BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

TENTH EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF

CAROL L. WALLACE

ON BEHALF OF PUGET SOUND ENERGY

JANUARY 31, 2022
Customer Usage Disaggregation and Presentment
Seeking Initiation Funding
Corporate Spending Authorization (CSA)

Before starting: Contact the Capital Budget team (CSA-TeamMail@pse.com) for any clarification needed and review the CSA Standard when completing this template.

The sections provided expand / are not limited to one row. Ensure you provide adequate information and back-up documentation to support your business case. If a section or item is not applicable, enter N/A; if unknown, enter TBD. The gray fields are provided as prompts; do not leave these fields with instructions visible.

Date Submitted: 6/30/2021
Officer Sponsor: Andy Wappler
Project Director: Carol Wallace
Responsible Cost Center: 4432

I. Project Overview
Update each section with high level information as applicable, noting any changes from the previous request/Gate.

Business Need:
Advanced Metering Infrastructure (AMI) meters offer capabilities such as remote service connection / disconnection and availability of near real-time interval level energy usage data. Currently, Puget Sound Energy (PSE) has a 2-3 day delay between customer energy usage and analytics / reporting on AMI data. This lag results from AMI data moving thorough multiple systems: (1) Landis+Gyr (https://www.landisgyr.com/) receives usage data from the meter, (2) PSE’s Meter Data Management System (MDMS) picks up the data from a file exchange, (3) MDMS transforms the data, and (4) MDMS passes the data to an SAP HANA database where it can be accessed for reporting/analytics.

Over the next 5 years, PSE will see a proliferation of internal use cases and needs for near real-time AMI interval usage data, including time of use rates, demand response, distributed generation, Electric Vehicle (EV) charging, and battery storage. Additionally, customers will need access to their energy usage data to monitor services, manage usage, and participate in behavior-based energy reduction programs.

PSE needs to build the capability to capture and store AMI interval data in near real time to support these future use cases and needs. Additionally, a single thoughtful and strategic solution is needed to avoid multiple, potentially conflicting sources of energy information presented to customers.

Proposed Solution:
Identify and build a solution that will make AMI data available closer to real time. This data must be as consistent as possible with billed usage and should be used across solutions in order to avoid conflicting data. Create an API layer to make data and models accessible for multiple purposes.

Project Outcome/Results:
The project will provide same day, near-real-time data and leverage the data in order to engage customers in multiple ways including alerts about their energy usage along with personalized reduction suggestions.
The data made accessible by this program is also foundational to multiple other use cases, including:

- Power Quality / Voltage Compliance / Real-time Operating Conditions
- Distributed Energy Resource management
- Demand Response
- Time of Use Pricing
- Outage Detection and Management
- Smart Home Devices
- Energy Efficiency Programs

## OCM, Process & Training Impact:

<table>
<thead>
<tr>
<th>N/A</th>
<th>Low Impact</th>
<th>Medium Impact</th>
<th>Significant Impact</th>
</tr>
</thead>
</table>

Outline how significant changes from the project will impact people, process improvement or operational training.

## Primary ISP Alignment:

Customer

[ISP strategy descriptions](#)

## Portfolio Description:

Strategic

[Capital Allocation Definitions](#)

## Project Complexity:

- Straightforward and well understood
- Complex and well understood
- Complex and not well articulated

## II. Key Schedule and Financial Information

<table>
<thead>
<tr>
<th>Expected Start Date If Funded:</th>
<th>01/2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expected In-Service Date:</td>
<td>12/31/2025</td>
</tr>
</tbody>
</table>

## High-Level Schedule  
*Enter Expected # of Years and Months*

<table>
<thead>
<tr>
<th>Duration</th>
<th>Planning</th>
<th>Design</th>
<th>Execution</th>
<th>Total Project</th>
<th>Anticipated Closeout Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>.5 Year</td>
<td>.5 Year</td>
<td>2 Years</td>
<td>3 Years</td>
<td>12/2025</td>
</tr>
</tbody>
</table>
Initial Estimated Funding % by Phase as of 06/14/2021: Enter values to include both O&M and Capital in the cells below for percentage of funding to be used in each phase of the project.

