

**EXH. KKD-\_\_X  
DOCKET UE-210795  
2022 PSE CEIP  
WITNESS: KARA K. DURBIN**

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of  
PUGET SOUND ENERGY, INC.  
2021 Clean Energy Implementation Plan

**Docket UE-210795**

**EXHIBIT TO THE CROSS-EXAMINATION OF  
KARA K. DURBIN  
ON BEHALF OF NW ENERGY COALITION AND FRONT AND CENTERED**

**JANUARY 24, 2023**

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**Docket UE-210795  
Puget Sound Energy  
PSE 2021 Clean Energy Implementation Plan**

**FRONT AND CENTERED AND NW ENERGY COALITION DATA REQUEST NO. 220:**

**Topic:** Durbin Testimony (Planning Timeline, Demand Response, Specific Actions)

Re: KKD-6T page 37:9–37:20. Witness Durbin states: “If the desired intent of a clean energy implementation plan is to outline and propose the specific projects, including location, that an electrical company intends to build or acquire over the four-year implementation period, then existing Commission rules and processes for resource acquisition and clean energy implementation plan development will need to change to accommodate that desired intent. Electrical companies could secure those resources under contract on a contingent basis, subject to Commission approval of the clean energy implementation plan. Under such an approach, PSE would expect that Commission approval of a clean energy implementation plan would represent something closer to pre-approval of the resources outlined in the plan.” Please address the following:

- a. In its most recent General Rate Case, PSE requested and the Commission approved, inclusion in rates on a provisional basis for several large infrastructure projects, consistent with the policy outlined in the commission’s policy statement in docket U-190531. Please explain why this same treatment would not be sufficient for contracted resources that are linked to specific actions identified in an approved CEIP.
- b. In PSE’s most recent Transportation Electrification Plan (Docket UE-210191) PSE provides: a summary of planned programs. (See Table 5, page 67), a draft budget (Table 6, page 69), and targets for serving disadvantaged communities and low-income customers (Table 7, page 69). Please explain why the same process to develop planned programs, budget, and minimum designations for the Transportation Electrification Plan could not be used to develop specific actions, budget, and minimum designations for the CEIP.

**Response:**

- a. The section of Witness Durbin’s testimony quoted in Front and Centered and NW Energy Coalition Data Request No. 220 is primarily referring to the regulatory process for large resource acquisition decisions in Washington. Under existing Washington regulations, the process for large resource acquisitions is through requests for proposals (“RFP’s”), which provide a

- competitive framework for resource proposals that the utility evaluates and uses to make resource decisions. These decisions are documented and, after the RFP process is concluded, the utility demonstrates the reasonableness of the decisions to the Commission for cost recovery. If the intent of the Clean Energy Transformation Act (“CETA”) is for the Commission to approve specific actions (including large resource acquisitions) prior to the acquisition of those resources, this process will need to change. Once the decision-making process is determined, Puget Sound Energy (“PSE”) agrees that recovering the cost of specific projects acquired as part of an approved Clean Energy Implementation Plan (“CEIP”) on a provisional basis through a multiyear rate plan (“MYRP”) makes sense. However, it will likely be the case that the timing of future MYRPs may not coincide precisely with a given CEIP 4-year period, which may necessitate different cost recovery pathways for specific projects that go into service during a given MYRP.
- b. For the 2025 CEIP, the products and tariff related programs could mirror PSE’s Transportation Electrification Plan in terms of planned programs, budget, and minimum designations, where appropriate. However, for the purpose of acquiring large-scale resources, the timing and structure of existing processes would need to change in order for this to occur as described in PSE’s Response to Front and Centered and NW Energy Coalition Data Request No. 220(a), above.