

Exh. JL-22
Dockets UE-190529/UG-190530 and
UE-190274/UG-190275 (*consolidated*)
Witness: Jing Liu

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

**DOCKETS UE-190529
and UG-190530 (*consolidated*)**

In the Matter of the Petition of

PUGET SOUND ENERGY

**For an Order Authorizing Deferral
Accounting and Ratemaking Treatment
for Short-life UT/Technology Investment**

**DOCKETS UE-190274 and
UG-190275 (*consolidated*)**

EXHIBIT TO TESTIMONY OF

Jing Liu

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

PSE Response to AWEC DR 20 Revised

November 22, 2019

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-190529 & UG-190530
Puget Sound Energy
2019 General Rate Case**

AWEC DATA REQUEST NO. 020

“CONFIDENTIAL” Table of Contents

DR NO.	“CONFIDENTIAL” Material
020	Shaded information is designated as CONFIDENTIAL per Protective Order in Dockets UE-190529 and UG-190530 as marked in Attachment A to Puget Sound Energy’s First Revised Response to AWEC Data Request No. 020.

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-190529 & UG-190530
Puget Sound Energy
2019 General Rate Case**

AWEC DATA REQUEST NO. 020:

Please identify each error and correction to revenue requirement that PSE has identified since the initial filing in this docket. Please also provide updated natural gas and electric revenue requirement workpapers incorporating all known errors and corrections since the initial filing in this docket.

First Revised Response:

After submitting its original response to AWEC Data Request No. 020, Puget Sound Energy ("PSE") discovered additional errors that should have been included in its original response. Two items related to pro forma adjustment amortizations should have been included in each of the electric and gas attrition amounts. Additionally, there was a formula error in the gas attrition exhibit that required correction. PSE's First Revised Response to AWEC Data Request No. 020 adds these corrections to the information provided in PSE's original response to AWEC Data Request No. 020.

The additional corrections relate to the following:

1. The original response discussed five pro forma adjustments that were inadvertently excluded from the attrition revenue requirement deficiency calculation that was presented in the Second and Third Exhibits to the Prefiled Direct Testimony of Ronald J. Amen, Exh. RJA-3 and Exh. RJA-4. PSE identified two additional pro forma adjustments that belong in this category. They are:
 - a. The AMI Deferral portion of 6.22E&GP "AMI"
 - b. The GTZ Deferral portion of 6.24E&GP "Get To Zero Proforma Plant Additions and Deferral Adjustment"
2. Non-Plant Accumulated Deferred Income Taxes were inadvertently excluded from the gas rate base used in the Gas Attrition Analysis. The formula to calculate Accumulated Deferred Income Taxes presented in columns I through M, row 47, on tab "RJA-4_Gas_Attrition," in workpaper *NEW-PSE-WP-RJA-3-and-4-Attrition-Study-19GRC-06-2019.xlsx*, should have been the same formula

as that used in columns C through G. The formulas have been corrected in this revised response and Non-Plant Accumulated Income Taxes are now properly included in the attrition analysis for gas.

Correction of the errors from the original and this revised response increases the traditional revenue requirement from the Supplemental filing by \$0.8 million for electric and \$0.0 million for gas and does not change the deficiency from attrition. There is no change to the deficiency from attrition as the additional corrections in this revised response brings the electric attrition deficiency back above the amount filed in this case, which was limited to a 6.9% increase. The revenue deficiency from gas has always remained above the amount filed in this case, which was limited to a 7.9% increase. The table below lays out the impacts to the net revenue change requested shown on line 7 from the Original and Supplemental filings.

Desc	ORIGINAL FILING			SUPPLEMENTAL FILING			CORRECTED		
	Elec	Gas	Total	Elec	Gas	Total	Elec	Gas	Total
1 Revenue Charge Before Attrition and Riders	\$104.5	\$86.1	\$190.6	\$100.2	\$86.1	\$186.4	\$101.0	\$86.2	\$187.2
2 Changes to Other Price Schedules	\$(3.1)	\$(32.4)	\$(35.5)	\$(3.1)	\$(32.4)	\$(35.5)	\$(3.1)	\$(32.4)	\$(35.5)
3 Net Revenue Change Before Attrition	\$101.4	\$53.7	\$155.1	\$97.1	\$53.7	\$150.8	\$97.9	\$53.8	\$151.7
4 Attrition Adjustment	\$44.5	\$22.1	\$66.6	\$48.8	\$22.1	\$70.9	\$47.7	\$30.2	\$77.9
5 Net Revenue Change After Attrition	\$145.9	\$75.8	\$221.7	\$145.9	\$75.8	\$221.7	\$145.6	\$84.0	\$229.6
6 Reduction to Supported Amount	\$(6.0)	\$(10.4)	\$(16.4)	\$(6.0)	\$(10.4)	\$(16.4)	\$(5.7)	\$(18.5)	\$(24.2)
7 Net Revenue Change Requested	\$139.9	\$65.5	\$205.4	\$139.9	\$65.5	\$205.4	\$139.9	\$65.5	\$205.4
				Change from Orig to Supp			Change from Supp to Corrected		
				Elec	Gas	Total	Elec	Gas	Total
1 Revenue Charge Before Attrition and Riders				\$ (4.3)	\$ 0.0	\$ (4.3)	\$ 0.8	\$ 0.0	\$ 0.8
2 Changes to Other Price Schedules				\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0
3 Net Revenue Change Before Attrition				\$ (4.3)	\$ 0.0	\$ (4.3)	\$ 0.8	\$ 0.0	\$ 0.8
4 Attrition Adjustment				\$ 4.3	\$ 0.0	\$ 4.3	\$ (1.0)	\$ 8.1	\$ 7.1
5 Net Revenue Change After Attrition				\$ 0.0	\$ 0.0	\$ 0.0	\$ (0.3)	\$ 8.2	\$ 7.9
6 Reduction to Supported Amount				\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.3	\$ (8.2)	\$ (7.9)
7 Net Revenue Change Requested				\$ 0.0	\$ 0.0	\$ 0.0	\$ (0.0)	\$ 0.0	\$ 0.0

Attached as Attachment A to PSE’s First Revised Response to AWEC Data Request No. 020 is a zip file which contains a full set of the workpapers provided on September 24, 2019, in support of PSE’s Supplemental filing, updated for the corrections discussed in PSE’s original response as well as this revised response. Also included in Attachment A in the electric and gas models¹ are tabs titled “Rlfwd” and “Impacts.” The “Rlfwd” tabs present the impacts of the corrections on the revenue change before attrition and riders (“traditional deficiency”) and the “Impacts” tabs present the impacts on the net revenue change requested (“attrition deficiency”). The “Impacts” tab is the only tab that changed from the original response. The newly added items have been presented in red font.

¹ 190529-30-PSE-WP-SEF-14.00E-ELECTRIC-MODEL-SUPPLEMENTAL-19GRC-09-2019.xlsx and NEW-PSE-WP-SEF-4.00G-GAS-MODEL-19GRC-06-2019.xlsx

As in its original response, PSE did not update any files within Attachment A that were not germane to the revenue requirement calculations.

Shaded information is designated as CONFIDENTIAL per Protective Order in Dockets UE-190529 and UG-190530 as marked in Attachment A to PSE's First Revised Response to AWEC Data Request No. 020.

**ATTACHMENT A to PSE's First Revised
Response to
AWEC Data Request No. 020**