

MAY 28 1992

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND)
TRANSPORTATION COMMISSION,)
) Complainant,)
) vs.)
) PUGET SOUND POWER &)
) LIGHT COMPANY,)
) Respondent.)
.)

DOCKET NO. UE-920499

ORDER SUSPENDING TARIFFS
AND INSTITUTING INVESTIGATION

AND

NOTICE OF HEARING
(JUNE 19, 1992) (1)

On April 30, 1992, Puget Sound Power & Light Company ("Puget" or "company") filed with the Commission proposed changes in its currently effective Tariff No. WN U-60, Tariff G. The tariff revisions carry an issue date of April 30, 1992, and are designated as follows:

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|-------------------------------|-------------------------------|
| Seventh Revised Sheet No. 2 | Original Sheet No. 38-c |
| Original Sheet No. 6 | Original Sheet No. 39 |
| Original Sheet No. 6-a | Original Sheet No. 39-a |
| Ninth Revised Sheet No. 7 | Original Sheet No. 39-b |
| Third Revised Sheet No. 7-a | Original Sheet No. 39-c |
| Original Sheet No. 11 | Ninth Revised Sheet No. 43 |
| Original Sheet No. 12 | Second Revised Sheet No. 43-a |
| Tenth Revised Sheet No. 24 | Ninth Revised Sheet No. 46 |
| Second Revised Sheet No. 24-a | Third Revised Sheet No. 46-a |
| Original Sheet No. 25 | Original Sheet No. 48 |
| Original Sheet No. 25-a | Original Sheet No. 48-a |
| Original Sheet No. 26 | Ninth Revised Sheet No. 49 |
| Original Sheet No. 26-a | Eighth Revised Sheet No. 50 |
| Fifth Revised Sheet No. 29 | First Revised Sheet No. 50-a |
| First Revised Sheet No. 29-a | Eighth Revised Sheet No. 51 |
| Original Sheet No. 30 | Eighth Revised Sheet No. 52 |
| Original Sheet No. 30-a | Eighth Revised Sheet No. 53 |
| Tenth Revised Sheet No. 31 | Second Revised Sheet No. 53-a |
| Third Revised Sheet No. 31-a | First Revised Sheet No. 53-b |
| Fourth Revised Sheet No. 35 | Ninth Revised Sheet No. 54 |
| First Revised Sheet No. 35-a | Second Revised Sheet No. 54-a |
| Original Sheet No. 36 | Ninth Revised Sheet No. 55 |
| Original Sheet No. 36-a | Eighth Revised Sheet No. 57 |
| Original Sheet No. 36-b | Fifth Revised Sheet No. 58 |
| Original Sheet No. 36-c | Original Sheet No. 58-a |
| Original Sheet No. 38 | First Revised Sheet No. 80-x |
| Original Sheet No. 38-a | Original Sheet No. 80-y |
| Original Sheet No. 38-b | |

The stated effective date for the tariff revisions is May 31, 1992.

It appears to the Commission that the proposed tariff revisions would result in rates and charges, rate design and rate structure, which may be unfair, unjust, and unreasonable or insufficient. The Commission orders that public hearings be held concerning the tariff revisions so that it may set rates which are just and reasonable. In accordance with RCW 80.04.130, the burden of proof to show that the rates and charges are just and reasonable shall be upon the respondent.

In connection with such proceedings, the Commission deems it necessary in order to carry out the duties imposed upon it by law, to investigate the books, accounts, practices, and activities of respondent and to investigate and appraise various phases of the operation of respondent.

The proposed tariff revisions are in response to the Commission's Third Supplemental Order in Docket Nos. UE-901183-T and UE-901184-P entered April 1, 1991 ("the decoupling order"). According to the Company's transmittal letter, consistent with the decoupling order, the filing does not propose to increase gross annual revenue for the company, but instead responds to the Commission's directive to make a revenue neutral rate design filing no later than April 1992.

In its transmittal letter in this matter, the company requested the Commission waive the requirements of WAC 480-09-300--330 pertaining to filing requirements for general rate increase filings. The proposed tariff revisions would not result in an increase in gross annual revenue of the company and therefore the waiver should be granted.

The company also has requested Commission authority to submit revised tariff sheets for the same rate schedules under suspension in this proceeding. The additional revisions would be made in the context of a general rate increase filing, which may be filed prior to a final order in the instant case. The company cites the decoupling order as requiring such a general rate case filing; the Commission will approve the company's request to submit revised tariff sheets.

ORDER

IT IS ORDERED THAT:

1. The operation of the proposed tariff revisions is suspended for a period not exceeding ten months from the proposed effective date, pending hearing and Commission decision.

2. The Commission will permit the company to submit revised tariff sheets for the same rate schedules under suspension in this docket, in the context of a general rate increase filing, if such filing is made prior to decision and order in this docket.

3. The filing requirements in WAC 480-09-300--330, pertaining to general rate increase filings, are waived for purposes of this docket.

