

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of) DOCKET UE-121373
)
PUGET SOUND ENERGY, INC.,)
)
For Approval of a Power Purchase)
Agreement for Acquisition of Coal)
Transition Power, as Defined in RCW)
80.80.010, and the Recovery of Related)
Acquisition Costs)
.....)
In the Matter of the Petition of) DOCKETS UE-121697 and
) UG-121705
PUGET SOUND ENERGY, INC.,)
and NW ENERGY COALITION)
)
For an Order Authorizing PSE To)
Implement Electric and Natural Gas)
Decoupling Mechanisms and To)
Record Accounting Entries Associated)
With the Mechanisms)
)
.....)
WASHINGTON UTILITIES AND) DOCKETS UE-130137 and
TRANSPORTATION COMMISSION,) UG-130138
)
Complainant,)
)
v.) NOTICE OF JOINT PREHEARING
) CONFERENCE
) **(Set for March 22, 2013,**
PUGET SOUND ENERGY, INC.,) **at 9:30 a.m.)**
)
Respondent.)
.....)

- 1 **NATURE OF PROCEEDINGS. (Docket UE-121373):** On August 20, 2012, Puget Sound Energy, Inc. (PSE) filed with the Washington Utilities and Transportation Commission (Commission) a Petition for Approval of a Power Purchase Agreement for Acquisition of Cost Transition Power, as Defined in RCW 80.80.010, and the Recovery of Related Acquisition Costs (PPA Docket). The Commission entered its Final Order, Order 03, on January 9, 2013, granting PSE's petition for approval of the subject power purchase agreement. PSE filed its Petition for Reconsideration and Motion to Reopen the Record in this proceeding on January 23, 2013. The Commission set February 6, 2013, as the date for any Responses to PSE's petition and motion. The Commission, in response to a motion for continuance filed by Staff, has continued the date for responses to March 27, 2013.
- 2 This proceeding is related to the other dockets set for this prehearing conference only by virtue of Staff's motion for continuance that is grounded in the need for additional time during which Staff and PSE have committed to reach out to other parties to discuss with them the prospects of a global settlement that may result in PSE withdrawing its petition for reconsideration, leaving open for determination only its motion to reopen Docket UE-121373 for limited purposes. The Commission, not wishing to foreclose the opportunity for broad discussions among those having interests in one or more of these matters, thus sees a procedural nexus that should be considered in setting a schedule, or schedules, for bringing these various matters to conclusion.
- 3 **(Dockets UE-121697 and UG-121705):** PSE and the NW Energy Coalition (NWEK), collectively referred to as the "Joint Parties," filed a petition on October 25, 2012, seeking approval of an electric and a natural gas decoupling mechanism and authority to record accounting entries associated with the mechanisms. After the petition and supporting testimony were filed, the Washington Utilities and Transportation Commission (Commission) held two technical conferences to allow interested stakeholders to further discuss the proposed decoupling mechanisms and to propose variations to the proposed mechanisms. PSE agreed to cooperate with interested stakeholders by responding to their inquiries seeking additional information about the decoupling proposal. PSE and NWEK, taking this process into account, reached agreement on certain modifications to the decoupling mechanisms and filed on March 1, 2013, an amended petition and testimony in support of these modifications to the original decoupling proposal. The Commission's regulatory staff

(Commission Staff or Staff)¹ filed testimony in support of the revised proposal on March 4, 2013.

4 The Commission placed these dockets on the agenda for its regular open meeting on March 14, 2013. The Commission set these dockets for hearing, designated the undersigned administrative law judge (ALJ) as a presiding officer to assist the Commission in bringing these dockets to a conclusion, and directed the ALJ to set an expedited schedule for additional process and an early hearing date.

5 **(Dockets UE-130137 and UG-130138):** On February 1, 2013, PSE filed with the Commission certain tariff revisions designed to increase rates for electrical and natural gas services provided to customers in Washington. PSE describes the filing as an update to its electric and natural gas rates consistent with the expedited filing method proposed by the Commission Staff in PSE's 2011-2012 general rate case, Dockets UE-111048 and UG-111049 (consolidated).² The tariff revisions, if allowed to become effective, would increase rates to recover additional revenues of approximately 1.6 percent for electrical services and decrease rates by approximately 0.1 percent for natural gas services. The Commission suspended operation of the as-filed tariffs by Order 01, entered in these dockets on March 14, 2013. The Commission, among other things, designated the undersigned ALJ as a presiding officer to assist the Commission in bringing these dockets to a conclusion, and directed the ALJ to set an expedited schedule for discovery, any additional prefiled testimony and hearing.

