

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION STAFF
RESPONSE TO DATA REQUEST

DATE PREPARED:	November 14, 2012	WITNESS:	David C. Gomez
DOCKET:	UE-121373	RESPONDER:	David C. Gomez
REQUESTER:	Puget Sound Energy	TELEPHONE:	(360) 664-1240

PSE Data Request No. 021 to WUTC Staff:

Re: David C. Gomez, Exhibit No. ____ (DCG-1HCT), page 13, lines 13-18.

Is it Staff's position that the cost of equity component associated with the Coal Transition PPA should change "commensurate with the relative amount and cost of both debt and equity as determined in a rate case"? If yes, how does Staff propose that such cost of equity component be modified over time?

RESPONSE:

Yes. Staff refers PSE to its original testimony, Exhibit No. ____ (DCG-1HCT), page 12, lines 13-18. The adjustment could be made in the worksheet in Exhibit No. ____ (RG-9), Column H titled: "Pre-tax Equity Return" in the month new rates and returns go in effect and for every cell below that for the balance of the PPA remaining. The power cost plus revised equity adder is then included in the PCA mechanism to determine the new power cost baseline.