

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

DOCKETS UE-220066 and UG-
220067 (*Consolidated*)

ORDER 01

COMPLAINT AND ORDER
SUSPENDING TARIFF REVISIONS;
ORDER OF CONSOLIDATION

BACKGROUND

- 1 On January 31, 2022, Puget Sound Energy (PSE or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective WN U-60 Tariff G, as listed in Appendix A, attached to this Order.¹ PSE characterizes its filing as a general rate case (GRC). Citing the recently enacted RCW 80.28.425,² the Company proposes a multiyear rate plan with performance measures for its base electric rates. The Company's proposed revised tariff sheets provide an effective date of March 2, 2022.
- 2 Specifically, PSE proposes a three-year rate plan for the years 2023, 2024, and 2025. In rate year one, PSE seeks to increase base electric rates by approximately \$310.5 million, or an average increase of approximately 13.59 percent across all customer classes. In rate year two, PSE seeks to increase base electric rates by approximately \$63 million, or an

¹ PSE identifies in the list of revised tariff sheets certain electric and natural gas rider schedules that would need to be reset simultaneously with the proposed changes to base rates, and the Company notes that the revised tariff sheets for these riders will be included in the final compliance filing.

² See Laws of 2021, ch. 288 § 2.

average increase of 2.47 percent across all customer classes. In rate year three, PSE seeks to increase base electric rates by approximately \$31.8 million, or an average increase of 1.22 percent across all customer classes. The Company plans to update its projection of rate year power costs during the course of this proceeding, which may increase or decrease the Company's electric revenue requirement.

3 Also on January 31, 2022, PSE filed revisions to its currently effective WN U-2 Tariff, as listed in the appendix B attached to this Order. The Company proposes a similar, three-year rate plan for its base natural gas rates, with revised tariff sheets again providing an effective date of March 2, 2022.

4 Specifically, in rate year one, PSE seeks to increase base natural gas rates by approximately \$143 million, or an average increase of 12.98 percent across all customer classes. In rate year two, the Company proposes to increase base natural gas rates by \$28.5 million, or an average increase of 2.29 percent across all customer classes. In rate year three, PSE would increase base natural gas rates by \$23.3 million, or an average increase of 1.83 percent across all customer classes.

DISCUSSION AND DECISION

5 PSE's requested increase might injuriously affect the rights and interests of the public, and PSE has not demonstrated that the increase would result in rates that are fair, just, reasonable, and sufficient. Pursuant to RCW 80.04.130(1), the Commission, therefore, suspends the tariff filing and will hold public hearings, if necessary, to determine whether the proposed increases are fair, just, reasonable, and sufficient.

6 The matters in the two dockets appear to involve related facts and principles of law. It is appropriate that they be consolidated for hearing and determination pursuant to WAC 480-07-320.

FINDINGS AND CONCLUSIONS

7 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, regulations, and practices of public service companies, including electric companies and gas companies.

8 (2) PSE is an electric company, a gas company, and a public service company subject to Commission jurisdiction.

- 9 (3) The tariff revisions PSE filed on January 31, 2022, would increase charges and rates for service provided by PSE and might injuriously affect the rights and interests of the public.
- 10 (4) PSE has not yet demonstrated that the tariff revisions would result in rates that are fair, just, reasonable, and sufficient.
- 11 (5) The Commission should exercise its discretion to consolidate Dockets UE-220066 and UG-220067 for hearing.
- 12 (6) In order to carry out the duties imposed upon the Commission by law, and as authorized in RCW 80.04.130, the Commission believes it is necessary to investigate PSE's books, accounts, practices and activities; to make a valuation or appraisal of PSE's property; and to investigate and appraise various phases of PSE's operations.
- 13 (7) The Commission finds that this docket meets the criteria of WAC 480-07-400(2)(b)(i) and that the parties may conduct discovery pursuant to the Commission's discovery rules in WAC 480-07-400 – 425.
- 14 (8) As required by RCW 80.04.130(4), PSE bears the burden to prove that the proposed increases are fair, just, reasonable, and sufficient.
- 15 (9) PSE may be required to pay the expenses reasonably attributable and allocable to such an investigation, consistent with RCW 80.20.020.

