

**Docket No. UE-141335**  
**Petitioners' Exhibit List**  
**Witness: Lynn F. Logan**

**Tab**

1. PSE's Response to Petitioner's Data Request No. 006
2. PSE's Response to WUTC Staff Data Request No. 007
3. PSE's Response to WUTC Staff Data Request No. 008
4. Advice No. 2012-029 Electric Tariff Filing

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**Docket No. UE-141335  
Puget Sound Energy, Inc.'s  
Petition for Declaratory Order of King County et al.  
Regarding Maloney Ridge Line**

**PETITIONERS. DATA REQUEST NO. 006**

**PETITIONERS DATA REQUEST NO. 006:**

Please identify any provision in state law or in PSE tariff rates rules/regulations that support a position that customers that take service from the Maloney Ridge line should not receive just and reasonable prices or service quality and reliability that are comparable to other Puget customers.

**Response:**

Puget Sound Energy, Inc. ("PSE") objects to Petitioners Data Request No. 006 to the extent it calls for contentions, claims, or legal conclusions regarding issues or potential issues in this adjudication. PSE further objects to Petitioners Data Request No. 006 to the extent it calls for publicly available information that is obtainable from some other source that is more convenient, less burdensome, or less expensive. Without waiving such objections, and subject thereto, PSE responds as follows:

It is not PSE's position that customers that take service from the Maloney Ridge line should not receive just and reasonable prices or service quality and reliability that are comparable to other PSE customers. PSE's electric tariff G includes Schedule 80, General Rules and Provisions ("Schedule 80"), which provides, in Section 6, that PSE may require a suitable written agreement (such as with the customers served by the Maloney Ridge line) when electric services is provided under special conditions. The Maloney Ridge line is one such facility that provides service under special conditions. Schedule 80 also provides in Section 9, that PSE may refuse to provide service if to do so would be economically unfeasible.

WAC 480-100-056, Refusal of Service, provided that "A utility may not be required to provide service if, to do so, it would be economically unfeasible." This rule was in effect from July 15, 1971, until January 3, 2002, which covers the period during when the Service Agreements at issue in this proceeding were entered into.

RCW 80.28.020 provides that the Utilities and Transportation Commission shall fix rates that are just, reasonable, and sufficient to yield a reasonable compensation for the service rendered. Absent the customers' payments for operation and maintenance

costs (including replacement costs) of the Maloney Ridge line, PSE will not earn reasonable compensation.

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**Docket No. UE-141335  
Puget Sound Energy, Inc.'s  
Petition for Declaratory Order of King County et al.  
Regarding Maloney Ridge Line**

**WUTC STAFF DATA REQUEST NO. 007**

**WUTC STAFF DATA REQUEST NO. 007:**

**Background Information**

Is the Maloney Ridge Line considered a “line extension” under current PSE tariffs?  
Please explain the rationale for your answer.

**Response:**

Puget Sound Energy, Inc. (“PSE”) objects to WUTC Staff’s Data Request No. 007 to the extent it calls for legal conclusions. Without waiving the objection, and subject thereto, PSE responds as follows:

PSE considered the Maloney Ridge Line an un-economic line extension when constructed in 1971. PSE would continue to consider the Maloney Ridge Line to be an un-economic line extension if constructed today. The Maloney Ridge Line extends into a remote area within the Mount Baker-Snoqualmie National Forest. There is very little chance of additional load, and the existing load does not justify the cost of the line extension.

PSE has received several requests for un-economic line extensions in the last few years and has presented various options to customers. The option most readily accepted by customers is for the customer to (i) take primary voltage service at the point where the existing electric distribution system ends and (ii) install, own and operate the primary voltage system from that point to the point of use. Other options that PSE has discussed with customers is to offer service pursuant to a contract where the customer(s) pay the costs of future operations and maintenance, offering service subject to a payment calculated using the electric FIA model, and (as a last resort) refusal of service pursuant to WAC 480-100-123.

