Agenda Date: April 25, 2001 Item Number:

Dockets:	UE-010409 and UE-010410
Company:	Puget Sound Energy
Staff:	James M. Russell, Policy Research Specialist Thomas Schooley, Policy Research Specialist Joelle Steward, Policy Research Specialist Lisa Steel, Assistant Director – Energy Penny Hansen, Public Involvement Coordinator

Recommendation:

Allow the filing in Docket UE-010409 to become effective May 1, 2001, as revised, and issue an order approving the accounting treatment sought by PSE in Docket UE-010410 and require evaluation reports on October 30, 2001 and January 30, 2002.

Discussion:

On April 24, 2001, PSE filed a substitute sheet which includes an opt-out provision. Staff is supportive of this revision because we believe it satisfies the legal concerns and preserves customer's rights under the Merger Agreement approved by the Comission in consolidated Dockets UE-951270 an UE-960195.

Therfore Staff recommends that the Commission allow the filing in Docket UE-010409 to become effective May 1, 2001, as revised, and issue an order approving the accounting treatment sought by PSE in Docket UE-010410 and require evaluation reports on October 30, 2001 and January 30, 2002.