ORDER

THE COMMISSION ORDERS:

- 16 (1) The tariff revisions Puget Sound Energy filed on January 31, 2022, are suspended.
- 17 (2) Dockets UE-220066 and UG-220067 are consolidated for hearing and determination under WAC 480-07-320.
- 18 (3) The Commission will hold hearings at such times and places as may be required.
- 19 (4) Puget Sound Energy must not change or alter the tariffs filed in this docket during the suspension period unless authorized by the Commission.

- 20 (5) The Commission will institute an investigation of Puget Sound Energy's books, accounts, practices, activities, property, and operations as described above.
- 21 (6) The parties may conduct discovery pursuant to the Commission's discovery rules in WAC 480-07-400 – 425.
- 22 (7) Puget Sound Energy shall pay the expenses reasonably attributable and allocable to the Commission's investigation to consistent with RCW 80.20.020.

DATED at Olympia, Washington, and effective February 10, 2022.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chair

ANN E. RENDAHL, Commissioner

Appendix A
WN U-60, Tariff G, Electric Service

38 th Revision Sheet No. 7	Canceling	37 th Revision Sheet No. 7
13 th Revision Sheet No. 7-B	Canceling	12 th Revision Sheet No. 7-B
Original Sheet No. 7D1		
Original Sheet No. 7D1-A		
Original Sheet No. 7D2		
Original Sheet No. 7D2-A		
36 th Revision Sheet No. 24	Canceling	35 th Revision Sheet No. 24
26 th Revision Sheet No. 25	Canceling	25 th Revision Sheet No. 25
27 th Revision Sheet No. 26	Canceling	26 th Revision Sheet No. 26
4 th Revision Sheet No. 26-B	Canceling	3 rd Revision Sheet No. 26-B
32 nd Revision Sheet No. 29	Canceling	31 st Revision Sheet No. 29
38 th Revision Sheet No. 31	Canceling	37 th Revision Sheet No. 31
4 th Revision Sheet No. 31-B	Canceling	3 rd Revision Sheet No. 31-B

29 th Revision Sheet No. 43-A	Canceling	28 th Revision Sheet No. 43-A
37 th Revision Sheet No. 46	Canceling	36 th Revision Sheet No. 46
18 th Revision Sheet No. 46-A	Canceling	17 th Revision Sheet No. 46-A
36 th Revision Sheet No. 49	Canceling	35 th Revision Sheet No. 49
36 th Revision Sheet No. 50	Canceling	35 th Revision Sheet No. 50
8 th Revision Sheet No. 51-B	Canceling	7 th Revision Sheet No. 51-B
8 th Revision Sheet No. 51-C	Canceling	7 th Revision Sheet No. 51-C
9 th Revision Sheet No. 51-D	Canceling	8 th Revision Sheet No. 51-D
27 th Revision Sheet No. 52-A	Canceling	26 th Revision Sheet No. 52-A
12 th Revision Sheet No. 52-B	Canceling	11 th Revision Sheet No. 52-B
26 th Revision Sheet No. 53-A	Canceling	25 th Revision Sheet No. 53-A
23 rd Revision Sheet No. 53-B	Canceling	22 nd Revision Sheet No. 53-B
17 th Revision Sheet No. 53-C	Canceling	16 th Revision Sheet No. 53-C
8 th Revision Sheet No. 53-G	Canceling	7 th Revision Sheet No. 53-G

6 th Revision Sheet No. 53-H	Canceling	5 th Revision Sheet No. 53-H
38 th Revision Sheet No. 54	Canceling	37 th Revision Sheet No. 54
13 th Revision Sheet No. 54-A	Canceling	12 th Revision Sheet No. 54-A
9 th Revision Sheet No. 54-B	Canceling	8 th Revision Sheet No. 54-B
39 th Revision Sheet No. 55	Canceling	38 th Revision Sheet No. 55
20 th Revision Sheet No. 55-A	Canceling	19 th Revision Sheet No. 55-A
35 th Revision Sheet No. 57	Canceling	34 th Revision Sheet No. 57
34 th Revision Sheet No. 58	Canceling	33 rd Revision Sheet No. 58
23 rd Revision Sheet No. 58-A	Canceling	22 nd Revision Sheet No. 58-A
9 th Revision Sheet No. 58-B	Canceling	8 th Revision Sheet No. 58-B
9 th Revision Sheet No. 58-C	Canceling	8 th Revision Sheet No. 58-C
41 st Revision Sheet No. 95	Canceling	40 th Revision Sheet No. 95
16 th Revision Sheet No. 95-A	Canceling	15 th Revision Sheet No. 95-A
18 th Revision Sheet No. 95-B	Canceling	17 th Revision Sheet No. 95-B

