

**BEFORE THE WASHINGTON  
UTILITIES & TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY

Respondent.

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

**ANDREA C. CRANE  
ON BEHALF OF THE  
WASHINGTON STATE OFFICE OF THE ATTORNEY GENERAL  
PUBLIC COUNSEL UNIT**

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**EXHIBIT ACC-11**

Puget Sound Energy Response to Public Counsel Data Request No. 118  
with Attachment B

**July 28, 2022**

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION****Dockets UE-220066 & UG-220067  
Puget Sound Energy  
2022 General Rate Case****PUBLIC COUNSEL DATA REQUEST NO. 118:****RE: Performance Measures and Incentive Mechanisms:**

Regarding existing metrics that PSE tracks and reports to the Washington Utilities and Transportation Commission (“Commission”), please:

- a) Provide a list showing and describing each existing metric reported to the Commission.
- b) Provide the date when each metric was established and required to be reported to the Commission.
- c) Indicate what incentive payments or penalties are associated with each metric.
- d) Indicate how such incentives or penalties are calculated.
- e) Provide a five-year history of each reported metric.
- f) Provide a five-year history of all incentive payments and penalties for each existing metric reported to the Commission.

**Response:**

Puget Sound Energy (“PSE”) objects to this request as overbroad and unduly burdensome; and that it is vague or ambiguous as to the meaning of the term “metric.” PSE further objects to the extent this information is publicly available. PSE reports a wide variety of data on its operations to the UTC and these reports have varying degrees of regularity. Without waiving this objection and subject thereto, PSE will provide information related to its service quality and electric reliability reports and the existing scorecard metrics pertaining to energy efficiency savings and greenhouse gas emission metrics.

- a) A discussion of the Company’s existing service quality indices (“SQIs”), service guarantees, and electric reliability reporting can be found in Attachment A to PSE’s Response to Public Counsel Data Request No. 118. Please see Exh. MNL-4 for descriptions of the non-SQI metrics and the new reliability metrics that are included in the proposed scorecard.
- b) Attachment A also provides details regarding the establishment of PSE’s existing SQIs, service guarantees, and electric reliability reporting. Related to the metrics in the proposed scorecard, PSE has reported its energy efficiency

savings to the Commission since 1979. Carbon emissions from PSE-owned electric operations for which there is no associated penalty have been reported to the Commission since May 31, 2015 per the requirements of WAC 480-109-300. The other metrics in the proposed scorecard have either not been reported to the Commission before or have not been reported in the same manner (e.g., number of low-income customers receiving bill assistance).

- c) PSE does not currently have metrics that provide incentive payments. As provided in more detail in Attachment B to PSE's Response to Public Counsel Data Request No. 118, penalties are possible for substandard performance with respect to eight of the Company's nine SQIs and three service guarantees. There is no penalty or reward associated with the SQI for SAIDI. Penalties are also possible related to the energy efficiency targets discussed in more detail in part d. Rewards, but no penalties, are proposed for the two new performance incentive mechanisms (Demand Response and EV Managed Load). No penalties or rewards apply to the remaining metrics on the scorecard.
- d) A discussion of the potential penalties and their calculation for the SQIs and service guarantees can be found in Attachment B to PSE's Response to Public Counsel Data Request No. 118.

Additionally, PSE is subject to penalties for failure to achieve biennial energy efficiency savings targets.

PSE agreed to achieve 105% of the biennial conservation targets outlined in Washington law and administrative code for both electricity and natural gas. These energy savings targets are similar to the annual energy efficiency savings targets in the proposed scorecard. Penalties for non-achievement of targets may be waived if the poor performance was beyond the reasonable control of the utility. PSE is allowed to use excess savings from the prior two bienniums to meet a shortfall in electric energy efficiency savings. This is not allowed for gas savings.

Failure to achieve 105% of the biennial electric energy efficiency savings target can lead to a penalty outlined in RCW 19.285.060(1). This is an administrative penalty to the state of Washington in the amount of fifty dollars for each megawatt-hour of shortfall. Beginning in 2007, this penalty has been adjusted annually according to the rate of change of the inflation indicator, the gross domestic product-implicit price deflator, as published by the Bureau of Economic Analysis of the United States Department of Commerce or its successor. PSE's current estimate of the adjustment for inflation puts the penalty rate at about \$60/MWh for each MWh that was not saved.

As for the biennial natural gas energy efficiency savings target, penalties take the form of fixed dollar amounts that vary based on the distance from the target.

