

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. 478

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**Re: Rebuttal Testimony of Katherine J. Barnard, Exhibit No. KJB-17T at 96:10-11
(ERF Without Attrition).**

Ms. Barnard states, "I disagree with Mr. Brosch's assertion that a showing of attrition is necessary for an expedited rate filing, and Mr. Brosch provides no support for his viewpoint." Please respond to the following:

- a. Does Ms. Barnard agree that the primary purpose for an ERF process is to reduce regulatory lag and the earnings attrition that may otherwise be caused by regulatory lag?
- b. Please explain any negative response to part (a) and provide copies of any documents associated with or supportive of your response.
- c. Does Ms. Barnard believe that PSE has any need for an ERF if we assume the Company has no significant future exposure to attrition?
- d. Please explain any affirmative response to part (c) and provide copies of any documents associated with or supportive of your response.

Response:

- a. Ms. Barnard would agree that the primary purpose for an Expedited Rate Filing ("ERF") is to update costs subsequent to a general rate case filing to address the regulatory lag inherent with the use of a modified historical test year with limited pro forma adjustments.
- b. Not applicable.
- c. Puget Sound Energy ("PSE") does not agree with the assumption that PSE has no significant future exposure to attrition. Both the Prefiled Direct Testimonies of Katherine J. Barnard, Exhibit KJB-1T and Daniel A. Doyle, Exhibit DAD-1T,

demonstrate that absent the ERF and K-factor adjustments, PSE would have continued to experience under earnings. Because PSE does not agree with the assumption, PSE cannot respond to the question. PSE also does not agree with the implication that PSE must prove that attrition exists in order to obtain formalization of an ERF process.

- d. See PSE's response to subpart (c) above.