

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

**Dockets UE-170033 and UG-170034 (*Consolidated*)**

**WUTC v. Puget Sound Energy**

**RESPONSE OF PUBLIC COUNSEL TO BENCH REQUEST NO. 1**

**BENCH REQUEST NO. 1:**

To Public Counsel:

- A. Please re-file Ralph C. Smith's exhibits, Exh. Nos. RCS-3 and RCS-4 along with electronic worksheets supporting all calculations contained therein to reflect the proposed adjustments starting from actual per-books amount. Please provide supporting workpapers in electronic spreadsheet format with all formulas and links intact. See WAC 480-07-510(3)(e).
- B. Please identify each of Mr. Smith's adjustments using the descriptions and adjustment numbers included in Katherine J. Barnard's exhibits for electric, Exh. No. KJB-12 and Susan E. Free's exhibits for gas, Exh. No. SEF-10. For example, the adjustment for White River – Adjustment 14.11 (Supplemental). If you advocate adjustments not identified in either Ms. Barnard's or Ms. Free's exhibits, assign each a unique alpha-numeric identifier (e.g. PC-1).
- C. The revenue requirement models provided in Exh. Nos. RCS-3 and RCS-4 appear to reflect the 2011 base rates as presented by Ms. Barnard and Ms. Free. However, Mr. Smith's exhibits exclude all schedules and ratemaking mechanisms the Commission established between 2011 and 2016 as presented by Mr. Jon A. Piliaris in Exh. No. JAP-19 (Direct) and JAP-44 (Supplemental) used to arrive at the Company's final revenue requirement on supplemental of an increase of approximately \$68.7 million for electric and a decrease of approximately \$22.3 million for gas. Please either include these adjustments in your final revenue requirement calculation or state and explain your position contesting these adjustments (refer to Staff revenue requirement model in Exh. No. MCC-2 page 1 for an example).

**RESPONSE OF PUBLIC COUNSEL:**

- A and B. Please find attached Exhibit RCS-3r and Exhibit RCS-4r with fully functional worksheets, calculations, and formulae intact to reflect the proposed adjustments. Please also find Exhibit RCS-3 (Supplemental) and RCS-4 (Supplemental).

Exhibit RCS-3r and Exhibit RCS-4r reflect the calculations reflected in the proposed adjustments, but now include corrected references to adjustment numbers. Exhibit RCS-3 (Supplemental) and Exhibit RCS-4 (Supplemental)

show the revenue requirement calculation for electric and natural gas from actual per books amount. In Exhibit RCS-3 (Supplemental) and Exhibit RCS-4 (Supplemental), we have taken the Excel files that were provided by PSE for Exhibits KJB-12 and SEF-10 and added columns with unique alpha-numeric identifiers, showing how Public Counsel adjustments related to the adjustments identified in either Ms. Barnard's or Ms. Free's exhibits. We also reflect adjustments that are different than the adjustments proposed by the PSE witnesses.

Taken together, Exhibit RCS-3r and Exhibit RCS-3 (Supplemental) present Public Counsel's revenue requirement calculation from per books for electric. Taken together, Exhibit RCS-4r and Exhibit RCS-4 (Supplemental) present Public Counsel's revenue requirement calculation from per books for natural gas.

- C. Please see Public Counsel reconciliation to Piliaris Supplemental JAP-44.xlsm, attached.

**Electric**

Concerning the PSE electric revenue requirement and the presentation on PSE Exhibit JAP-44, and the PSE supplemental net revenue increase of approximately \$68.7 million, please see the following table, which identifies the difference in the base rate increase and uses the total revenue impact information in the other columns from JAP-44 to compute a comparable net difference:

Puget Sound Energy			
Total Electric Utility Revenue Requirement Amounts in \$000			
Component from JAP-44	PSE	Public Counsel Adjusted	Reference
Subtotal Rider Rates	\$ 170,222		Note A
Schedule 95 PCORC	\$ 65,843		Note A
Schedule 141 ERF	\$ (29,746)		Note A
Schedule 142 Rate Plan, Deferral & K-Factor	\$ (143,380)		Note A
Schedule 142 Decoupling (Deferral)	\$ 21,075		Note A
Schedule 149 Electric CRM	\$ 10,479		Note A
Subtotal	\$ (75,729)	\$ (75,729)	
Base Revenue Change	\$ 144,030	\$ 70,326	Exhibit RCS-3
Net Revenue Change	\$ 68,301	\$ (5,403)	
Note A: Public Counsel witness Smith is not contesting these amounts			

Please note that Mr. Smith’s testimony addresses the base rate revenue requirement but not rate design or riders. Please refer to the testimonies of Public Counsel witnesses Glenn Watkins for rate design and Michael Brosch for certain riders.

**Gas**

Concerning the PSC revenue requirement for the gas utility, PSE Exhibit JAP-45 shows a net total revenue change of negative \$29.3 million and a total margin change of positive \$22.8 million, which appears to correspond with PSE Exhibit SEF-10. Please see the following table, which identifies the difference in the base rate increase and uses the total revenue impact information in the other columns from Exhibit JAP-45 to compute a comparable net difference:

Puget Sound Energy			
Total Gas Utility Revenue Requirement Change Amounts in \$000			
Component from JAP-45	PSE	Public Counsel Adjusted	Reference
Schedule 141 ERF Revenue Removal	\$ 2,074		Note A
Schedule 142 Decoupling Revenue Removal	\$ (77,217)		Note A
Schedule 142 Decoupling (Deferral)	\$ 34,844		Note A
Schedule 149 Gas CRM	\$ (11,799)		Note A
Subtotal	\$ (52,098)	\$ (52,098)	
Base Revenue Change	\$ 22,814	\$ (13,534)	Exhibit RCS-4
Net Revenue Change	\$ (29,284)	\$ (65,632)	
Note A: Public Counsel witness Smith is not contesting these amounts			

Please note that Mr. Smith’s testimony addresses the base rate revenue requirement but not rate design or riders. Please refer to the testimonies of Public Counsel witnesses Glenn Watkins for rate design and Michael Brosch for certain riders.