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**Docket No. UE-141335  
Puget Sound Energy, Inc.'s  
Petition for Declaratory Order of King County et al.  
Regarding Maloney Ridge Line**

**WUTC STAFF DATA REQUEST NO. 008**

**WUTC STAFF DATA REQUEST NO. 008:**

**Background Information**

Schedule 80 of PSE's Electric Tariff G, GENERAL RULES AND PROVISIONS, at Sheet 80-e (12), CONTINUITY OF SERVICE, provides that "Electricity is inherently subject to disruption." How does this recognized disruption provision in Schedule 80 of the tariff relate to the "as necessary" phrase cited by the petitioners regarding replacement of facilities as cited in the Additional Terms of Service of Schedule 85?<sup>1</sup>

**Response:**

Puget Sound Energy, Inc. ("PSE") objects to WUTC Staff's Data Request No. 008 to the extent it calls for legal conclusions. Without waiving the objection, and subject thereto, PSE responds as follows:

To clarify, the Petition for Declaratory Order and PSE's Schedule 85 tariff refer to the phrase "if necessary", rather than "as necessary". PSE's Schedule 80, section 12 states that, "[e]lectric service is inherently subject to disruption, including interruption, suspension, curtailment and fluctuation." This section simply describes the properties of electric service, which is defined as "[t]he availability of electric energy at the point of delivery for use by the customer, irrespective of whether electric energy is actually used."

Schedule 85 on Sheet 85-k provides that "[t]he Company shall own, operate, maintain and repair all electric distribution facilities installed by or for the Company under this schedule, including replacement of such facilities if necessary so long as such replacement is not inconsistent with this schedule or a contract governing such facilities."

---

<sup>1</sup> Petition ¶ 40.

These two tariff provisions are not related because Schedule 80 is describing the properties of electric service and Schedule 85 is describing PSE's obligations for facilities it has installed, except when those obligations are modified by contract.

In the case of the Maloney Ridge Line, the replacement obligations have been modified by contract, as well as the cost responsibility for the operation and maintenance of the line. It is not necessary to reconcile the Schedule 85 provision with the Schedule 80 provision in this case.



Puget Sound Energy  
P.O. Box 97034  
Bellevue, WA 98009-9734  
PSE.com

October 24, 2012

Mr. David Danner, Executive Director and Secretary  
Washington Utilities and Transportation Commission  
P.O. Box 47250  
Olympia, Washington 98504-7250

RE: Advice No. 2012-29 – Electric Tariff Filing – Filed Electronically

Dear Mr. Danner:

Pursuant to RCW 80.28.060, WAC 480-80-101 and -105, please find enclosed for filing the following proposed revision to the WN U-60, Tariff G for electric service of Puget Sound Energy, Inc. (the “Company” or “PSE”):

**WN U-60, Tariff G, Electric Service:**

- Original Sheet No. 80-ll – Schedule 80, General Rules and Provisions (Continued)
- Original Sheet No. 80-mm – Schedule 80, General Rules and Provisions (Continued)
- Original Sheet No. 80-nn – Schedule 80, General Rules and Provisions (Continued)
- Original Sheet No. 80-oo – Schedule 80, General Rules and Provisions (Continued)
- Original Sheet No. 80-pp – Schedule 80, General Rules and Provisions (Continued)

The purpose of this filing is to include a general provision regarding construction of electric facilities that will allow the Company to respond customer requests. The Company, on occasion, receives requests for construction of electric facilities that are not covered by its line extension policy, Schedule 85, or its conversion to underground schedules, Schedules 73 and 74. The intent of this new provision is to provide a method by which the Company can respond to most of these other types of requests and recover the costs of providing the requested construction services.

More specifically, the new provision applies to requests for construction of electric facilities operating at 50,000 volts or more that are requested to be submarine or underground and to projects involving existing facilities operating below 50,000 volts that are requested to be relocated or changed but excludes all projects under Schedules 73, 74 and 85.

The tariff sheets described herein reflect issue dates of October 24, 2012, and effective dates of November 30, 2012. Posting of proposed tariff changes, as required by law and the Commission’s rules and regulations, is being completed immediately prior to or coincident with the date of this transmittal letter through web, telephone and mail access in accordance with WAC 480-100-193.

Mr. David Danner  
Advice No. 2012-29

Page 2 of 2

October 24, 2012

Pursuant to WAC 480-100-195(3) notice to customers will be provided in accordance with the method that the Company posts its tariffs as required by WAC 480-100-193.

Please contact Lynn Logen at (425) 462-3872 or [lynn.logen@pse.com](mailto:lynn.logen@pse.com) for additional information about this filing. If you have any other questions please contact me at (425) 462-3495.

