



Rob McKenna

ATTORNEY GENERAL OF WASHINGTON

Utilities and Transportation Division

1400 S Evergreen Park Drive SW • PO Box 40128 • Olympia WA 98504-0128 • (360) 664-1183

November 15, 2010

David W. Danner, Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Dr. SW
P. O. Box 47250
Olympia, Washington 98504-7250

RE: *In the Matter of a Penalty Assessment Against Puget Sound Energy, Inc.*
Docket U-100182

Dear Mr. Danner:

Enclosed for filing in the above-referenced docket are the original and eight (8) copies of Commission Staff's Response to Puget Sound Energy, Inc.'s Application for Mitigation and Request for Hearing, and Certificate of Service.

Sincerely,

SALLY BROWN
Senior Assistant Attorney General

SGB:klg
Enclosures
cc: Parties

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of a Penalty Assessment
Against PUGET SOUND ENERGY,
INC. in the Amount of \$104,300

DOCKET U-100182

COMMISSION STAFF'S RESPONSE
TO PUGET SOUND ENERGY, INC.'S
APPLICATION FOR MITIGATION
AND REQUEST FOR HEARING

1 Pursuant to WAC 480-07-370(1)(c), Commission Staff of the Washington Utilities and Transportation Commission submits this response¹ to the Request for Hearing filed by Puget Sound Energy, Inc. ("PSE").

2 On October 8, 2010, the Commission assessed a penalty of \$104,300 against PSE for 3 violations of WAC 480-90-123(2), 11 violations of WAC 480-100-123(3), 951 violations of WAC 480-90-123(2) and 490-100-123(3), 4 violations of WAC 490-100-108(2)(d), 6 violations of WAC 480-90-128(1), 2 violations of WAC 480-90-128(9), 10 violations of 480-90-173(3)(a), 12 violations of WAC 480-100-173(3)(a), 11 violations of WAC 480-90-173(3)(c), and 33 violations of WAC 480-100-173(3)(c). On October 27, 2010, the Commission received an Application for Mitigation and Request for Hearing from PSE. In its Application for Mitigation and Request for Hearing, PSE admitted the violations occurred, but stated:

After reviewing the factual and legal bases underlying the alleged violations, there appears to remain good faith disagreement between PSE and Staff over the interpretation of some of the Commission rules and factual disputes regarding a subset of the violations. PSE is continuing its

¹ Please note that this response does not come from the Commission but from Commission Staff. Commission Staff is a party in this case and is separate from the Commission. The Commission will be the ultimate decision-maker in this matter. An administrative law judge will consider PSE's statement and Commission Staff's statement and will issue a decision. The Commission may accept, modify, or reject that decision.

review and anticipates engaging with Commission Staff after completing its investigation and prior to the hearing to attempt to resolve any remaining areas of disagreement.

PSE requested a decision by an administrative law judge. Commission Staff does not oppose setting this matter for hearing, but opposes mitigation of the penalty amount at this time.

DATED this 15th day of November 2010.

Respectfully submitted,

ROBERT M. MCKENNA
Attorney General

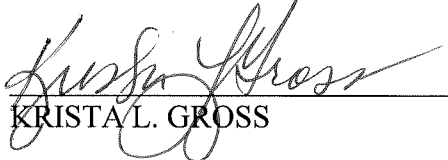


SALLY BROWN
Senior Assistant Attorney General
Counsel for Washington Utilities and
Transportation Commission Staff

Docket U-100182
CERTIFICATE OF SERVICE

I hereby certify that I have this day served the attached document upon the persons and entities listed on the Service List below by depositing a copy of said document in the United States mail, addressed as shown on said Service List, with first class postage prepaid.

DATED at Olympia, Washington this 15th day of November 2010.


KRISTA L. GROSS

For Puget Sound Energy, Inc.:
Tom DeBoer
Director, Rates & Regulatory Affairs
Puget Sound Energy (E012)
P.O. BOX 97034, PSE-08N
Bellevue, WA 98009-9734
Phone: 425-462-3272
E-mail: tom.deboer@pse.com

For Public Counsel:
Simon ffitich
Office of the Attorney General
Public Counsel Section
800 Fifth Avenue
Seattle, WA 98104-3188
Phone: 206-389-2055
E-mail: simonf@atg.wa.gov