allocated using appropriate factors. A materiality threshold of 0.5% of intangible plant will be applied.” The total intangible plant requested in this case includes restatement and pro forma adjustments, which are not by asset. These additions represent an increase to the booked values of 5.6% and are shown within row 253 of *NEW-PSE-WP-JDT-4-GCOST-22GRC-01-2022*.
- e. Please see subpart b. of PSE’s Response to AWEC Data Request No. 113.

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

AWEC DATA Request No. 113:

Cost of Service

Please refer to “NEW-PSE-WP-JDT-4-GCOS-MODEL-PSE-22GRC-01-2022,” sheet “Product_Comm.”

- a. Does the production or procurement of gas involve any labor expense? If yes, why do no dollars appear in the internal labor allocators of this sheet?
- b. Does the production or procurement of gas involve any software, including the use of generic software such as Microsoft Office? If yes, why are no dollars allocated to production for intangible plant?

Response:

- a. Yes. An analysis of labor costs associated with the procurement of gas was not conducted or included in the proposed Class Cost of Service Study.
- b. Yes. An analysis of software used for the procurement of gas was not conducted or included in the proposed Class Cost of Service Study.

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

AWEC DATA Request No. 114:

Cost of Service

Please refer to “NEW-PSE-WP-JDT-4-GCOS-EXT-ALLOC-22GRC-01-2022”. Please refer to sheet “903 Allocator”. Please describe the services provided by the “Major Accounts” dollars and explain how these services are related to the number of therms that a customer uses.

Response:

The department ‘Major Accounts’, which is now known as the Business Services department, manages large and complex commercial and industrial customers including transport and curtailable customers. The Business Services team works to optimize the relationship with PSE’s managed customers by advising on innovative energy solutions that promote resource conservation; reducing the complexity of customers’ electric and natural gas systems; sustainability; green and environmental requirements; regional growth; social and environmental initiatives; complex billing; and construction needs.

The natural gas related cost associated with this department was allocated based on the throughput for the top 100 natural gas accounts in terms of usage. The time and effort placed on any one account is partially related to the overall size, which is in proportion to the total number of therms the account uses.

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

AWEC Data Request No. 115:

Cost of Service

Please refer to “NEW-PSE-WP-JDT-5-GAS-RATE-SPREAD-DESIGN-22GRC-01-2022” sheet “Exh JDT-5 (JDT-Procmnt Chrg)”. Please explain why storage commodity costs in “NEW-PSE-WP-JDT-4-GCOS-MODEL-PSE-22GRC-01-2022” sheet “UnitCost” are not included in the procurement charge sheet.

Response:

Please see Puget Sound Energy’s (“PSE”) Response to subpart a. of AWEC Data Request No. 106. Storage commodity costs within *NEW-PSE-WP-JDT-4-GCOS-MODEL-PSE-22GRC-01-2022* sheet “UnitCost” relate to the 21 percent of costs associated with PSE’s ownership of 1/3 of the Jackson Prairie storage facility that are classified as balancing related and recovered from all customers. As such, they are not included in the procurement charge sheet “Exh JDT-5 (JDT-Procmnt Chrg)”.

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

NUCOR DATA REQUEST NO. 003:

Re: Gas Cost of Service Study

Please refer to Mr. Taylor's direct testimony (Exhibit JDT-1T), pp. 20-21, in which Mr. Taylor states that "the peak and average method utilized in the 2019 general rate case excluded certain rate classes from the allocation of smaller distribution mains that do not serve those classes."

- a. In Docket UG-190530, Mr. Taylor testified that "none of the medium size mains were allocated to the Non-Exclusive Interruptible classes (Schedules 87 & 87T), given the mains serving these customers were four inch or larger." In that same docket, Mr. Taylor also testified that: "Regarding the smallest mains (less than two inches), a review of the meter sizes for the Non-Exclusive Interruptible (87 and 87T) showed that it is reasonable to assume that none of these customers are served from mains that are smaller than four inches." [Exhibit JDT-1T, pp. 17-18]

Is it still the case today that Non-Exclusive Interruptible classes (Schedules 87 & 87T) are served from mains that are four inches or larger and not from mains less than four inches? If not, please explain in detail what service from mains less than four inches is occurring for the Non-Exclusive Interruptible classes (Schedules 87 & 87T).