17 th Revision Sheet No. 95-C	Canceling	16 th Revision Sheet No. 95-C
10 th Revision Sheet No. 95-C.1	Canceling	9 th Revision Sheet No. 95-C.1
10 th Revision Sheet No. 95-C.2	Canceling	9 th Revision Sheet No. 95-C.2
1 st Revision Sheet No. 95-C.3	Canceling	Original Sheet No. 95-C.3
17 th Revision Sheet No. 95-D	Canceling	16 th Revision Sheet No. 95-D
17 th Revision Sheet No. 95-E	Canceling	16 th Revision Sheet No. 95-E
8 th Revision Sheet No. 95-E.1	Canceling	7 th Revision Sheet No. 95-E.1
Original Sheet No. 129D		
Original Sheet No. 129D-A		
Original Sheet No. 129D-B		
Original Sheet No. 129D-C		
Original Sheet No. 129D-D		
Original Sheet No. 129D-E		
Original Sheet No. 129D-F		

Original Sheet No. 129D-G		
Original Sheet No. 129D-H		
Original Sheet No. 129D-I		
Original Sheet No. 129D-J		
Original Sheet No. 129D-K		
Original Sheet No. 129D-L		
Original Sheet No. 141C		
Original Sheet No. 141C-A		
Original Sheet No. 141C-B		
Original Sheet No. 141C-C		
Original Sheet No. 141C-D		
Original Sheet No. 141C-E		
Original Sheet No. 141C-F		
Original Sheet No. 141C-G		

Original Sheet No. 141C-H		
Original Sheet No. 141C-I		
Original Sheet No. 141C-J		
Original Sheet No. 141C-K		
Original Sheet No. 141C-L		
Original Sheet No. 141N		
Original Sheet No. 141N-A		
Original Sheet No. 141N-B		
Original Sheet No. 141N-C		
Original Sheet No. 141N-D		
Original Sheet No. 141N-E		
Original Sheet No. 141N-F		
Original Sheet No. 141N-G		
Original Sheet No. 141N-H		

Original Sheet No. 141N-I		
Original Sheet No. 141N-J		
Original Sheet No. 141R		
Original Sheet No. 141R-A		
Original Sheet No. 141R-B		
Original Sheet No. 141R-C		
Original Sheet No. 141R-D		
Original Sheet No. 141R-E		
Original Sheet No. 141R-F		
Original Sheet No. 141R-G		
Original Sheet No. 141R-H		
Original Sheet No. 141R-I		
Original Sheet No. 141R-J		
Original Sheet No. 141R-K		

Original Sheet No. 141R-L		
Original Sheet No. 141R-M		
Original Sheet No. 141R-N		
Original Sheet No. 141R-O		
Original Sheet No. 141R-P		
Original Sheet No. 141R-Q		
Original Sheet No. 141R-R		
Original Sheet No. 141R-S		
Original Sheet No. 141R-T		
Original Sheet No. 141R-U		
Original Sheet No. 141R-V		
12 th Revision Sheet No. 142	Canceling	11 th Revision Sheet No. 142
12 th Revision Sheet No. 142-A	Canceling	11 th Revision Sheet No. 142-A
9 th Revision Sheet No. 142-B	Canceling	8 th Revision Sheet No. 142-B

9 th Revision Sheet No. 142-C	Canceling	8 th Revision Sheet No. 142-C
13 th Revision Sheet No. 142-D	Canceling	12 th Revision Sheet No. 142-D
9 th Revision Sheet No. 142-E	Canceling	8 th Revision Sheet No. 142-E
9 th Revision Sheet No. 142-F	Canceling	8 th Revision Sheet No. 142-F
9 th Revision Sheet No. 142-G	Canceling	8 th Revision Sheet No. 142-G
Original Sheet No. 142-G.1		
Original Sheet No. 142-G.2		
Original Sheet No. 142-G.3		
Original Sheet No. 142-G.4		
Original Sheet No. 142-G.5		
Original Sheet No. 142-G.6		
Original Sheet No. 142-G.7		
Original Sheet No. 307		
Original Sheet No. 307A		

