

**EXH. CTM-5  
DOCKET UG-230968  
WITNESS: CHRISTOPHER T. MICKELSON**

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**Docket UG-230968**

**PUGET SOUND ENERGY,**

**Respondent.**

**FIRST EXHIBIT (NONCONFIDENTIAL) TO THE  
PREFILED REBUTTAL TESTIMONY OF**

**CHRISTOPHER T. MICKELSON**

**ON BEHALF OF PUGET SOUND ENERGY**

**SEPTEMBER 12, 2024**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION  
STAFF RESPONSES TO DATA REQUESTS

DATE PREPARED: July 31, 2024	WITNESS: Kody McConnell
DOCKET: UG-230968	RESPONDER: Kody McConnell
REQUESTER: PSE	TELEPHONE: 360-664-1216

**DATA REQUEST NO. 1:**

Please provide a working model of Staff’s proposed alternative risk-sharing mechanism that utilizes a cost-sharing cap placed upon PSE’s annual return on equity with all formulae and links intact, preferably in MS Excel format.

**RESPONSE:**

Staff did not propose an alternative risk-sharing mechanism in total. Staff proposed the potential use of the working model proposed by the Company in the testimony of Company witness Mickelson and described in Section II parts A and B on pages 2 through 17. Staff’s only modification was to the proposed additional earnings test applied to the results of this model. Staff therefore does not have a working model to provide.

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**DATA REQUEST NO. 2:**

Please describe in detail the calculation and application of Staff’s proposed alternative risk-sharing mechanism that utilizes a cost-sharing cap placed upon PSE’s annual return on equity.

**RESPONSE:**

See response to Data Request 1.

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**DATA REQUEST NO. 3:**

Please provide an illustrative example of and sharing cap amounts for PSE based on Staff’s proposed alternative risk-sharing mechanism would have worked for the four-year period 2020-2023 using the Commission Basis Reports for PSE’s natural gas operations.

**RESPONSE:**

	2020	2021	2022	2023
CBR Restated Return on Actual Equity	7.59%	8.73%	8.50%	7.86%
CBR Restated NOI (- Restated Interest)	\$85,243,015	\$104,819,778	\$113,711,369	\$113,162,550
CBR Equity Rate Base	\$1,123,400,714	\$1,201,061,737	\$1,337,573,889	\$1,439,681,853
Max Annual RSM Sharing Cap (%)	0.10%	0.10%	0.10%	0.10%
Max Annual RSM Sharing Cap (\$)	\$1,123,401	\$1,201,062	\$1,337,574	\$1,439,682
Max 4-Year Period RSM Sharing Cap (\$)				\$5,101,719