<table>
<thead>
<tr>
<th>Initiation</th>
<th>Planning</th>
<th>Design</th>
<th>Execution</th>
<th>Closeout</th>
</tr>
</thead>
<tbody>
<tr>
<td>4%</td>
<td>4%</td>
<td>5%</td>
<td>83%</td>
<td>4%</td>
</tr>
</tbody>
</table>

Initial Grand Total Estimate (contingency included and in $000s): Contingency Standard

Capital: $12,000,000

OMRC/Project O&M: $ (Not including O&M Tail)

Estimated Five Year Allocation: Enter values in the cells below for years anticipated, up to five years, plus any expected future years. Change “Year 1, Year 2, etc. to the relevant years for this project. Ongoing O&M begins after project close-out.

<table>
<thead>
<tr>
<th>Category:</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital (contingency included)</td>
<td>$2,000,000</td>
<td>$5,000,000</td>
<td>$5,000,000</td>
<td>$0</td>
<td>$0</td>
<td>$12,000,000</td>
</tr>
<tr>
<td>OMRC / Project O&amp;M</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

III. Ongoing Benefits

Summary Benefits (see Benefits realization plan for details):

- Increase in time of use adoption
- Increase in demand response adoption
- Increase in energy efficiency participation
- Increase in customer satisfaction
- Maintain strategic advantage as the customers’ partner of energy usage data and insights

<table>
<thead>
<tr>
<th>Category:</th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ongoing O&amp;M (to be funded by business)</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Ongoing O&amp;M (requesting $’s)</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Benefits</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Net impact (= Benefits – O&amp;M)</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

* Enter positive amount or Not Applicable

IV. Risk Management Summary

Identify high level risk categories expected for the project. Consider Project Dependency, Project Timing and Resourcing, as well as Regulatory Risk.

Summary of high level risks sentence: This project is dependent upon finding a feasible technology solution that will enable real time AMI data. At this point, we have not yet identified how we will achieve this.
V. Phase Gate Change Summary

Use this section for changes from: Planning to Design, Design to Execution or Execution to Closeout phases. To have a history of the changes at each phase gate change, copy/paste the table below above the previous table.

<table>
<thead>
<tr>
<th>Phase:</th>
<th>Choose an item</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope:</td>
<td>Describe the Scope changes since last submission/Phase Gate.</td>
</tr>
<tr>
<td>Budget:</td>
<td>Describe the Budget changes since last submission/Phase Gate.</td>
</tr>
<tr>
<td>Schedule:</td>
<td>Describe the Schedule changes since last submission/Phase Gate.</td>
</tr>
<tr>
<td>Benefits:</td>
<td>Describe the Benefits changes since last submission/Phase Gate.</td>
</tr>
</tbody>
</table>

Prepared by: Name of person completing document

VI. CSA Approvals

Add/remove rows as needed in the table below. Email approval is acceptable. To maintain a history of the changes at each phase gate change, copy/paste the table below above the previous table. Send to the Capital Budget team at CSA-TeamMail@pse.com. For a project in the Strategic Project Portfolio (SPP) review the Escalation Criteria for appropriate escalation and approvals.

For guidance on approval authority levels, follow CTM-07 Invoice Payment Approval Exhibit I Invoice/Payment Approval Chart

<table>
<thead>
<tr>
<th>Project Phase</th>
<th>Select Phase</th>
<th>Approved By</th>
<th>Title</th>
<th>Role</th>
<th>Date</th>
<th>Signature</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Carol Wallace</td>
<td>Director Customer Solutions</td>
<td>*Director Sponsor</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Andy Wappler</td>
<td>Sr. VP and Chief Customer Officer</td>
<td>Executive Sponsor</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Director Sponsor attests that all considered documentation has been approved.

Please direct any questions to either:
1. The Capital Budget team at CSA-TeamMail@pse.com, or
2. The Enterprise Project and Performance Project Practices team at EPP-ProjectPracticesTeam@pse.com