

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of)	
)	Docket UE-19_____
PUGET SOUND ENERGY)	
)	
For an Order Authorizing Accounting Treatment of)	PETITION OF
Costs of New Electric Services Related to Products)	PUGET SOUND ENERGY
and Services for Electric Vehicle Charging)	

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 and ratemaking treatment detailed in this petition related to costs the Company will
incur by offering 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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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 requesting 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:

- a. Return on rate base 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 from Schedule 551

9 The deferral of net costs incurred by PSE would begin on March 1st, 2019 which is the start of the first calendar month after this petition is filed. PSE will seek recovery of the amortization of this deferral in rate base in a future general rate case.

10 The Company proposes to accrue interest on the deferred balances at the quarterly rate published by the Federal Energy Regulatory Commission² until PSE’s rates begin recovering the deferral.

11 The Company requests to defer the costs in Account 182.3 – Other Deferred debits for consideration of future inclusion in rates. A summary of the accounting entries follow:

² <https://www.ferc.gov/enforcement/acct-matts/interest-rates.asp>

Summary of Accounting Entries

FERC Acct. No.	Account Description	Debit	Credit
Originating FERC a/c's 131	Originating FERC Descriptions Cash <i>To record payment of expenses and receipt of revenues associated with EV programs</i>		\$XXX \$XXX
182.3 407.4 456	Other Regulatory Assets Regulatory Credits – Deferral Other Operating Revenue <i>To record deferral of net EV program costs and return on EV rate base</i>	\$XXX \$XXX	 \$XXX
182.3 419	Other Regulatory Assets Interest and Dividend Income <i>To record deferral of carrying charges on EV deferral at FERC rate</i>	\$XXX	 \$XXX

V. REQUEST FOR RELIEF

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

DATED this 26th day of February, 2019.

Puget Sound Energy

By /s/ Jon Piliaris _____

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Program net costs proposed for deferral include:

- Incremental costs associated with program development and operations, including labor, overheads, and outside services
- Expenses associated with maintenance, repair, or removal of charging stations and chargers
- Expenses for subscription fees, networking fees, and telecommunications to support data collection from chargers
- Expenses for operation of information technology systems, including storage of data from the programs
- Incentives paid to customers to influence charging behaviors
- Advertising to customers on transportation electrification generally and PSE's programs, including materials, incremental labor, overheads, and outside services
- Grants or contributions to non-profit agencies to facilitate their participation in PSE's programs, especially low-income pilot programs
- Leases for charging station sites
- Energy costs for delivering energy at public charging stations enrolled in the program, the offsetting credit for which will be included in PSE's PCA mechanism
- Return on EV rate base
- Depreciation and amortization of EV assets
- Revenues collected from public charging stations for services under schedule 551

Shown below are the estimated net costs provided in Docket UE-180877. These estimated net costs are still representative of PSE's expectations of the costs of the programs.

Pilot Programs	Projected Budget – Capital Costs (Dollars in Thousands)		Projected Budget – Non-Capital Costs (Dollars in Thousands)		Projected Budget – Revenue (Dollars in Thousands)	
	2019	2020	2019	2020	2019	2020
Public Charging	\$1,285	\$891	\$612	\$920	\$37	\$308
Workplace Charging	\$655	\$328	\$605	\$516	\$0	\$0
Residential Charging and Off-Peak	\$1,804	\$380	\$683	\$611	\$0	\$0
Multi-Family Charging	\$527	\$131	\$579	\$491	\$0	\$0
Education and Outreach	\$167	\$0	\$680	\$704	\$0	\$0
Low Income Programs	\$0	\$0	\$241	\$305	\$0	\$0
Total	\$4,437	\$1,730	\$3,400	\$3,547	\$37	\$308