

**Exh. JLB-31**  
**Dockets UE-190529/UG-190530 and**  
**UE-190274/UG-190275 (*consolidated*)**  
**Witness: Jason L. Ball**

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PUGET SOUND ENERGY,**

**Respondent.**

**DOCKETS UE-190529  
and UG-190530 (*consolidated*)**

**In the Matter of the Petition of**

**PUGET SOUND ENERGY**

**For an Order Authorizing Deferral  
Accounting and Ratemaking Treatment  
for Short-life UT/Technology Investment**

**DOCKETS UE-190274 and  
UG-190275 (*consolidated*)**

**EXHIBIT TO TESTIMONY OF**

**Jason L. Ball**

**STAFF OF  
WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION**

*Various Data Requests*

**January 15, 2020**

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,	)	DOCKETS UE-190529/UG-190530
	)	and UE-190274/UG-190275
Complainant,	)	(Consolidated)
	)	
v.	)	DATA RESPONSES OF THE NW
	)	ENERGY COALITION
AVISTA CORPORATION, d/b/a	)	
AVISTA UTILITIES,	)	
	)	
<u>Respondent.</u>	)	

Dated: January 9, 2020

NW Energy Coalition (the “NVEC”) hereby responds to UTC Staff Data Request No. 4 as follows. Subject to the objections below, the NVEC will provide documents responsive to this set of Data Requests.

**GENERAL OBJECTIONS**

1. The NVEC objects to the instructions set forth in UTC Staff’s Data Request to the extent that these instructions impose obligations on NVEC that exceed, are unauthorized by or are inconsistent with the discovery rules.
2. The NVEC objects to the request to the extent that the data requested is not relevant to the issues identified in this proceeding.
3. The NVEC objects to the request to the extent that production of the data requested would be unduly burdensome and that the request is overly broad.
4. The NVEC objects to the request to the extent that production of the requested data would reveal information protected by the attorney-client privilege, the work product doctrine, or any other privilege.

5. The NWECC objects to the request to the extent that production of the requested data would reveal highly commercially sensitive information.

6. Each of the preceding general objections is incorporated by reference in the specific response below.

Washington Utilities and Transportation Commission  
Dockets UE-190529/UG-190530 and UE-190274/UG-190275  
January 9, 2020

**UTC STAFF DATA REQUEST NO. 4:**

Regarding the direct testimony of Amy E. Wheelless at page 21, lines 1–3, has NWECC discussed the “future viability of natural gas infrastructure, how to adequately consider whether investments will remain used/useful over the life of assets, and other related issues” with PSE in any other forum such as the natural gas technical advisory group (TAG)? If so, please provide the dates of the discussions, agendas and/or minutes identifying the topics discussed, and any presentations provided by or requested by NWECC that specifically relate to these issues.

**RESPONSE TO UTC STAFF DATA REQUEST NO. 4:**

NWECC staff have been regular participants in PSE’s Integrated Resource Plan (IRP) Technical Advisory Group (TAG) and past iterations of this group, which advises the Company on its IRP assumptions and scenarios for its electric and natural gas IRPs. NWECC has also been a regular commenter on other matters related to resource acquisition and planning for the Company. Through its participation in these venues, NWECC has overall sought to encourage the Company to move from investment in fossil fuel infrastructure toward energy efficiency and demand response programs and, for electricity, also toward responsibly-sited renewable energy projects. For an example of the kinds of feedback we have provided, see our comments on PSE’s 2017 IRP. See Attachment A to NWECC’ Response to Staff Data Request No. 4.

In addition, we have raised concerns in various venues, including IRP TAGs and general rate case proceedings, on the need for the Company to avoid intergenerational inequities, in which future customers are paying for assets that are not used and useful or otherwise provide little to no benefits. While in these proceedings, we have been specifically discussing coal-fired power plants, we believe the argument holds for natural gas-fired power plants and for direct use of natural gas infrastructure.

While, at this time, we cannot point to a specific meeting or forum in which we have discussed with the Company the future viability of natural gas infrastructure used for direct use and the ability of these investments to remain used and useful over the life of those assets, our past comments on other aspects of PSE’s energy mix and resource planning provides some background.

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**Dockets UE-190529 & UG-190530  
Puget Sound Energy  
2019 General Rate Case**

**WUTC STAFF DATA REQUEST NO. 239:**

**Re: Natural Gas Line Extensions**

In its responses to NWECA Data Request Nos. 16 and 17, PSE stated, "The line extension allowance is an input in the determination of the customer payment and is not tracked in PSE's information system[s]." Would it be possible to track this information? In addition, would it be possible for PSE's information system to determine whether actual revenue received from a customer has been above or below the average revenue assumption used to calculate a margin allowance?

**Response:**

*a. Would it be possible to track this information?*

Tracking all the data used in Rule No. 6 customer payment determination, including applicable margin allowance information for all customer-requested projects, would require major changes to Puget Sound Energy's ("PSE") line extension construction business processes, reconfiguration to PSE's information systems, and additional training and time to manually input the data, which are not used for line extension project and construction purposes.

The margin allowance is calculated using PSE's Rule No. 6 pricing tool. Please see Attachment A to PSE's Response to NWECA Data Request No. 006 for an example of the proprietary and confidential pricing tool per Docket UG-161268. The tool includes all calculations and formulas for the determination of customer payment requirement under PSE's initial version of the Rule No. 6, Extension of Distribution.

As currently designed, PSE only captures the specific Rule No. 6 data in PSE's information system for invoicing of projects that require a customer payment. If PSE were to capture all Rule No. 6 projects in a similar manner under the current system configuration, PSE's billing system would generate bills for \$0 (or potentially negative dollars) and automatically send these invoices to customers, causing customer confusion and project delays.

- b. *In addition, would it be possible for PSE's information system to determine whether actual revenue received from a customer has been above or below the average revenue assumption used to calculate a margin allowance?*

As the system and the business processes are designed currently, it is not possible for PSE's information system to determine whether actual revenue received from a customer has been above or below the average revenue assumption used to calculate a margin allowance. As described above, significant changes would be needed for PSE's system to calculate the difference. In addition to the requirements to capture the margin allowance information, a link between multiple platforms and data sets would need to be established. This would require extensive system reconfiguration and auditing to ensure accurate calculation and reporting.