

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Docket U-180680
Sale of Non-Controlling Interest in Puget Holdings LLC**

THE ENERGY PROJECT DATA REQUEST NO. 005

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Please provide an explanation of the current components of PSE's low-income weatherization funding, including a statement of the current overall funding level, the amount contributed by each component, and any known future changes that will result from expiration of any of the commitments referenced in this request. Components include:

- a. Commitment 22 in Docket U-072375 provided in part that the Joint Applicants would "increase the budgeted funding of low-income energy efficiency programs in future years at a level commensurate with increases in funding for energy efficiency programs for other residential customers through the CRAG process." Please provide a detailed description of how PSE implemented Commitment 22, including a statement of each increase to low-income weatherization made under this commitment, including the date, amount, and the related residential energy efficiency increase.
- b. Please state the amounts and dates of weatherization funding provided under the Rate Plan decoupling commitment in the Multiparty Settlement in Dockets UE-130137/UG-130138 and UE-121697/UG-121705 (Order 08, ¶¶ 177-178).
- c. The shareholder contributions provided to weatherization, including the date(s) and amount of the contribution.
- d. Payments made pursuant to the Settlement Stipulation and Agreement in Docket UE-161123, including the date(s) and amount of the payment.

Response:

Each of the Joint Applicants objects to The Energy Project Data Request No. 005 as unduly burdensome and overbroad because it exceeds the narrow scope of this proceeding and is not likely to lead to the discovery of evidence relevant to the possible harms associated with the proposed transactions. Given that discovery in this proceeding must be "narrowly defined and focused on the proposed transaction," (Docket U-180680, Order 01 at 8), information regarding historic funding for weatherization is not reasonably probative for consideration of the proposed

transactions. Subject to and without waiving the objection, the Joint Applicants respond as follows.

- a. Overall residential energy efficiency budgets adjust annually and do not consistently "increase". If the overall residential energy efficiency budget increased from one year to the next, the low-income weatherization budget increased commensurately. Similarly, if the overall residential energy efficiency budget reduced from the previous year, the low-income weatherization budget reduced commensurately.

Attached as Attachment A to the Joint Applicants' Response to The Energy Project Data Request No. 005 is an MS Excel spreadsheet that provides an overview of annual budgets for low-income weatherization for electric and natural gas service. Please note that the data in Attachment A to the Joint Applicants' Response to The Energy Project Data Request No. 005 do not include shareholder contributions, which are addressed separately in the response to subpart c below.

Puget Sound Energy ("PSE") has based its budget numbers on agency-production capacity and a commitment to increase service to low income eligible customers. Specifically, PSE sets budget amounts annually in collaboration with participating agencies to reflect the production capacity of the program and can reflect a number of variables, including, but not limited to, availability of state and federal funding sources, staffing resources, availability of contractors, measure cost effectiveness, incentive levels, etc.

PSE has an ongoing commitment to fund all low-income projects and does not limit agency spending to an initial budget amount for a given calendar year. In working with the Conservation Resource Advisory Group, PSE sets budgets according to what the agencies inform PSE they can feasibly achieve. PSE does not over-budget in order to prevent over-collecting from ratepayers. As a result, PSE regularly increases individual agency budgets as needed upon request to fund opportunities for specific projects that may arise throughout a calendar year. In 2018, PSE reinstated its contract with the agency, HomeWise, which resulted in a significant gas budget increase for the program.

- b. Please see Attachment A to the Joint Applicants' Response to The Energy Project Data Request No. 005. The electric budgets for 2014-2018 include an initial infusion in 2014 of \$500,000 due to decoupling, which has been sustained in subsequent years.

It is not possible for PSE to segregate the funding specific to the low-income weatherization program subsequent to the decoupling commitments agreed to in the decoupling accounting petition. (PSE will add \$500,000 per year from the conservation rider and \$100,000 per year from shareholder funding). As noted in

the response to subpart a. above, budgets change annually and are based on a number of variables. The additional \$500,000 is not incremental each year (i.e., PSE does not add \$500,000 to last year's budget, then \$1 million to next year's budget, \$1.5 million to the following year's budget, etc.).

- c. Attached as Attachment B to the Joint Applicants' Response to The Energy Project Data Request No. 005 is an MS Excel spreadsheet that provides shareholder contributions provided to weatherization for 2009-2018. There was an increase in 2014 (from \$300,000 to \$400,000) due to the decoupling commitment.
- d. As of December 13, 2018, PSE has not made any payments pursuant to the Settlement Stipulation in Docket UE-161123.

**Puget Sound Energy
Low-Income Weatherization
Budget Amounts**

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Electric	\$1,686,000	\$2,207,080	\$4,676,463	\$2,946,378	\$2,425,463	\$3,098,684	\$3,318,140	\$3,386,625	\$3,735,428	\$4,856,679
Natural Gas	\$496,000	\$567,500	\$889,379	\$604,593	\$301,309	\$369,443	\$268,098	\$283,478	\$183,600	\$437,426
Total	\$2,182,000	\$2,774,580	\$5,565,842	\$3,550,971	\$2,726,772	\$3,468,127	\$3,586,238	\$3,670,103	\$3,919,028	\$5,294,105

**Puget Sound Energy
Low-Income Weatherization
Shareholder Contribution**

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
\$300,000	\$300,000	\$300,000	\$300,000	\$300,000	\$400,000	\$400,000	\$400,000	\$400,000	\$400,000