

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

PUGET SOUND ENERGY

For an Order Authorizing Accounting Treatment of
Costs of New Electric Services Related to Products
and Services for Electric Vehicle Charging

) Docket UE-190129
)
)
) SECOND AMENDED PETITION OF
) PUGET SOUND ENERGY
)
)

I. INTRODUCTION

1 In accordance with WAC 480-100-203(3) and WAC 480-07-370(3), Puget Sound Energy
("PSE" or the "Company"), hereby petitions the Commission for an Order authorizing the
accounting treatment detailed in this petition related to costs the Company has incurred since
the filing of the original petition related to offering the new Electric Service for Electric
Vehicle Charging ("Petition").

2 PSE is a combined electric and natural gas utility serving more than one million electric
customers and approximately 840,000 natural gas customers in Western Washington.

3 All correspondence related to this Petition should be directed as follows:

Puget Sound Energy
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Director, Regulatory Affairs
P.O. Box 97034, EST-07W
Bellevue, WA 98009-9734
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4 Rules and statutes that may be brought at issue in this Petition include RCW 80.01.040,
RCW 80.28.020, and WAC 480-07-370(3)(b).

II. SUMMARY OF PETITION

5 PSE requests Washington Utilities and Transportation Commission ("Commission")

approval to defer, for consideration for later recovery in rates, the costs incurred to offer

various products and services for electric service for electric vehicle (“EV”) charging and electric vehicle supply equipment (“EVSE”). All of these products and services are designed to meet the intent of the Commission’s Final Policy Statement¹ (“Policy Statement”) on EV charging services under the law of RCW 80.28.360 to promote EVSE on a state regulated basis, in order to accelerate EV adoption to serve multiple public policy purposes.

6 In response to and in support of these public policy purposes, PSE believes it is reasonable to recover the net costs associated with this new electric service from all electric customers through base rates on a timely basis, since the Commission recognized the public purpose for investor-owned utilities to pursue electrification of the transportation system. Therefore, the Company is submitting this deferral accounting petition in order to preserve the costs of the EV program so that the issue of cost recovery can be discussed in a future general rate case filed by the Company.

III. BACKGROUND

A. Summary of Commission Approved Electric Vehicle Charging Products and Services

7 The approved new electric services for PSE’s portfolio of EV and EVSE products and services under Docket UE-180877 are:

- **Schedule 551 – Electric Vehicle Non-Residential Charging Products and Services:** This schedule provides for non-residential charging products and services and sets rates associated with public charging.
- **Schedule 552 – Electric Vehicle Residential Charging Products and Services:** This schedule provides for single-family and multi-family residential charging products and services and allows PSE to provide incentive for changing the time of residential EV charging.

¹ Policy and Interpretive Statement Concerning Commission Regulation of Electric Vehicle Charging Services, Docket UE-160799.

- Schedule 553 – **Electric Vehicle Education and Outreach:** This schedule provides for PSE’s EV education and outreach programs.
- Schedule 554 – **Electric Vehicle Low Income Transportation Service:** This schedule provides for EV products and services targeted to low income customers.
- Schedule 583 – **Electric Vehicle Charging Products and Services:** This schedule sets the overall terms and conditions for transportation electrification products and services.

IV. PROPOSED ACCOUNTING TREATMENT

8 PSE requests an order authorizing the deferral of the net costs incurred for PSE to offer the new electric service for EV charging under the approved electric tariff Schedules 551-554 and 583. PSE began offering this new electric service to customers on December 1, 2018, upon approval of the EV service tariff schedules by the Commission. The costs to be deferred will consist of the items listed below. Item (a) will be deferred to FERC account 186 Miscellaneous deferred debits and the remainder of the items will be deferred in FERC account 182.3 Other regulatory assets.

- a. Return on rate base which is net of contributions from customers at PSE’s authorized rate of return;
- b. Depreciation expense;
- c. Operating costs as detailed in Attachment A to this petition; and
- d. Revenues received and revenue credits provided under the EV Program Schedules

9 The deferral of net costs incurred by PSE would begin on March 1, 2019 which is the start of the first calendar month after this petition is filed.

10 The Company proposes to accrue interest on the deferred balances associated with items b through d in paragraph 8 above which will be recorded in FERC account 186. Interest will be calculated using the quarterly rate published by the Federal Energy Regulatory Commission¹ until the rate effective date after the Commission decision is made regarding the ability to defer and/or recover the deferral.

¹ <https://www.ferc.gov/enforcement/acct-matts/interest-rates.asp>
 PETITION OF PUGET SOUND ENERGY
 FOR AN ACCOUNTING ORDER

PSE is not proposing to accrue interest on the deferred return.

11 A depiction of the accounting entries associated with the requested deferrals is shown on the following page.

Entry No.	Line No.	Category	FERC Acct. No.	Account Description	Description of EVSE portfolio costs or revenues	Budgeted Amounts for 12/31/2019 from Attachment B	
						Debit	Credit
1	a	Program Costs and Revenues	Originating FERC a/c's	Originating FERC Descriptions	Expenditures for Program Costs and Revenues - O&M, Power Costs, Depreciation Expense, Incentive Payments net of Revenues Recognized for the Program (Same as items b through d reflected in paragraph 8 as further defined in Attachments A and B)	\$3,696,381	
	b		131	Cash			\$3,696,381
2	a	Deferral of Program Costs and Revenues and Return	182.3	Other Regulatory Assets – net expense	Regulatory asset represents the deferred asset for Program Costs and Revenues	\$3,696,381	
	b		407.4	Regulatory Credits – Deferral	Deferrals to 182.3 use FERC account 407.4 which is in the Other operating expense line of the income statement - This part of the entry offsets the program costs, revenues in Entry #1a so no income statement impact because items are deferred		\$3,696,381
	c		555	Power Costs	Offsetting credit for power used for public charging services will be valued by taking the metered load in MWh's at the public charging stations times the Variable Power Cost Baseline Rate - has not been reflected in Attachment B, so shown as \$0		\$ -
	d		186	Other Regulatory Assets – return on capital investments	Deferred return on capital investment	\$ 352,188	
	e		456	Other Operating Revenue	Follows use of 456 for deferral of return established in UE-180899 for deferred return on AMI investment		\$ 352,188
3	a	Carrying charges	186	Other Regulatory Assets – net expense	Deferral of carrying charges on balance from Entry #2a	\$ 203,301	
	b		419	Interest and Dividend Income	Carrying charges represent interest so utilizing the interest income FERC account.		\$ 203,301

V. REQUEST FOR RELIEF

12 PSE respectfully requests that the Commission issue an order approving the deferred accounting treatment of the net costs incurred and related return on rate base for PSE to offer the new electric service for EV charging and EVSE, as set forth in this Petition. The determination of recovery of the deferred costs would be made by the Commission during a future general rate case filed by the Company

DATED this 16th day of August, 2019.

Puget Sound Energy

By /s/ Jon Piliaris

Director, Regulatory Affairs

Puget Sound Energy

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Bellevue, WA 98009-9734

425-456-2142

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VERIFICATION

STATE OF WASHINGTON)
)
County of King)

Jon Piliaris, being first duly sworn on oath, deposes and says: That he is a Director, Regulatory Affairs, for PSE and makes this verification for and on behalf of said corporation, being thereto duly authorized;

That he has read the foregoing Petition, knows the contents thereof, and believes the same to be true.



Jon A. Piliaris

SIGNED AND SWORN to before me on this 16th day of August, 2019



Print Name: Denise K Schroeder

Notary Public in and for the State of Washington,

Residing at Snoqualmie, WA 98065

My commission expires: 8-1-2021