

**EXH. KJB-32  
DOCKETS UE-170033/UG-170034  
2017 PSE GENERAL RATE CASE  
WITNESS: KATHERINE J. BARNARD**

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PUGET SOUND ENERGY,**

**Respondent.**

**Docket UE-170033  
Docket UG-170034**

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

**KATHERINE J. BARNARD**

**ON BEHALF OF PUGET SOUND ENERGY**

**AUGUST 9, 2017**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION STAFF  
RESPONSE TO DATA REQUEST

DATE PREPARED: July 19, 2017  
DOCKETS: UE-170033/UG-170034  
REQUESTER: PSE

WITNESS: Thomas E. Schooley  
RESPONDER: Thomas E. Schooley  
TELEPHONE: (360) 664-1307

**REQUEST NO. 9:**

Please reference lines 16 through 19 on page 22 of the Response Testimony of Mr. Thomas E. Schooley, Exh. TES-1T.

- a. Is Mr. Schooley suggesting that PSE inappropriately deferred the storm balances under the existing WUTC Orders in UE-040641 and UE-111048? If so, please describe with specificity on what basis Mr. Schooley believes the amounts were inappropriately deferred.
- b. Is Mr. Schooley recommending that the storm deferrals be “un-deferred” because the costs are imprudent?
- c. If PSE was to be required to “un-defer” its storm balances, please provide the journal entries that would be required in order to “un-defer” the existing balances.

**RESPONSE:**

- a. No.
- b. No. Accounting petitions generally state that inclusion in rates will be determined at a later point in time. Mr. Schooley includes these in rates as part of the average over six years. The six year average is representative of storm damage expenses over time.
- c. Objection. Unduly burdensome, irrelevant, exceeds the scope of testimony, and obtainable from another source that is more convenient, less expensive, and less burdensome. Staff, like all other non-company parties to this case, does not manage PSE’s journaling system and general ledger. It is unduly burdensome to expect Staff to develop accounting entries for PSE’s internal bookkeeping within the limited time available to review thousands of pages of testimony, exhibits, and work papers plus an update filed by the Company half way through the review period. Staff testified to regulatory accounting adjustments that it recommends be reflected in rates for ratepayers. The specific journal entries to effectuate the adjustments and balance PSE’s various recordkeeping processes for operational, financial, regulatory, or tax reporting purposes are neither a subject of Mr. Schooley’s testimony nor relevant in deciding whether Mr. Schooley’s proposed adjustments result in rates that are fair, just, reasonable, and sufficient. Lastly, the details of PSE’s accounting systems are readily obtainable from PSE’s internal accounting staff.

Without waiving the above objections, Staff acknowledges the effect of “un-deferring” the storm damage deferrals would be a reduction to retained earnings.