6 **STATUTORY AUTHORITY:** The Commission has jurisdiction over this matter under RCW Title 80, and has legal authority to regulate the rates, services, and practices of electric and gas utilities. The statutes that apply to this matter include RCW 80.01, RCW 80.04, and RCW 80.28, including but not limited to RCW 80.01.040, RCW 80.04.020, RCW 80.28.030, RCW 80.28.070, RCW 80.28.090, and

¹ In formal proceedings, such as this, the Commission's regulatory staff participates like any other party, while the Commissioners make the decision. To assure fairness, the Commissioners, the presiding administrative law judge, and the Commissioners' policy and accounting advisors do not discuss the merits of this proceeding with the regulatory staff, or any other party, without giving notice and opportunity for all parties to participate. *See* RCW 34.05.455.

² This filing does not meet the criteria defining a "general rate case" in WAC 480-07-505(1). PSE refers to the filing as an Expedited Rate Filing (ERF) and we adopt this lexicon and acronym for purposes of this Order.

RCW 80.28.100. The rules that apply to this matter include those within WAC 480-90 and WAC 480-100, relating to natural gas and electric companies.

7 The Commission will hear this matter under the Administrative Procedure Act (APA), particularly Part IV of RCW 34.05 relating to adjudications. The provisions of the APA that relate to this proceeding include, but are not limited to RCW 34.05.413, RCW 34.05.422, RCW 34.05.431, RCW 34.05.434, RCW 34.05.440, RCW 34.05.449, and RCW 34.05.452. The Commission will also follow its procedural rules in WAC 480-07 in this proceeding.

8 The Commission finds there is good cause to hear this matter on shortened notice, as authorized by RCW 34.05.434 and WAC 480-07-440(1)(a).

9 **THE COMMISSION GIVES NOTICE That it will hold a joint prehearing conference in these matters at 9:30 a.m., on Friday, March 22, 2013, in the Commission's Hearing Room, Second Floor, Richard Hemstad Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington.**

10 The purposes of the prehearing conference include consideration of requests for intervention, resolution of scheduling matters including establishing dates for distributing evidence and workpapers, identification of issues in the proceeding and determination of other matters to assist the Commission in resolving the matter, as listed in WAC 480-07-430.

11 **INTERVENTION:** Persons who wish to intervene should file a petition to intervene in writing at least three business days before the date of the prehearing conference, as provided by WAC 480-07-355(a). The Commission will consider oral petitions to intervene during the conference, but strongly prefers written petitions to intervene. Party representatives must file a notice of appearance with the Commission no later than the business day before the conference, as required under WAC 480-07-345(2). If any party or witness needs an interpreter or other assistance, they should fill out the form attached to this notice and return it to the Commission. The Commission will set the time and place for any evidentiary hearings at the prehearing conference, on the record of a later conference or hearing session, or by later written notice.

12 **THE COMMISSION GIVES NOTICE that any party who fails to attend or participate in the prehearing conference set by this Notice, or any other stage of this proceeding, may be held in default under RCW 34.05.440.**

13 The names and mailing addresses of all known parties in Docket UE-121373, and their known representatives, are as follows:

Petitioner: Puget Sound Energy
Kenneth Johnson
Director State Regulatory Affairs
P.O. Box 97034, PSE 08-N
Bellevue, WA 98009-9734
Ken.s.johnson@pse.com

Representative: Sheree Strom Carson
Perkins Coie LLP
10885 N.E. Fourth Street, Suite 700
Bellevue, WA 98004-5579
(425) 635-1400
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Commission: Sally Brown, Senior Assistant Attorney General
Gregory J. Trautman, Assistant Attorney General
1400 S. Evergreen Park Drive S.W.
P.O. Box 40128
Olympia, WA 98504-0128
(360) 664-1193
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Public Counsel: Simon J. ffitich
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Public Counsel Section
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(206) 464-6451
simonf@atg.wa.gov

Intervenor: Industrial Customers of Northwest Utilities
818 SW 3rd Avenue, #266
Portland, OR 97204