- b. In Docket UG-190530, Mr. Taylor testified that the "smallest main[s] are in isolated locations on PSE's gas distribution system and are unlikely to provide benefits to the large gas commercial and industrial loads served on Schedules 85, 85T, 86, 86T, 87, and 87T."
 - i) Does Mr. Taylor have any reason to believe that the facts supporting this have changed since 2019? If yes, please explain in detail the change in facts.
 - ii) Is it still the case today that the smallest mains are unlikely to provide benefits to the large gas commercial and industrial loads served on Schedules 85, 85T, 86, 86T, 87, and 87T? If not, please explain in detail what service from mains less than two inches is occurring for customers in any of these listed classes.

- c. Does Mr. Taylor agree that if the method for allocating small and medium mains used by the Company in UG-190530 were to be employed in this docket, the information necessary for differentiating the cost of small (<2”), medium (2-3”), and large-sized (≥4”) mains can be found in the PSE workpaper “NEW-PSE-WP-JDT-4-GCOS-EXT-ALLOC-22GRC-01- 2022.xlsx,” worksheet entitled “Mains Costs”? If not, please provide the information necessary for differentiating the cost of small, medium, and large-sized mains.

Response:

- a. Please see Puget Sound Energy’s Response to AWEC Data Request No. 020.
- b.
 - i) No.
 - ii) Yes.
- c. Yes.

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

NUCOR DATA REQUEST NO. 004:

Re: Gas Cost of Service Study

Please prepare an alternative class cost of service study that is identical to method that PSE is proposing in this case in Exhibit JDT-4, except use the same method for allocating small and medium mains as used by the Company in UG-190530. Please provide all supporting workpapers, including alternative versions of: (i) NEW-PSE-WP-JDT-4-GCOS-MODELPSE-22GRC-01-2022; (ii) NEW-PSE-WP-JDT-4-GCOS-EXT-ALLOC-22GRC-01-3 2022.xlsx; (iii) NEW-PSE-WP-JDT-4-GCOST-22GRC-01-2022.xlsx; and (iv) NEW-PSEWP-JDT-5-GAS-RATE-SPREAD-DESIGN-22GRC-01-2022.xlsx.

Response:

- (ii) Attached as Attachment A to Puget Sound Energy's ("PSE") Response to Nucor Data Request No. 004 is an alternative version of the work paper file "NEW-PSE-WP-JDT-4-GCOS-EXT-ALLOC-22GRC-01-2022.xlsx" modified to use the same method for allocating small and medium mains as used by PSE in Docket UG-190530.
- (i) Attached as Attachment B to PSE's Response to Nucor Data Request No. 004 is an alternative version of the work paper file "NEW-PSE-WP-JDT-4-GCOS-MODEL-PSE-22GRC-01-2022.xlsx" modified to use the same method for allocating small and medium mains as used by PSE in Docket UG-190530.
- (iii) Attached as Attachment C to PSE's Response to Nucor Data Request No. 004 is an alternative version of the work paper file "NEW-PSE-WP-JDT-4-GCOST-22GRC-01-2022.xlsx" modified to use the same method for allocating small and medium mains as used by PSE in Docket UG-190530.
- (iv) Attached as Attachment D to PSE's Response to Nucor Data Request No. 004 is an alternative version of the work paper file "NEW-PSE-WP-JDT-5-GAS-RATE-SPREAD-DESIGN-22GRC-01-2022.xlsx" modified to use the same method for allocating small and medium mains as used by PSE in Docket UG-190530.

Please note that while PSE is providing alternative versions of these files, the original rate spread proposal PSE filed in this case has not been modified in Attachment D.

**ATTACHMENTS-A-D to PSE's Response
to Nucor Data Request No. 004**

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

NUCOR DATA REQUEST NO. 006:

Re: Gas Cost of Service Study

Please refer to Mr. Taylor's direct testimony (Exhibit JDT-1T), p. 21, in which Mr. Taylor states:

Given the prescribed methods in WAC 480-85 do not allow for the exclusion of classes from an allocation of distribution mains these classes [that were not allocated the costs of smaller mains in the 2019 rate case] are now being allocated all mains that were not directly assigned to the Special Contract class.

Please explain the basis of Mr. Taylor's opinion that WAC 480-85 does not allow for classes that do not use certain size distribution mains to be excluded from the allocation of the costs of those mains. Please be specific as possible in explaining Mr. Taylor's interpretation of the requirements of WAC 480-85 regarding this issue.

Response:

The interpretation of the requirements of WAC 480-85 regarding distribution mains allocation and whether the rules allow for excluding some customer classes from the allocation of smaller size mains comes from feedback Puget Sound Energy ("PSE") received from Washington Utilities and Transportation Commission ("WUTC") Staff in the Docket UG-170003, rulemaking for natural gas cost of service studies.

