

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

BENCH REQUEST NO. 013:

- A. Please provide the protected-plus EDIT amounts refunded to customers through Schedule 141X. This amount should reflect all amounts refunded to customers through Schedule 141X from March 1, 2019, through December 31, 2019.
 - i. As a subset to Bench Request No. 13 (A) provide the estimated amounts to refund to customers through Schedule 141X from January 1, 2020, through May 19, 2020.

- B. Please provide the protected-plus ARAM reversals for the following periods:
 - i. 2019 (before and after gross-up)
 - ii. 2020 (before and after gross-up)

- C. Please confirm or correct that the protected-plus ARAM reversals for 2018 were:
 - i. Before gross-up, \$19.5 million for electric and \$4.6 million for natural gas.
 - ii. After gross-up, \$25.9 million for electric and \$6.1 million for natural gas.

Response:

- A. Attached as Attachment A to Puget Sound Energy's ("PSE") Response to Bench Request No. 013 is an MS Excel spreadsheet containing actual amounts credited to customers through Schedule 141X for the period March 1, 2019 through January 31, 2020 (the most recent time frame available for actual credits billed to customers). Between March 2019 and January 2020, a total of \$5.4 million in natural gas revenue and \$19.7 million in electric revenue were credited to customers under Schedule 141X.

Attached as Attachment B to PSE's Response to Bench Request No. 013 is an MS Excel spreadsheet containing the following estimated data for the period February 1, 2020 through May 19, 2020:

- 1. Gas 141X forecast delivered revenue credits are estimated to be \$2.1 million based on F2019 forecast volumes. For rate classes with blocked rates the tier allocations for the twelve months ended December 2018 from Exh. JAP-15 were used.

2. Electric 141X forecast delivered revenue credits are estimated to be \$8.2 million based on F2019 forecast volumes.

Notably, amounts in this subpart A cannot be used in conjunction with amounts provided in subparts B or C to determine an amount to establish rates in this proceeding without being in violation of the Consistency provisions of the IRS Normalization Rules unless a similar determination for book depreciation is performed and used to adjust revenue requirement at the same time. In other words, if an adjustment for EDIT is made based on the information in this response, the amount of book depreciation expensed during the same period would need to be compared to the amount of depreciation recovered in rates and the resulting adjustment would also need to be used to establish rates in this proceeding.

- B. The protected-plus ARAM reversals for both electric and gas, with common allocated, are shown below for the requested time periods:

(i) for 2019:

2019 Estimate	EDIT reversal	Flow Through reversal	Total	Grossed Up at Statutory Fed Rate 21%
Electric w/ C allocated	(22,029,644)	4,222,656	(17,806,988)	(22,540,491)
Gas w/ C allocated	(5,619,252)	401,183	(5,218,070)	(6,605,152)
Total	(27,648,896)	4,623,839	(23,025,057)	(29,145,642)

(ii) for 2020:

2020 Estimate	EDIT reversal	Flow Through reversal	Total	Grossed Up at Statutory Fed Rate 21%
Electric w/ C allocated	(20,416,169)	4,829,944	(15,586,225)	(19,729,398)
Gas w/ C allocated	(5,207,692)	458,879	(4,748,813)	(6,011,155)
Total	(25,623,861)	5,288,824	(20,335,037)	(25,740,554)

- C. (i) and (ii)

The numbers cited above in subsections (i) and (ii) of Bench Request No. 013, are slightly off. PSE is uncertain where those values originate from. Below please find the numbers used in PSE's filing for electric and gas, with common allocated. Support for these numbers was provided in the workpaper files "NEW-PSE-WP-SEF-6.03E-FedIncTax-19GRC-06-2019.xlsx," tab "CBR_Electric," and "NEW-PSE-WP-SEF-6.03G-FedIncTax-19GRC-06-2019.xlsx," tab "CBR_Gas," which are provided, respectively, as Attachments C and D to PSE's Response to

Bench Request No. 013. The amounts in the below table were listed as the Plant Related component of Total Current and Deferred Taxes. Additional support was also provided in PSE’s Response to WUTC Staff Data Request No. 067. PSE has provided this information in Attachments E and F to this Bench Request.

	EDIT reversal	Flow Through reversal	Total	Grossed Up at Statutory Fed Rate 21%
Electric w/ C allocated	(23,462,101)	3,572,215	(19,889,887)	(25,177,072)
Gas w/ C allocated	(6,234,133)	346,134	(5,887,999)	(7,453,163)
Total	(29,696,235)	3,918,349	(25,777,886)	(32,630,235)

**ATTACHMENTS A through F to PSE's
Response to
Bench Request No. 013**