

**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 SOUNDS ENERGY

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

DOCKETS UE-190274 and UG-190275
(Consolidated)

In the Matter of the Petition of

PUGET SOUND ENERGY

For an Order Authorizing Deferred
Accounting associated with Federal Tax Act
on Puget Sound Energy's Cost of Service

DOCKETS UE-171225 and UG-171226
(Consolidated)

In the Matter of the Petition of

PUGET SOUND ENERGY

For an Order Authorizing the Accounting
treatment of Cost of Liquidated Damages

DOCKETS UE-190991 and UG-190992
(Consolidated)

Nucor Steel Seattle, Inc. ("Nucor") submits the following response to the Administrative Law Judge's Bench Request No. 15 to all parties, issued April 22, 2020, in the above-referenced docket.

Bench Request No. 15

Recognizing that the situation has since evolved, and continues to evolve, the Commission seeks input from all parties regarding options to mitigate the impact in the short-term of any rate increase on customers that results from the final resolution of this case. The Commission requests the parties submit proposals that address variables such as timing, amortization periods, or the use of existing mechanisms that may not be at issue in this proceeding. In submitting proposals, parties should not seek to re-litigate contested issues in this proceeding, including those related to their respective positions on Puget Sound Energy's level of revenue requirement or individual adjustments.

Nucor Response to Bench Request No. 15

Nucor appreciates the invitation to comment on options to mitigate the impact in the short-term of any rate increase on customers that results from the final resolution of this case.

Due to challenging business conditions occasioned by COVID-19, Nucor respectfully requests that the implementation of any rate increase be delayed until business conditions have returned to normal and resemble those experienced while the rate case was being litigated. When business conditions have recovered, and customers are better positioned, the rate increase could be gradually phased in. Alternatively, if the uncertainty occasioned by institution of a recovery benchmark goes too far, Nucor requests an implementation delay until no sooner than mid-2021 followed by a gradual phase-in of any rate increase.

The Commission should also consider whether the substantial change in business conditions occasioned by COVID-19, a force beyond the control of every customer, justifies amending the Commission's Order or any aspect of it in light of the speed or magnitude of change for the worse.

The Commission is not the only regulatory body currently dealing with questions around the impact of potential rate increases during these uncertain times. Other regulatory authorities have postponed or reduced rate increases due to the impacts of coronavirus on ratepayers. For example, the New York Public Service Commission delayed planned rate increases for two utilities whose rate increases had been approved and were expected to take effect April 1, 2020.¹ In the State of Washington itself, commissioners of Chelan County Public Utility District No. 1 voted unanimously to delay an adopted rate increase that was scheduled to go into effect on June 1, 2020, until December 1, 2020.² Other states have taken measures to extend procedural schedules to accommodate new information or are examining eliminating certain burdensome rate designs such as minimum bill requirements.³ These measures will help ensure that businesses already burdened during these economic times will not count this rate increase as one contributing to their already increasing burdens.

Nucor respectfully requests that the Commission take action to postpone any increases until business returns to normal and this pandemic and economic crisis resolves. These extraordinary circumstances call for increased caution by regulators regarding increases which may negatively impact an already struggling economy, particularly in a place as hard-hit as Washington state. Nucor sincerely appreciates the opportunity to comment and make its views known.

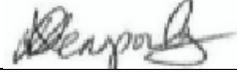
¹ See New York Pub. Serv. Comm'n Case 17-E-0238 et al., *Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Niagara Mohawk Power Corporation d/b/a National Grid for Electric Service*, Order Postponing Approved Electric and Gas Delivery rate Increases and Updated Reduction to the Low Income Discount Credit and Temporarily Waiving Certain Tariff Fees (Mar. 25, 2020).

² See Craig, Kimberlee, *PUD commissioners postpone rate increases to help customers facing financial hardships from COVID-19*, CHELAN PUD, available at <https://www.chelanpud.org/about-us/our-commissioners/commission-meeting-news/2020/04/14/pud-commissioners-postpone-rate-increases-to-help-customers-facing-financial-hardships-from-covid-19> (last accessed Apr. 29, 2020).

³ See, e.g., North Carolina Utils. Comm'n Docket E-7 Sub 1237 et al., *In the Matter of Petition for Expedited Approval of Temporary Adjustments to Electricity Billing Demand Charges*, Order Joining Necessary Parties and Requesting Comments (Apr. 2, 2020), available at <http://starw1.ncuc.net/NCUC/ViewFile.aspx?Id=b15a6b5a-a0c1-413b-9f9e-19604968eff8>.

DATED this 1st day of May 2020.

Respectfully submitted,



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