- Achieved savings that are 104.5-105% of target: \$20,000
  - Achieved savings that are 103.75-104.5% of target: \$50,000
  - Achieved savings that are 100-103.75% of target: \$75,000
  - Achieved savings that are 90-99% of target: \$200,000
  - Achieved savings that are 75-89% of target: \$500,000
  - Achieved savings that are less than 75% of target: \$750,000
- e) For a five-year history of PSE's existing service quality and electric reliability metrics, please see Attachment A to PSE's Response to Public Counsel Data Request No. 118. For a five year history of the remaining metrics, please see Attachment A to PSE's Response to Public Counsel Data Request No. 155.
- f) A discussion of the penalties PSE paid due to failure to meet its SQIs and service guarantees can be found in Attachment B to this data request. PSE has not paid any penalties for its performance on energy efficiency metrics in the past five years. However, the final results for the most recently concluded biennium are not yet available.

# **ATTACHMENT B to PSE's Response to Public Counsel Data Request No. 118**

**Current Service Quality and Service Guarantee Penalty Calculations and Amounts\***

Key Measurement	Type of Metric	Benchmark/Description	Penalty and Penalty Calculation	2017 Penalty	2018 Penalty	2019 Penalty	2020 Penalty	2021 Penalty
<b>Customer Satisfaction</b>								
WUTC complaint ratio	Service Quality Index #2	No more than 0.40 complaints per 1,000 customers, including all complaints filed with WUTC	Maximum \$1.5 million when performance level is at 0.58 or more Penalty = ((Annual SQI #2 Performance - 0.40 Benchmark) / 0.40 Benchmark) * 10 * \$337,500 Penalty per Point	\$0	\$0	\$0	\$0	\$0
Customer Access Center transactions customer satisfaction	Service Quality Index #6	At least 90% satisfied(rating of 5 or higher on a 7-point scale)	Maximum \$1.5 million when 74% or less of customers satisfied Penalty = ((90% Benchmark - Annual SQI #6 Performance) / 90% Benchmark) * 100 * \$85,500 Penalty per Point	\$0	\$0	\$0	\$0	\$0
Field service operations transactions customer satisfaction	Service Quality Index #8	At least 90% satisfied (rating of 5 or higher on a 7-point scale)	Maximum \$1.5 million when 74% or less of customers satisfied Penalty = ((90% Benchmark - Annual SQI #6 Performance) / 90% Benchmark) * 100 * \$85,500 Penalty per Point	\$0	\$0	\$0	\$0	\$0
<b>Customer Service</b>								
Customer Access Center answering performance	Service Quality Index #5	At least 80% of calls answered by a live representative within 60 seconds of request to speak with live operator	Maximum \$1.5 million when 58% or less of calls answered within 60 minutes Penalty = ((80% Benchmark - Annual SQI #5 Performance) / 80% Benchmark) * 100 * \$54,000 Penalty per Point	\$0	\$0	\$0	\$0	\$0
<b>Operations Services—Appointments</b>								
Appointments kept	Service Quality Index #10	At least 92% of appointments kept	Maximum \$1.5 million when kept 75% or less of the appointments Penalty = (((1 - Annual SQI #10 Performance) (1 - 92% Benchmark)) / (1 - 92% Benchmark)) * 100 * 7050 Penalty per Point	\$0	\$0	\$0	\$0	\$0
Service provider appointments kept—Quanta Electric	Service Provider Index #3B	At least 92% of appointments kept	Reporting only - No penalty	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Service provider appointments kept—Quanta Gas	Service Provider Index #3C	At least 92% of appointments kept	Reporting only - No penalty	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Customer Service Guarantee	Service Guarantee #10	A \$50 credit to customers when PSE fails to meet a scheduled SQI appointment	A \$50 credit to customers when PSE fails to meet a scheduled SQI appointment, no annual maximum amount	\$23,250	\$24,450	\$14,850	\$14,200	\$15,200
<b>Operations Services—Gas</b>								

