

UE-230522
UE-170033
UE-072300

March 27, 2024

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Jeff Killip, Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

**RE: PSE Service Quality Program and Electric Service Reliability Annual Filing
Docket UE-230522, Dockets UE-170033 and UG-170034 (consolidated), Dockets
UE-072300 and UG-072301 (consolidated), and and WAC 480-100-398, Electric Service
Reliability Reports**

Dear Executive Director Killip:

Pursuant to Docket UE-230522, Order 08 of Dockets UE-170033 and UG-170034 (consolidated), and Order 29 of consolidated Dockets UE-072300 and UG-072301 (consolidated) and consistent with WAC 480-100-398 and WAC 480-07-140(5), Puget Sound Energy (“PSE”) provides the electronic version of PSE’s Service Quality Program and Electric Service Reliability Annual Filing for the twelve-month reporting period ending December 31, 2023.

This annual filing includes the following three reports:

- Attachment A: PSE 2023 Service Quality and Electric Service Reliability Report,
- Attachment B: PSE Natural Gas Emergency Response Plans for Outlying Areas, and
- Attachment C: PSE 2023 Critical Infrastructure Security Annual Report.

Attachment A, PSE 2023 Service Quality and Electric Service Reliability Report, details the Service Quality Indices (“SQI”) performance results for both PSE and its service providers and the electric service reliability results and analyses.

The electric service reliability section of Attachment A meets all the electric service reliability monitoring and reporting requirements set forth in WAC 480-100-388, WAC 480-100-393, and WAC 480-100-398. The information in this section is also consistent with PSE’s 3rd Electric Service Reliability Monitoring and Reporting Plan accepted by the Commission under Docket UE-230522.

For the 2023 service quality reporting year, PSE met eight of its nine SQI performance benchmarks. PSE fell short of SQI #3-System Average Interruption Duration Index (“SAIDI”). Outages caused

by trees/vegetation and vehicle collisions with PSE equipment were significant contributors to the annual performance not meeting the benchmark and resulted in the annual 2023 performance exceeding the SQI #3 benchmark of 155 minutes, while the average length of power outages per customer per year as measured by SQI #3 decreased in 2023 compared to 2022.

There is no performance-based penalty associated with SQI #3 as the performance penalty mechanics has been replaced since July 30, 2016, by PSE's 24-Hour Restoration Service Guarantee where a \$50 credit is applied to customer accounts if they have experienced certain prolonged outages as prescribed in PSE's Schedule 131, Restoration Service Guarantee.

Appendix D of Attachment A presents PSE's proposed customer notice, Customer Report Card, for the 2023 performance year. The Customer Report Card is designed to inform customers of how well PSE delivers its services in key areas to its customers. After consultation with the staff of the Washington Utilities and Transportation Commission and the Public Counsel Unit of the Washington State Attorney General's Office, PSE will begin distributing the report card by June 25, 2024, as part of the customer-billing package.

- The following changes to the annual Service Quality and Electric Service Reliability Reporting became effective starting from the 2023 performance year per Docket UE-230522 and Order 24/10 of the consolidated Dockets UE-220066, UG-220067, and UG-210918 dated December 22, 2022 ("Order 24/10"). Docket UE-230522 – As outlined in PSE's 3rd Electric Service Reliability Monitoring and Reporting Plan, the reporting of the Customers Experiencing Multiple Interruptions ("CEMI")¹, SQI #3-SAIDI, and SQI #4-System Average Interruption Frequency Index ("SAIFI") used to be in the electric service reliability chapter has been to the chapter where PSE reports all the SQI performance results.
- Docket UE-230522 – PSE's 3rd Electric Service Reliability Monitoring and Reporting Plan also establishes the year 2014 as the new baseline year; allows for flexibility in visualization/presentation of reliability performance results; and enables continuous improvement in methodologies to identify Areas of Greatest Concern.
- Order 24/10 – SQI semi-annual reporting to the Commission that used to be due by July 30th of each year was discontinued starting from the 2023 performance year.
- Order 24/10 – SQI #4 SAIFI is to be computed using only the latest electric power distribution reliability standard number P1366, "Guide for Electric Distribution Reliability Indices", published by the Institute of Electrical and Electronic Engineers ("IEEE"). This IEEE standard also sets forth, in the electric service reliability performance calculation, the removal of major event day outages with additional adjustment for catastrophic events. This IEEE approach is consistent with the current SQI #3 SAIDI performance calculation. The new SQI #4 SAIFI benchmark will be at the average of no more than 1.2 interruptions per year per PSE electric-service customer.

Attachment B to this filing contains PSE's natural gas emergency response plans for the following outlying areas: Centralia and Chehalis, Kittitas County, Toledo, Vashon Island, Winlock, and Sumas Generating Station and Pipeline.

¹ CEMI reporting requirement is set forth in Order 29 of consolidated Dockets UE-072300 and UG-072301.

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In accordance with WAC 480-07-160, PSE is requesting confidential treatment of Attachment B. Attachment B includes contact information for local emergency agencies and PSE employees and suppliers, detailed PSE facility information, and procedures for shutting down natural gas supply. PSE identifies that these local emergency agencies and PSE owners, customers, employees, and suppliers might be directly affected by disclosure of the confidential information.

Attachment C to this filing is PSE's 2023 Critical Infrastructure Security Annual Report. This report contains a description of PSE's cybersecurity and physical security policies and standard practices in 2023.

Please contact Mei Cass at (425) 462-3800 for additional information about this filing. If you have any other questions, please contact me at birud.jhaveri@pse.com.

Sincerely,

/s/ Birud D. Jhaveri

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cc: Andrew Roberts, Washington Utilities and Transportation Commission
Stephanie K. Chase, Public Counsel
Tad O'Neill, Public Counsel
Sheree Carson, Perkins Coie

Attachments:

Attachment A: 2023 Service Quality and Electric Service Reliability Report
Attachment B: Natural Gas Emergency Response Plans for Outlying Areas (Confidential)
Attachment B: Natural Gas Emergency Response Plans for Outlying Areas (Redacted)
Attachment C: 2023 Critical Infrastructure Security Annual Report