

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION

WASHINGTON UTILITIES AND)	
TRANSPORTATION COMMISSION,)	
)	
IN THE MATTER OF THE PETITION)	DOCKET UE-010410
OF PUGET SOUND ENERGY, INC.,)	
)	
For an Accounting Order and Reporting)	ORDER GRANTING
Requirements Regarding the)	ACCOUNTING PETITION AND
Implementation of Time of Day)	REQUIRING AN EVALUATION
Adjustment of Existing Schedule 7 Rate)	REPORT
and an Electricity Incentive Credit.)	
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MEMORANDUM

- 1 On March 27, 2001, Puget Sound Energy, Inc. (PSE) filed with the Washington Utilities and Transportation Commission (Commission) a petition for an accounting order authorizing PSE to defer any cumulative over collection of revenues resulting from its Time of Day Schedule 307 and to account for the Electricity Conservation Incentive Credit established under PSE’s Schedule No. 125 (Conservation Incentive Credit Schedule). A true-up mechanism for the proposed time of day adjustment to existing rates is set forth in PSE’s Schedule No. 105 (Time of Day Rate Adjustment Schedule).

- 2 PSE’s petition states that if the cumulative revenues collected from PSE customers under Schedule 307 during the five-month period when such rates are to be effective may exceed the revenues that would have been collected when compared to those same sales priced at the Schedule 7 rate, PSE will refund uniformly to participating customers an amount equal to any such over collection. Schedule 105 requires PSE to calculate overcollected revenues on a monthly basis. PSE’s petition requests authority to account for any monthly overcollections in a separate deferral account, with the six-month sum of such monthly overcollections to be refunded per Schedule 105. PSE also requests authority to account for billing credits arising from the Conservation Incentive Credit, Schedule 125, as a reduction to revenue.

FINDINGS

THE COMMISSION FINDS THAT:

- 3 (1) PSE is in the business of furnishing electric and gas service in the state of Washington and is subject to the Commission’s regulatory authority over retail rates, services and practices.

- 4 (2) Implementing the proposed Time of Day Schedule as a pilot program, effective through September 30, 2001, may result in an overcollection of revenues compared to the rates established in the merger rate plan of 1996.

5 (3) The Conservation Incentive Credit is a reduction to revenues.

THE COMMISSION ORDERS THAT:

- 6 1. PSE is authorized to modify its accounts in conformity with the Time of Day Schedule, the Time of Day Rate Adjustment Schedule, and the Conservation Incentive Credit Schedule. Specifically, PSE is authorized to (a) implement residential time of day pricing pursuant to and in conformity with the Time of Day Schedule; (b) defer any cumulative overcollection difference on a monthly basis until the end of the program when an amount equal to such difference is refunded to the customer pursuant to and in conformity with the Time of Day Rate Adjustment Schedule; and (c) record as a reduction of revenues credits paid to PSE customers who reduce their energy consumption pursuant to and in conformity with the Conservation Incentive Credit Schedule.
- 7 2. PSE must file a comprehensive evaluation report on the Time of Day and Conservation Incentive Credit programs by October 30, 2001. If PSE files a revision to extend the Time of Day program the comprehensive evaluation must be filed at least 30 days prior to the effective date of the tariffs extending the programs. PSE must also file a final evaluation report on the Conservation Incentive Credit by January 30, 2002. At a minimum, the reporting of the Conservation Incentive Credit must providing at a minimum the following items:
1. Number of customers achieving the threshold by class by month.
 2. Percentage of total customers achieving the threshold by class.
 3. Total volumes and dollars credited to customers by month.
 4. Total volumes saved from previous years by month and by customer class.
 5. Calculation of the monetary benefits derived for customers and the Company.
- 8 3. THE COMMISSION ORDERS FURTHER That it retains jurisdiction to effectuate the provisions of this Order.

DATED at Olympia, Washington this 25th day of April, 2001.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARILYN SHOWALTER, Chairwoman

RICHARD HEMSTAD, Commissioner