Very truly yours,



Tom DeBoer  
Director, Federal & State Regulatory Affairs

Enclosures

cc: Simon J. ffitich, Public Counsel  
Sheree Carson, Perkins Coie



WN U-60

Original Sheet No. 80-II

**PUGET SOUND ENERGY, INC.  
Electric Tariff G**

**SCHEDULE 80  
GENERAL RULES AND PROVISIONS (Continued)**

34. **CONSTRUCTION OF ELECTRIC FACILITIES:** This section provides for the recovery of Company Costs for Projects requested or required by a Requesting Entity including, but not limited to, Projects resulting from requirements or conditional requirements of a permit or ordinance issued or passed by a Governmental Entity after the initial effective date of this provision. The Company shall not be obligated to undertake requested or required Projects if, in the Company's sole judgment, the Projects are not feasible, are impracticable, are not able to be permitted, or will result in an unreliable or less reliable electric system.

- a. **Definitions** – The following terms, when used in this rule, shall have the meanings listed below whether capitalized or not, unless clearly indicated otherwise. Terms defined in this section control, even if the term is defined in section 2 of this Schedule 80 or elsewhere in this tariff. Terms defined in section 2 of this Schedule 80 that are not in conflict with terms defined in this section will have the meanings given in section 2.
- i. **Costs:** All costs including, but not limited to, costs to produce an estimate of costs, costs for engineering, surveying, pre-construction coordination, reviewing plans and proposals, permits, land, Operating Rights, materials, labor, backfill, traffic control, acquisition and construction of access roads, disposal of spoils and other materials, removal or relocation of electric or other facilities conflicting with the route or location of construction, restoration, replacement, re-engineering and change orders, future increased operating and maintenance costs over the life of the facilities installed, taxes and overheads. Costs shall be determined by the Company using its own cost estimating system in conjunction with sound engineering practices.
  - ii. **Electric Facilities:** All necessary electrical and non-electrical components of the electric system including, but not limited to materials, excavation, backfill, land, access roads and Operating Rights that are necessary, in the Company's sole judgment, in order for the Company to provide Electric Service to Customers.
  - iii. **Government Entity:** Any agency, instrumentality, or other entity of municipal, county, state or federal government, including multi-jurisdictional agencies, instrumentalities, and entities.

**Issued:** October 24, 2012  
**Advice No.:** 2012-29

**Effective:** November 30, 2012

**Issued By Puget Sound Energy, Inc.**

By: Tam DeBoer

Tom DeBoer

Title: Director, Federal & State Regulatory Affairs

WN U-60

Original Sheet No. 80-mm

**PUGET SOUND ENERGY, INC.**  
**Electric Tariff G**

**SCHEDULE 80**  
**GENERAL RULES AND PROVISIONS (Continued)**

**34. CONSTRUCTION OF ELECTRIC FACILITIES (Continued):**

a. Definitions – (Continued)

- iv. **Operating Rights:** All legal rights necessary, in the Company's sole judgment, for the installation, operation, maintenance, repair or replacement of all Projects constructed pursuant to this schedule, including, without limitation, rights of access over, under, across, or through real property, including real property not owned by the Requesting Entity. Operating Rights shall be obtained by the Requesting Entity for the Company prior to the commencement of construction of such Project. Operating Rights shall be evidenced by one or more written instruments in form and substance satisfactory to the Company. Where Operating Rights are subject to fee, the Requesting Entity shall be responsible for payment of such fee.
- v. **Project:** Electric Facilities constructed, relocated or rebuilt at the request of a Requesting Entity or Electric Facilities that are constructed, relocated or rebuilt in a different manner than initially proposed by the Company upon request of a Requesting Entity. Projects exclude Projects or portions of Projects for line extensions to provide service to new customers under Schedule 85 of this tariff and conversion to underground under Schedules 73 and 74 of this tariff. A Project includes all Electric Facilities necessary to effectuate the request.
- vi. **Public Thoroughfare:** Any municipal, county, state, federal or other public road, highway or throughway, or other public right-of-way or other public real property rights allowing for electric utility use.
- vii. **Requesting Entity:** Any Government Entity or other party or entity requesting or requiring services provided under this schedule.