Representative: Melinda Davison
Davison Van Cleve, P.C.
333 S.W. Taylor, Suite 400
Portland, OR 97204
(503) 241-7242
mjd@dvclaw.com

Intervenor: NW Energy Coalition
811 1st Avenue, Suite 305
Seattle, WA 98104

Representative: Danielle Dixon
Senior Policy Associate
811 1st Avenue South, Suite 305
Seattle, WA 98104
(206) 621-0094
Danielle@nwenergy.org

14 The names and mailing addresses of all known parties in Dockets UE-121697 and UG-121705, and their known representatives, are as follows:

Petitioner: Puget Sound Energy
Kenneth Johnson
Director State Regulatory Affairs
P.O. Box 97034, PSE 08-N
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Ken.s.johnson@pse.com

Representatives: Sheree Strom Carson
Donna L. Barnett
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Petitioner: NW Energy Coalition
Nancy Hirsh, Policy Director
811 1st Avenue, Suite 305
Seattle, WA 98104

Representatives: Todd True
Amanda Goodin
Earthjustice
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Commission: Sally Brown, Senior Assistant Attorney General
Gregory J. Trautman, Assistant Attorney General
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Public Counsel: Simon J. ffitich
Assistant Attorney General
Public Counsel Section
Office of the Attorney General
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Seattle, WA 98104-3188
(206) 464-6451
simonf@atg.wa.gov

15 The names and mailing addresses of all known parties in Dockets UE-130137 and UG-130138, and their known representatives, are as follows:

Complainant: Washington Utilities and
Transportation Commission
Richard Hemstad Building
1300 S. Evergreen Park Drive S.W.
P.O. Box 47250
Olympia, WA 98504-7250
(360) 664-1160

Representative: Sally Brown, Senior Assistant Attorney General
Gregory J. Trautman, Assistant Attorney General
1400 S. Evergreen Park Drive S.W.
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Respondent: Puget Sound Energy, Inc.
Kenneth Johnson
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Representative: Sheree Strom Carson
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Public Counsel: Simon J. ffitch
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simonf@atg.wa.gov

- 16 The Commission designates Administrative Law Judges Dennis J. Moss from the Commission's Administrative Law Division as a presiding officer during these proceedings.
- 17 The Attorney General has designated Simon J. ffitch of the Office of the Public Counsel to represent the public. You may use the Commission's address, shown below, for contacting Public Counsel, or you may contact Public Counsel directly by writing or calling the address or telephone number listed below.
- 18 The Commission will give parties notice of any other procedural phase of the proceeding in writing or on the record, as appropriate during this proceeding.

DATED at Olympia, Washington, and effective March 14, 2013.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

STEVEN V. KING
Acting Executive Director and Secretary

DOCKET UE-121373 (PPA)
DOCKETS UE-121697 and UG-121705 (Decoupling Petition)
DOCKETS UE-130137 and UG-130138 (ERF)

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Inquiries may be addressed to:

Executive Director and Secretary
Washington State Utilities and
Transportation Commission
Richard Hemstad Building
1300 S. Evergreen Park Drive S.W.
P.O. Box 47250
Olympia, WA 98504-7250
(360) 664-1160

- or - Public Counsel Section
Office of the Attorney General
800 Fifth Avenue, Suite 2000
Seattle, WA 98104-3188
(206) 464-7744

NOTICE

Hearing facilities are accessible to persons with disabilities. Smoking is prohibited. If limited English-speaking, hearing-impaired parties or witnesses are involved in a hearing and need an interpreter, a qualified interpreter will be appointed at no cost to the party or witness.

If you need an interpreter, or have other special needs, please fill out this form and return it to Washington State Utilities and Transportation Commission, Attention: Steven V. King, Acting Executive Director and Secretary, 1300 S. Evergreen Park Drive SW, P. O. Box 47250, Olympia, WA 98504-7250. (PLEASE SUPPLY ALL REQUESTED INFORMATION)

Docket : _____

Case Name: _____

Hearing Date: _____ Hearing Location: _____

Primary
Language: _____

Hearing Impaired (Yes) _____ (No) _____

Do you need a certified sign language interpreter:

Visual _____ Tactile _____

Other type of assistance needed: _____

English-speaking person who can be contacted if there are questions:

Name: _____

Address: _____

Phone No.: (____) _____