

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

DOCKETS UE-111048 and
UG-111049 (*consolidated*)

DECLARATION OF NAOMI CHAR IN
SUPPORT OF MOTION TO AMEND
ORDER 08

I, Naomi Char, under penalty of perjury under the laws of the State of Washington, declare as follows:

1 I am employed by Puget Sound Energy, Inc. (“PSE”) as a Revenue Requirement Consultant. My responsibilities include providing analysis and support for determining revenue requirements under various rate proceedings as well as for specific rate and tariff filings. As part of those duties, I have knowledge of PSE’s actual net proceeds from the sale of renewable energy credits (“REC”).

2 I have personal knowledge of the information contained herein and am competent to testify. I submit this declaration in support of PSE’s Motion to Amend Order 08, filed herewith.

3 PSE is requesting a change in the methodology for crediting REC proceeds to customers. The current methodology was agreed to as part of a Multiparty Settlement Re: Electric Rate Spread, Electric Rate Design and Renewable Energy Credit Tracker

("Multiparty Settlement") entered into by several parties in this proceeding.

The Commission approved the Multiparty Settlement, including modifications to the REC tracker, in Order 08.

4 At the time the Multiparty Settlement was executed, the REC market was much more robust than it is today; the initial proceeds from committed sales to be passed on to PSE customers were estimated to be well over \$16 million. However, since 2013, annual proceeds from the sale of RECs have been well below \$1 million. The table below shows PSE's actual net proceeds from the sale of RECs since the Multiparty Settlement Stipulation was executed in 2012.

PSE Actual Net Proceeds for Renewable Energy Credits (RECs)		
REC Proceeds		
Net Proceeds Committed through Aug 2012 <i>for 11GRC Settlement Filing</i>	(\$16,910,017)	
Add'l Net Proceeds Sept 2012 thru Oct 2012 (including true-ups) <i>for 2013 Rate</i>	\$122,967	
Add'l Net Proceeds Nov 2012 thru Oct 2013 <i>for 2014 Rate</i>	(\$46,449)	
Add'l Net Proceeds Nov 2013 thru Sept 2014 <i>to be included in 2015 Rate</i>	(\$611,855)	
Total Net Proceeds to Date		(\$17,445,354) (1)
	check=>	\$0

1) Note: Total amount excludes biogas proceeds which are expected to be passed through to customers by the end of 2015.

EXECUTED this 28th day of October, 2014, in Bellevue, Washington.

Naomi Char