Within Docket UG-170003, on February 12, 2020, the Commission issued a notice of opportunity to file written comments on the proposed cost of service rules. PSE filed written comments on March 27, 2020 including a specific comment seeking clarification if the proposed rules would allow the use of main pipe diameter to allocate costs to some customer classes but not others.¹

On July 7, 2020, the Commission issued their final order in this docket adopting the new cost of service rules. Appendix A to that order summarized all the comments the Commission received regarding the cost of service rulemaking along with WUTC Staff's

¹ Docket UG-170003, Comments on Behalf of Puget Sound Energy at p. 8 (Mar. 27, 2020).

response to these comments.² On page 16, WUTC Staff responded to PSE's comments seeking clarification of the mains allocation rules, responding that "[t]he rules are clear and do not allow for the use of main pipe diameter to allocate costs to some classes but not others."³

² Docket UG-170003, General Order R-599, Appendix A (July 7, 2020).

³ *Id.* at p. 16.

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

NUCOR DATA REQUEST NO. 010

“CONFIDENTIAL” Table of Contents

DR NO.	“CONFIDENTIAL” Material
010	Shaded information is designated as CONFIDENTIAL per Protective Order in Dockets UE-220066 and UG-220067 as marked in Attachment H to Puget Sound Energy’s Response to Nucor Data Request No. 010

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

NUCOR DATA REQUEST NO. 010:

Re: Gas Cost of Service Study

Please provide the following workpapers which are linked to PSE's workpaper, "NEW-PSEWP-JDT-4-GCOS-EXT-ALLOC-22GRC-01-2022":

- FERC 875-920 by Cost Center.xlsx
- Gas Customer Count Allocators_12ME June 2021.xlsx
- Gas Meter Allocators_2021 GRC.xlsx
- Gas Services_2021 GRC.xlsx
- Gas Uncollectible Accounts_Acct 144.xlsx
- Gas Customer Deposits_Acct 235.xlsx
- Gas One Time Charges_12ME June 2021.xlsx
- Gas Peak Day and Volume Allocators_12ME June 2021.xlsx
- Gas Mains Analysis 2021.xlsx
- Gas Therms_Top 100 Accounts_12ME June 2021.xlsx
- Gas Taxes Other than Income Taxes_2022 GRC.xlsx
- Gas Intangible Plant_06_30-21.xlsx
- Gas Mains_Sch99_2018_Flow Study_2020 Costs.xlsx

Response:

Attached as Attachments A through K to Puget Sound Energy's ("PSE") Response to Nucor Data Request No. 010 are the work paper files requested. Below is a table of the attachments and the information provided in each file.

Attachment A	FERC 875-920 by Cost Center.xlsx
Attachment B	Gas Customer Count Allocators_12ME June 2021.xlsx
Attachment C	Gas Meter Allocators_2021 GRC.xlsx
Attachment D	Gas Uncollectible Accounts_Acct 144.xlsx
Attachment E	Gas Customer Deposits_Acct 235.xlsx
Attachment F	Gas One Time Charges_12ME June 2021.xlsx
Attachment G	Gas Peak Day and Volume Allocators_12ME June 2021.xlsx
Attachment H	Gas Mains Analysis 2021.xlsx
Attachment I	Gas Therms_Top 100 Accounts_12ME June 2021.xlsx
Attachment J	Gas Taxes Other than Income Taxes_2022 GRC.xlsx

Attachment K	Gas Intangible Plant_06-30-21.xlsx
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For the work paper files “Gas Mains_Sch99_2018_Flow Study_2020 Costs.xlsx” and “Gas Services_2021 GRC.xlsx” please see Attachments A and C to PSE’s Response to AWEC Data Request No. 017.

Shaded information is designated as CONFIDENTIAL per Protective Order in Dockets UE-220066 and UG-220067 as marked in Attachment H to PSE’s Response to Nucor Data Request No. 010.

**ATTACHMENTS A through K
to PSE's Response to
Nucor Data Request No. 010**

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

NUCOR DATA REQUEST NO. 011:

Re: Gas Cost of Service Study

Please refer to NEW-PSE-Exh-JDT-5-1-31-22, Exh JDT-5 (JDT-Rate Spread) worksheet, "Total" column.

- a. Please provide the total LNG-related revenue requirement and the total RNG-related revenue requirement included in the MYRP Schedule 141N revenue requirement (prior to the margin adjustment for load) of \$21,868,397 for 2023, (\$1,954,133) for 2024, and (\$18,545,215) for 2025, as shown on lines 37, 40, and 43, respectively.
- b. Please provide the total LNG-related revenue requirement and the total RNG-related revenue requirement included in the MYRP Schedule 141R revenue requirement of \$81,156,535 for 2023, \$134,868,991 for 2024, and \$174,787,255 for 2025, as shown on lines 47, 48, and 49, respectively.

