

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

|                                       |   |                  |
|---------------------------------------|---|------------------|
| In the Matter of                      | ) | DOCKET UE-150563 |
|                                       | ) |                  |
| PUGET SOUND ENERGY,                   | ) | ORDER 01         |
|                                       | ) |                  |
|                                       | ) |                  |
| For an Order Approving a Contract for | ) | ORDER APPROVING  |
| the Sale of Renewable Energy Credits  | ) | CONTRACT         |
| in Accordance with RCW 19.29A.090.    | ) |                  |
| .....                                 | ) |                  |

**BACKGROUND**

- 1 On October 16, 2014, in Order 01 in Docket UE-141505, the Washington Utilities and Transportation Commission (Commission) determined that Puget Sound Energy (PSE or Company) may file proposed rates, terms, and conditions for the sale of renewable energy credits (RECs) to its non-residential customers for the Commission’s approval under RCW 19.29A.090(5), and may designate information within those filings as confidential pursuant to WAC 480-07-160.
  
- 2 On November 3, 2014, in Order 01 of Docket UE-143770, the Commission approved the first such contract for the sale of RECs by PSE in accordance with RCW 19.29A.090(5).
  
- 3 On April 3, 2015, PSE filed with the Commission a request for an order approving a contract for the sale of RECs to a second counterparty in accordance with RCW 19.29A.090(5).
  
- 4 With its application, PSE submitted to the Commission a fully redacted copy of the contract with the counterparty for the sale of RECs. A non-redacted version of the contract was also provided to the Commission and designated confidential pursuant to WAC 480-07-160.
  
- 5 Commission Staff (Staff) reviewed the Company’s confidential filing and concluded that the contract is appropriate for approval under RCW 19.29A.090(5). Staff has

also concluded that the rates, terms, and conditions are reasonable and in the public interest.<sup>1</sup>

### DISCUSSION

6 We agree with Staff's recommendation and find that PSE's contract with the  
counterparty is appropriate for approval under RCW 19.29A.090(5), and that the  
rates, terms, and conditions are reasonable and in the public interest.

### FINDINGS AND CONCLUSIONS

- 7 (1) The Washington Utilities and Transportation Commission is an agency of the  
State of Washington vested by statute with the authority to regulate rates,  
regulations, practices, accounts, securities, transfers of property, and affiliated  
interests of public service companies, including electric companies.
- 8 (2) PSE is an electric company and a public service company subject to  
Commission jurisdiction.
- 9 (3) On April 3, 2015, PSE filed with the Commission a contract for the sale of  
RECs pursuant to RCW 19.29A.090(5).
- 10 (4) This matter came before the Commission at its open meeting on April 30,  
2015.
- 11 (5) The Commission finds that the contract is appropriate for approval under  
RCW 19.29A.090(5), and that the contracted rates, terms, and conditions are  
reasonable and are in the public interest.

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<sup>1</sup> The confidential contracted rate falls between \$1.00 and \$12.00 per REC. In PSE's suspended tariff filing in Docket UE-141505, the Company submitted a cost of service study demonstrating that the \$1.00 minimum rate is sufficient to cover the cost of providing the service. Staff agrees with PSE that the cost of providing this service is less than \$1.00 per REC.

**ORDER**

12 **THE COMMISSION ORDERS** that the contract between Puget Sound Energy and the counterparty for the sale of renewable energy credits filed on April 3, 2015, is approved and effective on April 30, 2015.

DATED at Olympia, Washington, and effective April 30, 2015.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID. W. DANNER, Chairman

PHILIP B. JONES, Commissioner

ANN E. RENDAHL, Commissioner