Key Measurement	Type of Metric	Benchmark/Description	Penalty and Penalty Calculation	2017 Penalty	2018 Penalty	2019 Penalty	2020 Penalty	2021 Penalty
Gas safety response time	Service Quality Index #7	Average 55 minutes or less from customer call to arrival of field technician	Maximum \$1.5 million when performance level is at 79 minutes or more Penalty = ((Annual SQI #7 Performance - 55 Benchmark) / 55 Benchmark) * 10 * \$337,500 Penalty per Point	\$0	\$0	\$0	\$0	\$0
Secondary safety response time—Quanta Gas	Service Provider Index #4D	Within 60 minutes from first response assessment completion to second response arrival	Reporting only - No penalty	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Service provider standards compliance—Quanta Gas	Service Provider Index #1C[5]	Level 1 ≤ 8 dev/1000	Reporting only - No penalty	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Service provider standards compliance—Quanta Gas	Service Provider Index #1C[5]	Level 2 ≤ 15 dev/1000	Reporting only - No penalty	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Service provider standards compliance—Quanta Gas	Service Provider Index #1C[5]	Level 3 ≤ 12 dev/1000	Reporting only - No penalty	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
<b>Operations Services—Electric</b>								
Electric safety response time	Service Quality Index #11	Average 55 minutes or less from customer call to arrival of field technician	Maximum \$1.5 million when performance level is at 79 minutes or more Penalty = ((Annual SQI #11 Performance - 55 Benchmark) / 55 Benchmark) * 10 * \$337,500 Penalty per Point	\$0	\$0	\$0	\$0	\$613,636  <small>Note: Actual penalty amount subject to the UTC's determination of PSE's SQI #11 penalty mitigation petition in UE-220216</small>
Secondary Core-Hours, Non-Emergency Safety Response and Restoration Time—Quanta Electric	Service Provider Index #4B	Within 250 minutes from the dispatch time to the restoration of non-emergency outage during core hours	Reporting only - No penalty	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Secondary Non-Core-Hours, Non-Emergency Safety Response and Restoration Time—Quanta Electric	Service Provider Index #4C	Within 316 minutes from the dispatch time to the restoration of non-emergency outage during non-core hours	Reporting only - No penalty	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Service provider standards compliance—Quanta Electric	Service Provider Index #1B	Level 1 ≤ 15 dev/1000	Reporting only - No penalty	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
		Level 2 ≤ 25 dev/1000	Reporting only - No penalty	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
		Level 3 ≤ 25 dev/1000	Reporting only - No penalty	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
120-Consecutive-hour power outage restoration guarantee	Service Guarantee #2	A \$50 credit to eligible customers when experienced power outage is longer than 120 consecutive hours	A \$50 credit to eligible customers when experienced power outage is longer than 120 consecutive hours, up to \$1.5 million per calendar year	\$300	\$50	\$50	\$450	\$0
24-Consecutive-hour non-major storm power outage restoration guarantee	Service Guarantee #3	A \$50 credit to eligible customers when experienced power outage is longer than 24 consecutive hours during non-major storms	A \$50 credit to eligible customers when experienced power outage is longer than 24 consecutive hours during non-major storms, no annual maximum amount	\$12,500	\$1,450	\$10,650	\$13,950	\$18,100
<b>Electric Service Reliability—SAIFI &amp; SAIDI</b>								
SAIFI <sub>Total</sub> <small>Total (all outages current year) Outage Frequency—System Average Interruption Frequency Index (SAIFI)</small>	Reliability	Power interruptions per customer per year, including all types of outage event	Reporting only - No penalty	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Key Measurement	Type of Metric	Benchmark/Description	Penalty and Penalty Calculation	2017 Penalty	2018 Penalty	2019 Penalty	2020 Penalty	2021 Penalty
SAIFI <sub>Total</sub> 5-year Average Total (all outages five-year average) SAIFI	Reliability	Five years average of the power interruptions per customer per year, including all types of outage event	Reporting only - No penalty	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
SAIFI <sub>5%</sub> <5% Non-Major-Storm (<5% customers affected) SAIFI	Service Quality Index #4	No more than 1.30 interruptions per year per customer	Maximum \$1.5 million when performance level is at 1.88 or more Penalty = ((Annual SQI #4 Performance - 1.30 Benchmark) / 1.30 Benchmark) * 10 * \$337,500 Penalty per Point	\$0	\$0	\$0	\$0	\$129,808
SAIFI <sub>IEEE</sub> IEEE Non-Major-Storm (TMED) SAIFI	Reliability	Power interruptions per customer per year, excluding days exceeding the T <sub>MED</sub> threshold	Reporting only - No penalty	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
SAIDI <sub>Total</sub> Total (all outages current year) Outage Duration—System Average Interruption Duration Index (SAIDI)	Reliability	Outage minutes per customer per year, including all types of outage event	Reporting only - No penalty	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
SAIDI <sub>Total</sub> 5-year Average Total (all outages five-year average) SAIDI	Reliability	Outage minutes per customer per year, including all types of outage event five-year average	Reporting only - No penalty	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
SAIDI <sub>5%</sub> <5% Non-Major-Storm (<5% customers affected) SAIDI	Reliability	Outage minutes per customer per year, excluding outage events that affected 5% or more customers	Reporting only - No penalty	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
SAIDI <sub>IEEE</sub> IEEE Non-Major-Storm (TMED) SAIDI	Reliability	Outage minutes per customer per year, excluding days exceeding the T <sub>MED</sub> threshold	Reporting only - No penalty	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
SAIDI <sub>SQI</sub> SQI IEEE Non-Major-Storm (TMEDADJ) SAIDI	Service Quality Index #3	No more than 155 minutes per customer per year Outage minutes, excluding days exceeding the T <sub>MEDADJ</sub> threshold with catastrophic day adjustment	Reporting only - No penalty	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

\*Doubling the applicable SQI penalty amount will take place when Puget Sound Energy fails to meet an SQI performance metric in two or more consecutive years, for SQI performance years 2009 and later. However, PSE can seek relief from any penalty, which it believes in good faith meets the mitigation standard. If an SQI penalty is determined by the Commission to have been successfully mitigated, then that SQI violation for that year would not be considered as a basis for any doubling of penalties.