

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of)	DOCKET UE-121697
)	
PUGET SOUND ENERGY, INC.,)	DOCKET UG-121705
and NW ENERGY COALITION)	
)	ORDER 01
For an Order Authorizing PSE To)	
Implement Electric and Natural Gas)	ORDER SETTING FOR HEARING
Decoupling Mechanisms and To)	PUGET SOUND ENERGY, INC.,
Record Accounting Entries Associated)	AND NW ENERGY COALITION’S
With the Mechanisms)	JOINT PETITION TO IMPLEMENT
)	ELECTRIC AND NATURAL GAS
)	DECOUPLING MECHANISMS
.....)	

BACKGROUND

1 On October 25, 2012, Puget Sound Energy, Inc. (PSE) and the NW Energy Coalition (NVEC), collectively referred to as the “Joint Parties,” filed a petition with the Washington Utilities and Transportation Commission (Commission) 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 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 NVEC, 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.

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

- 2 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 administrative law judge (ALJ) Dennis J. Moss 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.

FINDINGS AND CONCLUSIONS

- 3 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including electric and natural gas companies. [RCW 80.01.040](#), [RCW 80.04](#), [RCW 80.08](#), [RCW 80.12](#), [RCW 80.16](#) and [RCW 80.28](#).
- 4 (2) PSE is an electric and natural gas company and a public service company subject to Commission Jurisdiction.
- 5 (3) This matter came before the Commission at its regularly scheduled meeting on March 14, 2013.
- 6 (4) Puget Sound Energy, Inc., and NW Energy Coalition have not yet demonstrated that the Commission should grant its petition seeking approval of an electric and a natural gas decoupling mechanism and authority to record accounting entries associated with the mechanisms.

ORDER

THE COMMISSION ORDERS:

- 7 (1) The petition filed by Puget Sound Energy, Inc., and the NW Energy Coalition seeking approval of an electric and a natural gas decoupling mechanism and authority to record accounting entries associated with the mechanisms is set for hearing.

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.

- 8 (2) The Commission will hold hearings at such times and places as may be required.

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

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chairman

PHILIP B. JONES, Commissioner

JEFFREY D. GOLTZ, Commissioner