

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of	)	
PUGET SOUND ENERGY	)	Docket UE-20_____
For an Order Authorizing Accounting for Costs	)	Docket UG-20_____
Associated with COVID-19 Public Health	)	
Emergency	)	PETITION OF PUGET SOUND ENERGY
	)	
	)	

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**I. INTRODUCTION**

1. In accordance with WAC 480-07-370(3), Puget Sound Energy (“PSE” or “Company”) respectfully petitions the Commission for an Order authorizing the accounting detailed in this Petition related to the Company’s incremental costs and foregone revenue<sup>1</sup> net of offsets (“net costs”) associated with the COVID-19 public health emergency. As described more fully below, PSE anticipates that the emergency, overall, could result in a net receivable from customers that the Company seeks to defer for later rate-making treatment.

2. Statutes and rules at issue in this Petition include RCW 80.01.040, RCW 80.28.020 and WAC 480-07-370.

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<sup>1</sup> Including revenues associated with late fees and reconnection fees.

3. PSE is a combined gas and electric utility that provides service to approximately 1,200,000 electric customers and 850,000 natural gas customers in Western Washington.

4. All correspondence related to this Petition should be directed as follows:

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## **II. REASONS FOR REQUEST FOR DEFERRED ACCOUNTING**

5. On February 29, 2020, Washington Governor Jay Inslee declared a state of emergency in response to the COVID-19 pandemic. Prior to the proclamation, Puget Sound Energy suspended all service disconnections and late payment fees in order to help limit the impact on customers for the hardships they will experience that are outside of their control. The public health emergency is expected to significantly increase PSE's accounts receivable write-off expense. The Company also expects to experience other costs related to the emergency that are outside normal business risk that the Company is currently unable to predict or quantify. PSE will document all net costs associated with the COVID-19 public health emergency. Accordingly, PSE requests to preserve these net costs through deferred accounting for later consideration. Through hard work and innovation,

PSE has been able, so far, to continue to fulfill its obligation to provide safe, reliable service to its customers under the exceptional circumstances created by the pandemic. However, because so much is uncertain, PSE believes the granting of this Petition is needed to ensure its ongoing financial health and to allow the Company to have a reasonable opportunity to recover its prudently incurred costs.

### **III. PROPOSED ACCOUNTING TREATMENT**

6. PSE seeks authorization to defer the costs and foregone revenue net of offsets associated with the COVID-19 public health emergency.

7. The Company proposes to record the deferral as a regulatory asset in FERC Account 186 (Other Deferred Debits), and debit or credit the originating FERC account associated with the expense, offset or waived fee. The Company proposes that interest will not accrue on the unamortized balance.

### **IV. ESTIMATED AMOUNTS SUBJECT TO DEFERRAL**

8. As the COVID-19 pandemic and associated impacts are constantly changing and are unpredictable, the Company continues to evaluate how to measure the net costs that are appropriate for deferral. At this time, the length and magnitude of the impact of the COVID-19 public health emergency is unknown. As such, the Company is unable to provide a cost estimate at this time, but will provide support for the net costs associated with this deferral at the time any ratemaking treatment is proposed.

**V. REQUEST FOR RELIEF**

9. For the reasons discussed above, PSE respectfully requests the Commission issue an Order approving the deferred accounting for COVID-19 related net costs incurred, as set forth in this Petition.

DATED this 3rd day of September 2020

**Puget Sound Energy**

By */s/ Susan Free*

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