

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of

PUGET SOUND ENERGY,

Petitioner,

Seeking Approval of Tariff Revisions to
Schedule 95A and Requesting Exemption
from the Provisions of WAC 480-100-198
Relating to Notice Verification and
Assistance.

DOCKET UE-180887

ORDER 01

ORDER GRANTING
EXEMPTION FROM RULE AND
ALLOWING REVISED RATES TO
BECOME EFFECTIVE
JANUARY 1, 2019

BACKGROUND

- 1 On November 1, 2018, Puget Sound Energy (PSE or Company) filed with the Washington Utilities and Transportation Commission (Commission) a tariff filing to reflect an annual true-up of rates in Schedule 95A, Federal Incentive Tracker, with an effective date of January 1, 2019. PSE also requests an exemption from WAC 480-100-198, related to notice verification and assistance.
- 2 In its revised Tariff Schedule 95A, PSE requests that a Federal Treasury Grant credit of \$38,698,031 be passed back to eligible customers over the 12 months beginning January 1, 2019. Of the total credit, \$31,653,962 represents the pass-through of the grant amortization, and \$7,044,069 represents accrued interest. The total amount to be passed back to customers includes \$720,200 that was not passed back in 2018 due to lower than forecasted loads. This filing reflects a reduced amount of credit, which results in an overall average rate increase of 0.13 percent. PSE has approximately 1,152,000 electric customers. This filing affects electric customers on all rate schedules except those on retail wheeling schedules. The typical residential customer on Schedule 7 using 900 kWh per month would experience an increase of 14 cents per month, or 0.16 percent.
- 3 WAC 480-100-198 provides that within 10 days of making a filing that requires customer notice under WAC 480-100-194, electric companies must file a statement with the Commission's records center showing that such notice has been posted, published, and/or mailed. WAC 480-100-194(2) requires that utilities proposing a rate change publish notice to its customers at least 30 days prior to the proposed effective date of the rate change.

- 4 In addition to this filing, PSE has proposed concurrent rate changes in two unrelated electric tariff schedules,¹ all with a proposed effective date of January 1, 2019. On December 1, 2018, the Company issued a single notice to its electric customers describing the rate impact of all three tariff revisions in an effort to avoid sending multiple rate change notices and reduce customer confusion.
- 5 Because the proposed changes to Schedule 95A were filed on November 1, 2018, and the Company waited until December 1, 2018, to publish a combined notice, the Company did not meet the technical requirements of WAC 480-100-198, which requires that verification of customer notice be made within 10 days of the date a proposed tariff revision is filed. Accordingly, PSE requests an exemption from WAC 480-100-198 as it relates to this docket. The Company filed the required customer notice verification letter with the Commission on December 10, 2018.
- 6 Commission staff (Staff) has reviewed the requested tariff revisions and finds them to be fair, just, reasonable, and sufficient. Staff recommends the Commission issue an order allowing the tariff filing in this docket to become effective January 1, 2019.
- 7 Commission Staff also recommends granting PSE's request for exemption from WAC 480-100-198 as it relates to the filing in this docket. Because three tariff revisions are scheduled to take effect on January 1, 2019, a single customer notice showing the combined rate impact is less confusing to customers and is, therefore, in the public interest.

DISCUSSION

- 8 We agree with Staff that PSE has shown that its proposed revision to Tariff Schedule 95A, passing back a Federal Treasury Grant credit of \$38,698,031 to eligible customers over 12 months beginning January 1, 2019, is fair, just, and reasonable. We note that because the credit being passed back to customers is reduced, it will appear as an increase to rates. We believe the Company has satisfactorily demonstrated that the correct credit amount is being passed back to customers, and its proposed revision is fair and reasonable.

¹ Docket UE-180978, concerning Renewable Energy Credit revenues, and Docket UE-180977, concerning the Merger Credit for Electric Operations.

9 We also agree with Staff's recommendation that PSE should be granted an exemption from the notice requirements of WAC 480-100-198, for this docket only, because the notice the Company provided on December 1, 2018, included this revision as well as two other tariff revisions that are all scheduled to take effect on January 1, 2019. We believe that under these circumstances, sending a single, combined notice to customers regarding all three tariff revisions and showing the combined rate impact was less confusing to customers. We determine, therefore, that granting the Company's request for an exemption from WAC 480-100-198, for this docket only, is in the public interest.

10 Accordingly, we grant the Company's requests that a Federal Treasury Grant credit of \$38,698,031 be passed back to eligible customers over 12 months beginning January 1, 2019, and for an exemption from WAC 480-100-198, for this docket only.

FINDINGS AND CONCLUSIONS

- 11 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, rules, regulations, practices, accounts, securities, and transfers of public service companies, including electric companies.
- 12 (2) PSE is engaged in the business of providing electric services within the state of Washington and is a public service company subject to the jurisdiction of the Commission under the provisions of RCW 80.28.
- 13 (3) PSE is subject to the provisions of WAC 480-100-198, requiring electric companies to file a statement with the Commission's records center within 10 days of making a filing that requires customer notice under WAC 480-100-194 to show that such notice has been posted, published, and/or mailed.
- 14 (4) WAC 480-100-008 provides that the Commission may grant an exemption from the provisions of any rule in WAC 480-100, if consistent with the public interest, the purposes underlying regulation, and applicable statutes.
- 15 (5) This matter was brought before the Commission at its regularly scheduled meeting on December 28, 2018.
- 16 (6) The tariff revision presently under consideration is fair, just, reasonable, and sufficient.

- 17 (7) After reviewing the tariff revision filed in Docket UE-180887 by PSE and giving due consideration, the Commission finds it is consistent with the public interest to allow the revised rates and tariff revision filed on November 1, 2018, to become effective on January 1, 2019.
- 18 (8) After review of the petition filed in Docket UE-180887 by PSE on November 1, 2018, and giving due consideration, the Commission finds that the requested exemption is consistent with the public interest and the purposes underlying regulation and applicable statutes, and therefore should be granted for this docket only.

ORDER

THE COMMISSION ORDERS:

- 19 (1) Puget Sound Energy is granted an exemption from WAC 480-100-198, Notice Verification and Assistance, for Docket UE-180887 only.
- 20 (2) The tariff revision Puget Sound Energy filed in this docket on November 1, 2018, shall become effective on January 1, 2019.
- 21 (3) The Commission retains jurisdiction over the subject matter and Puget Sound Energy to effectuate the provisions of this Order.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Olympia, Washington, and effective December 28, 2018.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK L. JOHNSON, Executive Secretary