

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION****Dockets UE-170033 and UG-170034  
Puget Sound Energy  
2017 General Rate Case****PUBLIC COUNSEL DATA REQUEST NO. 466****PUBLIC COUNSEL DATA REQUEST NO. 466:****Re: Rebuttal Testimony of Catherine Koch, Exh. CAK-4T at 4:16-19 (Commission Review of Capital Investment Levels).**

Ms. Koch states, "In addition to rate recovery, through the ECRM, PSE and the Commission can review the progress, objectives, and expenditures of the ERP on an annual basis instead of waiting until the next GRC. It allows both PSE and the Commission to be in agreement regarding PSE's reliability activities." Please provide the following additional information:

- a. Does Ms. Koch or PSE contend that the Company's management has been unwilling or unable to effectively manage and optimize PSE's capital investment levels associated with electric distribution reliability in the absence of the proposed annual Commission review and agreement?
- b. Does Ms. Koch or PSE contend that any Washington utility experiencing reliability problems with specific types of installed utility plant should be able to propose and receive rider cost recovery from the Commission through the type of ECRM process being advocated by the Company? Why or why not?

**Response:**

- a. No. Puget Sound Energy ("PSE") effectively manages and optimizes the capital investment levels associated with electric reliability using the planning process described in Prefiled Direct Testimony of Booga K. Gilbertson, Exhibit BKG-1T, at pages 8-9. The proposed Electric Cost Recovery Mechanism is for the purpose of improving reliability for customers beyond historic levels and investing at a level beyond revenue growth levels. Please see the Prefiled Rebuttal Testimony of Catherine A. Koch, Exhibit CAK-4T, at pages 4-5.
- b. PSE is presenting a proposal that benefits PSE's customers. PSE is not in the position to determine what other Washington utilities should be able to do. Please see PSE's Response to Public Counsel Data Request No. 073(g).