Original Sheet No. 307D1		
Original Sheet No. 307D1-A		
Original Sheet No. 307D1-B		
Original Sheet No. 307D2		
Original Sheet No. 307D2-A		
Original Sheet No. 307D2-B		
Original Sheet No. 317		
Original Sheet No. 317-A		
Original Sheet No. 317-B		
Original Sheet No. 317-C		
Original Sheet No. 317D1		
Original Sheet No. 317D1-A		
Original Sheet No. 317D1-B		
Original Sheet No. 317D1-C		

Original Sheet No. 317D1-D		
Original Sheet No. 317D2		
Original Sheet No. 317D2-A		
Original Sheet No. 317D2-B		
Original Sheet No. 317D2-C		
Original Sheet No. 317D2-D		
Original Sheet No. 324		
Original Sheet No. 324-A		
Original Sheet No. 324-B		
Original Sheet No. 324-C		
Original Sheet No. 327		
Original Sheet No. 327-A		
Original Sheet No. 327-B		
Original Sheet No. 327D1		

Original Sheet No. 327D1-A		
Original Sheet No. 327D1-B		
Original Sheet No. 327D1-C		
Original Sheet No. 327D2		
Original Sheet No. 327D2-A		
Original Sheet No. 327D2-B		
Original Sheet No. 327D2-C		
15 th Revision Sheet No. 448-I	Canceling	14 th Revision Sheet No. 448-I
16 th Revision Sheet No. 449-I	Canceling	15 th Revision Sheet No. 449-I

Appendix B
WN U-2 Tariff, Natural Gas Service

16 th Revision Sheet No. 116-A	Canceling	15 th Revision Sheet No. 116-A
61 st Revision Sheet No. 123	Canceling	60 th Revision Sheet No. 123
Original Sheet No. 123D1		
Original Sheet No. 123D1-A		
Original Sheet No. 123D2		
Original Sheet No. 123D2-A		
57 th Revision Sheet No. 131	Canceling	56 th Revision Sheet No. 131
11 th Revision Sheet No. 131T	Canceling	10 th Revision Sheet No. 131T
63 rd Revision Sheet No. 141	Canceling	62 nd Revision Sheet No. 141
24 th Revision Sheet No. 141-A	Canceling	23 rd Revision Sheet No. 141-A
11 th Revision Sheet No. 141T	Canceling	10 th Revision Sheet No. 141T
11 th Revision Sheet No. 141T-A	Canceling	10 th Revision Sheet No. 141T-A
17 th Revision Sheet No. 153-B	Canceling	16 th Revision Sheet No. 153-B

24 th Revision Sheet No. 185-C	Canceling	23 rd Revision Sheet No. 185-C
22 nd Revision Sheet No. 185-D	Canceling	21 st Revision Sheet No. 185-D
11 th Revision Sheet No. 185T	Canceling	10 th Revision Sheet No. 185T
7 th Revision Sheet No. 185T-A	Canceling	6 th Revision Sheet No. 185T-A
10 th Revision Sheet No. 186T-A	Canceling	9 th Revision Sheet No. 186T-A
25 th Revision Sheet No. 187-D	Canceling	24 th Revision Sheet No. 187-D
8 th Revision Sheet No. 187T	Canceling	7 th Revision Sheet No. 187T
10 th Revision Sheet No. 187T-A	Canceling	9 th Revision Sheet No. 187T-A
Original Sheet No. 1129D		
Original Sheet No. 1129D-A		
Original Sheet No. 1129D-B		
Original Sheet No. 1129D-C		
Original Sheet No. 1141N		
Original Sheet No. 1141N-A		

Original Sheet No. 1141R		
Original Sheet No. 1141R-A		
Original Sheet No. 1141R-B		
Original Sheet No. 1141R-C		
Original Sheet No. 1141R-D		
7 th Revision Sheet No. 1142	Canceling	6 th Revision Sheet No. 1142
8 th Revision Sheet No. 1142-A	Canceling	7 th Revision Sheet No. 1142-A
8 th Revision Sheet No. 1142-B	Canceling	7 th Revision Sheet No. 1142-B
11 th Revision Sheet No. 1142-C	Canceling	10 th Revision Sheet No. 1142-C
Original Sheet No. 1142-C.1		
Original Sheet No. 1142-C.2		
Original Sheet No. 1142-C.3		