

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

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|-------------------------------------|---|---------------------------|
| In the Matter of the Petition of |) | DOCKET UE-121897 |
| |) | |
| PUGET SOUND ENERGY, INC., |) | ORDER 01 |
| |) | |
| Petitioner, |) | |
| |) | ORDER GRANTING |
| Seeking Exemption from the |) | EXEMPTION FROM RULE AND |
| Provisions of WAC 480-100-194 |) | ALLOWING TARIFF REVISIONS |
| Relating to Publication of Proposed |) | TO BECOME EFFECTIVE BY |
| Tariff Changes |) | OPERATION OF LAW |
| |) | |

BACKGROUND

- 1 On November 30, 2012, Puget Sound Energy, Inc. (PSE or Company) filed with the Washington Utilities and Transportation Commission (Commission) Renewable Energy Credit (REC) Tracker rates under Schedule 137 with no changes to rates and requested a waiver to the annual effective date cited in both the Settlement Stipulation and Order 08 in Dockets UE-111048 and UG-111049.

- 2 Staff asked PSE to file replacement pages reflecting the appropriate annual rate allocations and true-up in accordance with the Settlement Stipulation and Order 08 in Dockets UE-111048 and UG-111049.

- 3 On December 12, 2012, PSE filed replacement tariff sheets reflecting the annual rate allocations and true-up, and requested a petition for exemption from minimum customer notice provisions found in WAC 480-100-194 and instead allow customers to be provided notice under the provisions of WAC 480-100-195 through a message on or with the first billing when the change becomes effective.

- 4 The replacement tariff sheets result in a reduction in the credit rates under Schedule 137, which translates to an overall increase in bills for most customers. For example, a typical residential customer using 1,000 kWh per month will see an increase of \$0.23 per month.

- 5 The primary reason that the REC rates are lower is that the total amount of the credit is being spread over projected loads for twelve months rather than seven months, May 2012 to December 2012, as had been the case. In addition, the rates reflect additional changes, such as a true-up due to change in loads relative to projections, a true-up of the actual to

estimated REC dollars received, and removal of the credits from the environmental attributes of natural gas acquired from the Cedar Hills project which will be addressed separately in the future.

- 6 [WAC 480-07-110](#) allows the Commission to grant an exemption from or modify the application of its rules if consistent with the public interest, the purposes underlying regulation, and applicable statutes.
- 7 Commission Staff reviewed the tariff rate changes and the request to waive customer notice requirements in WAC 480-100-194 and recommends that the Commission allow the tariff to become effective by operation of law, and on its own motion, grant the requested waiver from WAC 480-100-194.

FINDINGS AND CONCLUSIONS

- 8 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including electric companies. [RCW 80.01.040](#), [RCW 80.04](#), [RCW 80.08](#), [RCW 80.12](#), [RCW 80.16](#) and [RCW 80.28](#).
- 9 (2) PSE is engaged in the business of providing electric services within the state of Washington and is a public service company subject to Commission jurisdiction.
- 10 (3) PSE is subject to the filing requirements of WAC 480-100-194, for publication notices.
- 11 (4) Under [WAC 480-100-008](#), the Commission may grant an exemption from the provisions of any rule in [WAC 480-100](#), if consistent with the public interest, the purposes underlying regulation and applicable statutes. See also [WAC 480-07-110](#).
- 12 (5) This matter came before the Commission at its regularly scheduled meeting on December 27, 2012.

- 13 (6) After review of the petition filed in Docket UE-121897 by PSE on December 12, 2012, and giving due consideration, the Commission finds:
- (a) An exemption from the publication notice filing requirements set forth in [WAC 480-100-194](#) is in the public interest and consistent with the purposes underlying regulation, and applicable statutes and should be granted; and
 - (b) It is in the public interest to allow the tariff revisions to Tariff WN U-60 to become effective on January 1, 2013, by operation of law.

ORDER

THE COMMISSION ORDERS:

- 14 (1) After the effective date of this Order, Puget Sound Energy, Inc. is granted an exemption from WAC 480-100-194 and allow customers to be provided notice under the provisions of WAC 480-100-195, for purposes of the tariff filed in Docket UE-121897 on December 12, 2012.
- 15 (2) The Commission retains jurisdiction over the subject matter and Puget Sound Energy, Inc. to effectuate the provisions of this Order.
- 16 (3) The Commission takes no action on the tariff implementing the temporary customer credit decrease and allows it to become effective on January 1, 2013, by operation of law.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Olympia, Washington, and effective December 27, 2012.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Executive Director and Secretary