4. An investigation of the books, accounts, practices, and activities of the company, and a valuation and appraisal of the company's property and operations shall be conducted.

5. The company shall pay the expenses reasonably attributable and allocable to the investigation, valuation, and appraisal, to the extent that requiring payment is consistent with the provisions of chapter 80.20 RCW.

6. The company shall provide the statement required by WAC 480-80-125 to its customers in the form and manner specified in the rule.

7. The Commission has set this matter for public hearing. Therefore, the statement required by WAC 480-80-125 shall include notice of the time and place for hearing provided by this order, and shall contain the address and telephone number at which Public Counsel may be contacted.

8. One or more additional hearing sessions concerning the justness and reasonableness of the proposed tariff revisions may be held at times and places designated by the Commission.

NOTICE OF HEARING

Hearing in this matter is being held pursuant to Part IV of chapter 34.05 RCW pertaining to adjudicative proceedings, including but not limited to RCW 34.05.422, 34.05.440, 34.05.449, and 34.05.452. The Commission has jurisdiction over this matter under Title 80 RCW, having legal authority to regulate the rates, services, and practices of electric companies under chapter 80.28. In addition to the foregoing statutes, rules involved include those within chapter 480-09 WAC relating to practice and procedure, including specifically WAC 480-09-480, relating to obtaining data in adjudicative proceedings.

The only statement of issues that can be made at this time is whether the proposed rates and charges are fair, just, reasonable and sufficient, based upon the rate design and rate structure proposed. Consideration of alternative rate designs and structures will be undertaken. If the Commission accepts an alternative rate design or rate structure, the rate changes proposed by the company could change, and therefore the rates paid by customers could be greater or less than those proposed.

NOTICE IS HEREBY GIVEN That a public hearing will be convened at 9:30 a.m., Friday, June 19, 1992, in Hearing Room 140, First Floor, Chandler Plaza Building, 1300 S EVERGREEN PARK DRIVE SW, OLYMPIA, WASHINGTON. Petitions to intervene should be made in writing prior to that date or made orally at that time. Appearances of the parties will be taken. NOTICE IS FURTHER GIVEN THAT ANY PARTY WHO FAILS TO ATTEND OR PARTICIPATE IN THE PREHEARING CONFERENCE SET HEREIN, OR OTHER STAGE OF THIS PROCEEDING, MAY BE HELD IN DEFAULT IN ACCORDANCE WITH THE TERMS OF RCW 34.05.440. Respondent will be expected to have available at that time for distribution to all parties and interested persons copies of its direct testimony and exhibits that it proposes to present in support of its request for the tariff revisions. These documents will be marked as exhibits. It need not have its witnesses in attendance as no oral testimony will be taken at that hearing session. Other preliminary matters may also be presented and resolved and the matter may be recessed to a prehearing conference for the purposes enumerated in WAC 480-09-460 and 480-09-480.

Thereafter proper advance notice will be issued as to the time and place for any additional public hearings on respondent's proposed tariff revisions.

An Administrative Law Judge from the Utilities and Transportation Subdivision of the Office of Administrative Hearings, Third Floor, 2420 BRISTOL COURT SW, BUILDING E, OLYMPIA WA 98504, (206) 753-6403, will be designated to preside at the hearing.

The names and mailing addresses of all parties and their known representatives are as follows:

Complainant:

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
1300 S EVERGREEN PARK DRIVE SW
OLYMPIA WA 98504

Representative:

Kenneth O. Eikenberry, Attorney General
Donald T. Trotter, Assistant Attorney General
1400 S EVERGREEN PARK DRIVE SW
OLYMPIA WA 98504

Respondent:

PUGET SOUND POWER & LIGHT COMPANY
PO BOX 97034
BELLEVUE WA 98009-9734

Representative:

James M. Van Nostrand
Perkins Coie
Attorneys at Law
One Bellevue Center, Suite 1800
411 - 108TH AVENUE NE
BELLEVUE WA 98004

People of the state of Washington:

Charles F. Adams
Public Counsel Section
Office of Attorney General
Suite 2000
900 FOURTH AVENUE
SEATTLE WA 98164

It is planned that specially designated hearing sessions for the purpose of receiving the testimony of members of the public will be held at a time and place to be set later. The Commission will provide at its offices in Olympia, Washington, current records of the hearing for the use of those who may wish to review them. The Public Counsel section of the office of Attorney General has been designated by the Attorney General to represent the public. The address of the Commission, shown below, may be used for inquiries of Public Counsel, or Public Counsel may be contacted directly by writing or calling the address or telephone number listed below. Public Counsel will be able to help members of the public to prepare their testimony if assistance is desired.

Dated at Olympia, Washington and effective this 27th day of May 1992.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION



SHARON L. NELSON, Chairman



RICHARD D. CASAD, Commissioner



A. J. PARDINI, Commissioner

May 27, 1992

Inquiries should be addressed to:

The Secretary
Washington Utilities and
Transportation Commission
Chandler Plaza Building
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PO BOX 47250
OLYMPIA WA 98504-7250
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or

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