

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION STAFF  
RESPONSE TO DATA REQUEST

DATE PREPARED: December 21, 2011  
DOCKETS: UE-111048/UG-111049  
REQUESTER: Puget Sound Energy

WITNESS: Rick Applegate  
RESPONDER: Rick Applegate  
TELEPHONE: (360) 664-1310

**PSE Data Request No. 035 to WUTC Staff:**

RE: Rick T. Applegate Exhibit No. \_\_\_ (RTA-1T) Page10, lines 18-23.

- (a) Please quantify Mr. Applegate's definition of "limited catastrophic circumstances" as related to storm-related damages.
- (b) Please describe the method Mr. Applegate would use to determine the number of years (e.g., seven years, eight years, nine years) for recovery of deferred expenditures that meet his definition of limited catastrophic circumstances.

**RESPONSE:**

- (a) Please see the response to PSE Data Request No. 34 to WUTC Staff for a discussion of when deferred recovery of storm damages would be merited.
- (b) Mr. Applegate would not apply a rigid formula for calculating a deferral period. Using \$10 million as the approximate 6-year average annual storm damage expense and the 10-year deferral of approximately \$90 million stemming from the Hanukkah Eve Storm event as guideposts, Mr. Applegate would recommend extending the deferral an additional year for every \$20 million in excess of the 6-year average. For example, if PSE experienced a year with \$50 million in storm damages, Mr. Applegate would recommend including \$10 million in the 6-year average and recovery of \$40 million through an 8-year deferral.