Response:

- a. Attached as Attachment A to Puget Sound Energy's ("PSE") Response to Nucor Data Request No. 011 are the total LNG and RNG revenue requirements, consisting of program O&M, which are included in Schedule 141N for 2023 through 2025. Note that the amounts presented for both LNG and RNG programs are total program revenue requirement amounts, which are a component of the total revenue change referenced in the workpaper *NEW-PSE-Exh-JDT-5-1-31-22*, worksheet Exh JDT-5 (JDT-Rate Spread), "Total" column, lines 37, 40, and 43.
- b. Attached as Attachment B to PSE's Response to Nucor Data Request No. 011 are the total LNG and RNG revenue requirements, consisting of program plant-related items, which are included in Schedule 141R for 2023 through 2025. Note that the amounts presented for both LNG and RNG programs are total program revenue requirement amounts, which are a component of the total revenue change referenced in the workpaper *NEW-PSE-Exh-JDT-5-1-31-22*, worksheet Exh JDT-5 (JDT-Rate Spread), "Total" column, lines 47, 48, and 49.

**ATTACHMENTS A and B to PSE's
Response to
Nucor Data Request No. 011**

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

NUCOR DATA REQUEST NO. 011:

Re: Gas Cost of Service Study

Please refer to NEW-PSE-Exh-JDT-5-1-31-22, Exh JDT-5 (JDT-Rate Spread) worksheet, "Total" column.

- a. Please provide the total LNG-related revenue requirement and the total RNG-related revenue requirement included in the MYRP Schedule 141N revenue requirement (prior to the margin adjustment for load) of \$21,868,397 for 2023, (\$1,954,133) for 2024, and (\$18,545,215) for 2025, as shown on lines 37, 40, and 43, respectively.
- b. Please provide the total LNG-related revenue requirement and the total RNG-related revenue requirement included in the MYRP Schedule 141R revenue requirement of \$81,156,535 for 2023, \$134,868,991 for 2024, and \$174,787,255 for 2025, as shown on lines 47, 48, and 49, respectively.

Response:

- a. Attached as Attachment A to Puget Sound Energy's ("PSE") Response to Nucor Data Request No. 011 are the total LNG and RNG revenue requirements, consisting of program O&M, which are included in Schedule 141N for 2023 through 2025. Note that the amounts presented for both LNG and RNG programs are total program revenue requirement amounts, which are a component of the total revenue change referenced in the workpaper *NEW-PSE-Exh-JDT-5-1-31-22*, worksheet Exh JDT-5 (JDT-Rate Spread), "Total" column, lines 37, 40, and 43.
- b. Attached as Attachment B to PSE's Response to Nucor Data Request No. 011 are the total LNG and RNG revenue requirements, consisting of program plant-related items, which are included in Schedule 141R for 2023 through 2025. Note that the amounts presented for both LNG and RNG programs are total program revenue requirement amounts, which are a component of the total revenue change referenced in the workpaper *NEW-PSE-Exh-JDT-5-1-31-22*, worksheet Exh JDT-5 (JDT-Rate Spread), "Total" column, lines 47, 48, and 49.

First Revised Response:

- a. Attached as Attachment A to Puget Sound Energy's ("PSE") First Revised Response to NUCOR Data Request No. 011 are the total LNG and RNG revenue requirements, consisting of program O&M, including amortizations, which are included in Schedule 141N over the period 2023 through 2025. Note that the amounts presented for both LNG and RNG programs are total program revenue requirements amounts which are a component of the total revenue change referenced in NEW-PSE-Exh-JDT-5-1-31-22, Exh JDT-5 (JDT-Rate Spread) worksheet, "Total" column, lines 37, 40, and 43.
- b. Attached as Attachment B to PSE's First Revised Response to NUCOR Data Request No. 011 are the total LNG and RNG revenue requirements, consisting of program plant-related items, which are included in Schedule 141R over the period 2023 through 2025. Note that the amounts presented for both LNG and RNG programs are total program revenue requirements amounts which are a component of the total revenue change referenced in NEW-PSE-Exh-JDT-5-1-31-22, Exh JDT-5 (JDT-Rate Spread) worksheet, "Total" column, lines 47, 48, and 49.

**ATTACHMENTS A and B to PSE's First
Revised Response to
Nucor Data Request No. 011**