



ATTORNEY GENERAL OF WASHINGTON

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February 26, 2013

SENT VIA E-MAIL AND ABC/LMI

Steven V. King
Acting Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Dr. SW
P.O. Box 47250
Olympia, WA 98504-7250

RE: *In the Matter of Puget Sound Energy, Inc., WN U-60, Tariff G, Electric Service, Advice No. 213-01 and WN U-2 Natural Gas Service, Advice No. 2013-02*
Dockets UE-130137 and UG-130138

Dear Mr. King:

Public Counsel supports the February 25, 2013, request of ICNU that these dockets be suspended. Public Counsel agrees with the points raised in the ICNU filing.

The docket is appropriate for suspension. The Expedited Rate Filing (ERF) proposal is a novel approach to rate setting that has not been previously reviewed or approved by the Commission for PSE or any Washington regulated utility.¹ The Commission has ordinarily, and properly, suspended such precedential matters where significant policy changes are proposed to ensure a full review that is fair to all parties and produces a sound record for decision.

While recent policy discussions and orders have recognized that new alternatives to traditional rate making are worth considering,² that fact does not mean that specific Company proposals need not be reviewed to evaluate their impact on customers and understand their design. Based on a preliminary review of the filing, Public Counsel believes there are a number of issues that warrant further investigation. PSE's customers are entitled to an opportunity to examine this proposal in detail and present their own careful analysis to the Commission with the benefit of the procedural tools which become fully available with suspension.

Public Counsel does not seek to unduly delay this matter and is open to consideration of alternative rate mechanisms that are fair to customers and well-designed. Indeed, immediate suspension and establishment of a reasonable schedule, including provision for settlement discussions, will likely be the most effective way to reach a prompt resolution of this docket, as opposed to the current procedural "limbo" which disadvantages Public Counsel and other intervenors. It does not appear there is a need for a 10 month General Rate Case (GRC) type timeline but PSE cannot reasonably expect a 30-60 day "rubber stamp" resolution (by April 1) in

¹ Public Counsel and other parties met with PSE last fall to discuss alternative ratemaking options, but there was substantial disagreement and discussions broke off.

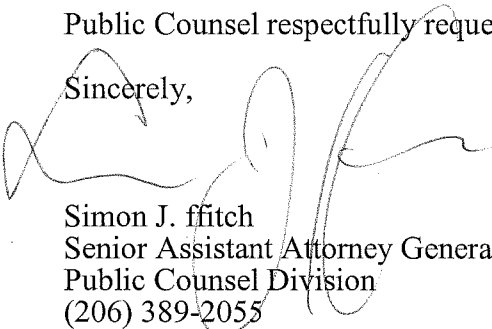
² See, e.g., *Washington Utilities and Transportation Commission v. PSE*, Docket UE-111049, Order 08, ¶ 491.

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a case of first impression on issues that have a multimillion impact on customer rates. Moreover, as a practical matter, any delay that has occurred so far is a result of actions of Commission Staff and Puget Sound Energy, Inc. (PSE). Their decision to engage in private bilateral negotiations, without the inclusion of Public Counsel or other parties, has already consumed half of the time period between filing and the requested effective date.

Public Counsel respectfully requests that these dockets be suspended.

Sincerely,



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cc: ALJ Dennis Moss (E-mail)
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