

**BEFORE THE WASHINGTON
UTILITIES & TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY

Respondent.

DOCKET NOS. UE-190529 and UG-190530 (*Consolidated*)

SUSAN M. BALDWIN ON BEHALF OF PUBLIC COUNSEL UNIT

EXHIBIT SMB-15C

Puget Sound Energy Response to Public Counsel Data Request Nos. 210, Attachment A

November 22, 2019

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

PUBLIC COUNSEL DATA REQUEST NO. 210

“CONFIDENTIAL” Table of Contents

DR NO.	“CONFIDENTIAL” Material
210	Shaded information is designated as CONFIDENTIAL per Protective Order in WUTC Dockets UE-190529 and UG-190530 as marked in Attachment A to Puget Sound Energy’s Response to Public Counsel Data Request No. 210.

Shaded Information is Designated Confidential per Protective Order
in Dockets UE-190529 & UG-190530 (Consolidated)

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

PUBLIC COUNSEL DATA REQUEST NO. 210:

Re: Presentations to the Board of Directors and to Investors.

Please refer to PSE's response to Public Counsel Data Request No. 125, Attachment J (redacted version) at 26 (Apr. 2019). Have there been any more recent presentations to investors regarding Get to Zero (GTZ)? If so, please provide all relevant documents associated with the presentation(s). If not, when does PSE anticipate making its next presentation to investors?

Response:

Puget Sound Energy ("PSE") provided an update to debt investors in September 2019. The Get to Zero ("GTZ") initiative was not the purpose of the meeting but was discussed briefly.

Attached as Attachment A to PSE's Response to Public Counsel Data Request No. 210 are excerpts from the September 26, 2019 presentation that relate to GTZ.

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ATTACHMENT A to PSE's Response to PUBLIC COUNSEL Data Request No. 210

Puget Company Update

September 26, 2019



PUGET SOUND ENERGY

The Energy To Do Great Things

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DOCKETS UE-190529 AND UG-190530

EXCERPTS RELATING TO GET TO ZERO

PSE is working with the WUTC to implement deferral treatment and cost recovery mechanisms on certain strategic and safety related investments

Regulatory Mechanism/ Accounting Deferral treatment	Project	Status/ Progress	Description
Include Cross Bores in Gas Costs Recovery Mechanism (GCRM)	Cross Bores	Filed Jun 2019	<ul style="list-style-type: none"> ▪ PSE requests to include O&M expenditure on cross bore inspection in the existing GCRM ▪ The costs associated with reducing cross bores will be recovered on an ongoing basis starting Nov 2020 upon approval
Accounting Deferral Treatment	Advanced Metering Infrastructure (AMI)	Approved Feb 2019	<ul style="list-style-type: none"> ▪ Allow PSE to defer the depreciation expense on all AMI investment on an ongoing basis until the next rate proceeding ▪ Allow PSE to defer the cost of capital on the AMI investment for assets placed in service up through the end of the ERF test year on an ongoing basis until the next rate proceeding
	Electric Vehicle Charging Services	Approved Aug 2019	<ul style="list-style-type: none"> ▪ Allow PSE to defer the net costs incurred for offering the new electric vehicle program services starting March 1, 2019 until the next rate proceeding
	Get to Zero	Filed Apr 2019	<ul style="list-style-type: none"> ▪ PSE requests to defer the depreciation expense on GTZ projects placed in service after June 30, 2018 on an ongoing basis until the next rate proceeding



The capex plan grows the business, mitigates risk and improves the customer experience

Growth

▪ Tacoma Liquefied Natural Gas Project

- 43% regulated at PSE; 57% unregulated at Puget LNG (50% TOTE, 50% open)
- Final SEIS report issued (Mar '19), concludes LNG project reduces emissions
- Air permit anticipated to be issued in Oct 2019

Risk Mitigation

▪ Lower Baker Dam

- Grouting & crest improvement to reduce leakage rate & foundation erosion
- Address FERC compliance requirements

Improve Customer Experience

▪ Get-to-Zero

- Enable customers with expanded self-service options & reduce customer calls

▪ Automated Meter Infrastructure

- Current meter reading technology is becoming obsolete, replace by 2024
- Improve operational capabilities

▪ Electric Reliability Program

- Replace old cables & worst performing circuits
- Improve reliability & reduce outage

▪ Energize Eastside

- Upgrade 18 miles of existing electric transmission lines to serve homes/business

Capex funds our strategic agenda and risk mitigation initiatives, and focuses on customers, core operations, and system reliability

Dockets UE-190529 & UG-190530

Exh. SMB-15C

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Current 3 Year Capex Projection (2019-2021)

\$M's	2019E	2020E	2021E	2019-21
Electric Reliability Initiative	SHADED INFORMATION IS DESIGNATED AS CONFIDENTIAL PER PROTECTIVE ORDER IN WUTC DOCKETS UE-190529 AND UG-190530			
Major System Projects				
Smart Grid & Related Projects (including AMI)				
Pipeline Integrity				
GTZ				
LNG				
Lower Baker				
Other				
Strategic & Risk Mitigation Initiatives ⁽¹⁾				
T&D Operational Programs				
Generation Operational Programs				
IT / Corp Shared Services / Environmental				
Core Operations Capex				
Total Capex				

(1) PSE & Puget LNG

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Customer Experience Capex – Get to Zero

Project Overview

