

Service Date: August 17, 2016

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

DOCKETS UE-151871 and  
UG-151872 (*Consolidated*)

ORDER 05

ORDER ON EVIDENTIARY  
ISSUES

**BACKGROUND**

- 1 On September 18, 2015, Puget Sound Energy (PSE or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective tariffs WN U-60 schedule 75 and WN U-2 schedule 175 to offer electric and natural gas equipment lease service to its customers. The Commission entered Order 01, Complaint and Order Suspending Tariff Revisions, on November 13, 2015, and subsequently initiated an adjudicative proceeding to address the issues the filing raises.
- 2 On August 1 and 3, 2016, the Commission conducted evidentiary hearings on PSE's proposed service. The Commission issued two bench requests to the Company during the course of those hearings: (1) to provide information about the credit criteria PSE uses to determine customer eligibility for the service and the number of customers who would be eligible to participate based on those criteria; and (2) to identify the portions of the Company's testimony that relate to the testimony and exhibits sponsored by the Sheet Metal and Air Contractors National Association – Western Washington (SMACNA-WW) and the Washington State Heating, Ventilation, and Air Conditioning Contractors Association (WSHVACCA) that the Commission struck as beyond the scope of these parties' intervention.

3 On August 8, 2016, the Public Counsel Unit of the Attorney General’s Office (Public  
Counsel) offered Exh. PC-1, a compilation of public comments on PSE’s proposed  
service, for admission into the record.

4 On August 9, 2016, the Company filed its responses to Bench Request Nos. 1 and 2. On  
August 10, Commission staff (Staff) filed a response to PSE’s response to BR-1. On  
August 15, Public Counsel and Staff filed a joint objection to, and motion to strike,  
almost all of PSE’s response to BR-1. On August 16, PSE filed its opposition to the  
objection and motion to strike.

5 On August 11, 2016, WSHVACCA filed a response to the Company’s response to BR-2.

### **DISCUSSION**

6 No party objected to the admission of Exh. PC-1. The Commission admits that exhibit  
into the evidentiary record.

7 The Commission admits PSE’s response to BR-1 (designated as BR-1PSE) into the  
evidentiary record in its entirety. Public Counsel and Staff object and move to strike most  
of that exhibit on the grounds that PSE has revised the credit criteria in the Company’s  
prefiled testimony and responses to data requests. Such revisions, according to Public  
Counsel and Staff, violate the Company’s discovery obligations, go beyond the scope of  
the request, and come too late in the process to enable the other parties to cross-examine  
or otherwise effectively respond. PSE rejoins that BR-1PSE reflects the Company’s  
current practices as the Commission requested, and the Commission is free to consider  
those practices or limit its review to the eligibility criteria and their application that PSE  
described in its testimony.

8 We agree with PSE that the information it has provided in Exh. BR-1PSE is responsive to  
the Commission’s bench request. We nevertheless are sensitive to the concerns that  
Public Counsel and Staff raise, and thus we will also admit Staff’s response (designated  
as BR-1S), including the attachments, into the evidentiary record. The Commission will  
give each exhibit the appropriate weight when making its determinations.

9 The Commission admits PSE’s response to BR-2 into the evidentiary record in its  
entirety. WSHVACCA objects to the Company’s inclusion of a portion of Exh. MBM-  
7HCT in the list of testimony to be stricken. WSHVACCA contends that PSE only  
objected to Mr. Kreckler’s testimony and exhibits concerning the history of the  
Company’s dealings with contractors. Mr. McCulloch’s testimony – as well as a portion

of Mr. Krecker's stricken testimony – addresses the current relationship between these companies. WSHVACCA argues that PSE's ability to rely on contractors to provide the proposed service is a legitimate issue, and thus all of this testimony should be included in the record.

- 10 We disagree. As a preliminary matter, WSHVACCA had the opportunity to raise this issue prior to the Commission making its ruling on PSE's objection. Having failed to do so, WSHVACCA has waived this argument. Even were we inclined to entertain WSHVACCA's request, we note that the Company objected to WSHVACCA's testimony as outside the scope of the grant of intervention, without limitation as to the time period. We continue to adhere to our ruling that whether past or present, the relationship between PSE and WSHVACCA members is not an issue for the Commission to resolve in this proceeding.
- 11 We observe, however, that PSE has not identified all of Mr. McCulloch's testimony that relates to the portions of WSHVACCA's testimony and exhibits that the Commission struck. Exh. MBM-11 also responds to Mr. Krecker's stricken testimony, as does a portion of WSHVACCA's cross-examination during the hearing.<sup>1</sup> Accordingly, the Commission strikes this exhibit and cross-examination testimony from the evidentiary record along with the prefiled testimony PSE identifies in Exh. BR-2.<sup>2</sup>

## ORDER

THE COMMISSION ORDERS That

- 12 (1) The Commission admits Exh. PC-1 into the evidentiary record.
- 13 (2) The Commission overrules Public Counsel and Staff's objection to Puget Sound Energy's response to BR-1 and denies the motion to strike portions of that response. The Commission admits Exh. BR-1PSE and Exh. BR-1S into the evidentiary record.

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<sup>1</sup> TR 307:8 – 309:4.

<sup>2</sup> That testimony includes Exh. LYN-1T at 19:9-12 (beginning with footnote 10), 20:4-21:11, and 22:9-23:7, and Exh. MBM-7HCT at 8:3-10.

- 14 (3) The Commission overrules WSHVACCA's objection to Puget Sound Energy's response to BR-2 and admits that exhibit into the evidentiary record. The Commission strikes from the record the portions of Puget Sound Energy's testimony and exhibits referenced in that exhibit and paragraph 11 above.
- 15 (4) The Commission denies WSHVACCA's request to revise the portions of the testimony the Commission struck from the record during the evidentiary hearings.

Dated at Olympia, Washington, and effective August 17, 2016.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

GREGORY J. KOPTA  
Administrative Law Judge