

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Application of PUGET
SOUND ENERGY, INC. for an Order Approving
an Amendment to the Service Area Agreement
With the CITY OF TACOMA

NO. UE-900794

[APPLICATION FOR AN ORDER
APPROVING AN AMENDMENT TO THE
SERVICE AREA AGREEMENT](#)

Puget Sound Energy, Inc. ("Puget"), the successor in interest to Puget Sound Power & Light Company, hereby applies to the Washington Utilities and Transportation Commission (the "Commission") for an order approving an amendment, described below, to the Service Area Agreement between Puget and the City of Tacoma, which the Commission approved on August 22, 1990.

A. Background

In August 1990, the Commission reviewed and approved a Service Area Agreement ("Agreement") between Puget and the City of Tacoma (dba "Tacoma Power") pursuant to the provisions of Chapter 54.48 RCW. In the Matter of the Application of Puget Sound Power & Light Co. for an Order Approving a Service Area Agreement With the City of Tacoma, Docket No. UE-900794 (WUTC Aug. 22, 1990). The term of the Agreement is 25 years. Agreement at ¶ 1.6.

In January 2001, the Commission reviewed and approved Amendment 1 Updating the Boundary Agreement ("Amendment 1"). Amendment 1 revised Exhibit A to the Agreement and was agreed to by Puget and Tacoma Power on May 23, 2000. The Agreement and Amendment 1 are hereinafter referred to collectively as "the Agreement."

[APPLICATION FOR AN ORDER
APPROVING AMENDMENT TO SERVICE
AREA AGREEMENT - 1](#)

[00000-0000/900794, PSE, Application for Order, 9-18-01.doc]

Pursuant to Chapter 54.48 RCW, the Agreement sets forth the areas in which Tacoma Power and Puget will each provide electric service. It describes in detail "the boundary between the Puget Service Area and the Tacoma Power Service Area" (the "Boundary"). Agreement at ¶ 1.1. Exhibit A to the Agreement provides the legal description of the boundary, Exhibit B to the Agreement illustrates the Boundary on a map of the affected area, Exhibit C to the Agreement depicts Puget's Distribution Facilities located in the Tacoma Service Area, and Exhibit D to the Agreement depicts Tacoma Power's Distribution Facilities located in the Puget Service Area.

Subject to Commission approval, the parties now wish (i) to amend the Agreement to reflect the deletion of certain facilities from Exhibit C of the Agreement, (ii) to have Tacoma Power provide electric service to the customers at the following addresses, which are currently served from these facilities: 6408 River Rd E; 5808 44th St. E; 4307 58th Ave. E; and 5726 River Rd, and (iii) for Puget to seek Commission approval of the foregoing, which are set forth in Amendment 2 Updating the Boundary Agreement, a copy of which is attached hereto at Tab 1 ("Amendment 2").

B. Legal Authority

Subject to Commission approval, Puget and Tacoma Power have agreed to amend the Agreement the Commission previously approved to incorporate the terms and conditions of Amendment 2. The Commission is authorized to review and approve Amendment 2.

As described above, Puget and Tacoma Power have agreed to delete the facilities listed and depicted in Amendment 2 from Puget's Distribution Facilities located in the Tacoma Service Area depicted on Exhibit C to the Agreement based on factors such as the availability of facilities to extend new service, preexisting service to nearby properties, and other factors bearing on whether it will be more effective, efficient, or economical for Puget or for Tacoma Power to serve a particular property, parcel or plat. Formal Commission approval of Amendment 2 is consistent with RCW 54.48 and the public interest. Amendment 2 has and will prevent duplication of electric lines and

service, reduce unnecessary hazards to public safety, and encourage investment in permanent underground facilities. RCW 54.48.020. Tacoma Power and Puget are authorized under law to reach agreement with respect to their service areas, and Commission approval of Amendment 2 is in the public interest. RCW 54.48.030.

Puget therefore respectfully requests that the Commission approve Amendment 2 and issue the proposed Order that is attached to this Application at Tab 2. Tacoma Power supports Puget's Application.

DATED: September ____, 2001.

PERKINS COIE LLP

By _____
Kirstin S. Dodge, WSBA #22039
Brett N. Wiese, WSBA #26624
Attorneys for Applicant Puget Sound Energy, Inc.

Tab 1

Copy of Amendment 2 updating the Boundary Agreement

APPLICATION FOR AN ORDER
APPROVING AMENDMENT TO SERVICE
AREA AGREEMENT - 5

[00000-0000/900794, PSE, Application for Order, 9-18-01.doc]

Tab 2
Proposed Order