**Issued:** October 24, 2012  
**Advice No.:** 2012-29

**Effective:** November 30, 2012

**Issued By Puget Sound Energy, Inc.**

By: Tom DeBoer

Tom DeBoer

Title: Director, Federal & State Regulatory Affairs

WN U-60

Original Sheet No. 80-nn

**PUGET SOUND ENERGY, INC.**  
**Electric Tariff G**

**SCHEDULE 80**  
**GENERAL RULES AND PROVISIONS (Continued)**

**34. CONSTRUCTION OF ELECTRIC FACILITIES (Continued):**

- b. Conditions – On occasion a Requesting Entity requests or requires the undertaking of, or changes to, a Project relating to the electric system. In order for the Projects undertaken in response to such requests to result in rates for electric service that are fair, just, reasonable and sufficient, the following conditions apply:
- i. The Company, in its sole judgment, shall determine the Cost of the Electric Facilities for Projects based on the location, route, design, phase, voltage, capacity, and type of facilities to be constructed in the Company's sole judgment and in accordance with Company standards.
  - ii. Where the location, route, design, phase, voltage, capacity, type or any other characteristic of Electric Facilities proposed to be used by the Company is requested or required by a Requesting Entity to be different from that proposed by the Company, and that change results in increased Cost for the Electric Facilities which may result in higher costs for electric service, the Requesting Entity requesting or requiring a change in the Electric Facilities, including, but not limited to, a change in location, route, design, phase, voltage, capacity or type of facilities, shall pay the Company for any and all increase in Cost due to such change. Where a change in Electric Facilities proposed by the Company is requested or required by a Requesting Entity, the increased Cost to be paid by the Requesting Entity shall include the cost of additional facilities that are necessary, in the sole judgment of the Company, to achieve the level of reliability of the Electric Facilities originally proposed by the Company, as well as the cost to enhance reliability beyond that proposed by the Company if the Project requested by the Requesting Entity is intended to enhance reliability for the Requesting Entity. Where a change in existing Electric Facilities is requested or required by a Requesting Entity, the Requesting Entity shall pay the Company for the cost due to such change, including the cost of additional facilities that are necessary, in the sole judgment of the Company, to maintain the existing level of reliability, as well as the cost to enhance reliability beyond the existing level of reliability if the Project requested by the Requesting Entity is intended to enhance reliability for the Requesting Entity. Where a Requesting Entity requests a Project that replaces existing Electric Facilities, the Requesting Entity shall pay the Company for all of its Costs, including, but not limited to, the cost of all Electric Facilities removed or no longer of use, due to such Project.

**Issued:** October 24, 2012  
**Advice No.:** 2012-29

**Effective:** November 30, 2012

**Issued By Puget Sound Energy, Inc.**

By: Tom DeBoer

Tom DeBoer

Title: Director, Federal & State Regulatory Affairs

WN U-60

Original Sheet No. 80-00

**PUGET SOUND ENERGY, INC.**  
**Electric Tariff G**

**SCHEDULE 80**  
**GENERAL RULES AND PROVISIONS (Continued)**

**34. CONSTRUCTION OF ELECTRIC FACILITIES (Continued):**

b. Conditions – (Continued)

- iii. The Company, in its sole judgment, shall determine the construction techniques, facility location including separation from other utilities, route, electrical design, phase, voltage, capacity and electrical type of all Electric Facilities to be installed in accordance with its standards.
- iv. The Company, in its sole discretion, may determine that the Project or route is not feasible or is impracticable. Zoning or other land use regulations that allow for limited or zero set-back of structures from the property line, thereby leaving inadequate space for the Company's Electric Facilities, and environmental regulations are two of the many items the Company will consider in order to determine feasibility. The Company may determine that a Project is not feasible if it results in less reliable service to any Customer.
- v. The Company or its contractor shall construct all Projects unless the Company decides otherwise. The Company shall own, operate and maintain the result of all Projects and shall own all land provided and Operating Rights granted that are necessary for all Projects.
- vi. The Costs of any future relocation of the Electric Facilities installed under the provisions of this section shall be paid by the Requesting Entity and the Requesting Entity shall provide all necessary Operating Rights for such relocation at no cost to the Company.
- vii. The Company shall not be required to provide service, and may interrupt or discontinue service, if all or any portion of its facilities or Operating Rights are taken through the exercise of police powers or the power of eminent domain or are taken under threat thereof or are otherwise lost, terminated, or canceled.
- viii. The Company may refuse any Project requested by a Requesting Entity that has the effect of reducing the reliability or capacity available to other Customers.

Issued: October 24, 2012  
Advice No.: 2012-29

Effective: November 30, 2012

Issued By Puget Sound Energy, Inc.

By: Tom DeBoer

Tom DeBoer

Title: Director, Federal & State Regulatory Affairs

WN U-60

Original Sheet No. 80-pp

**PUGET SOUND ENERGY, INC.**  
**Electric Tariff G**

**SCHEDULE 80**  
**GENERAL RULES AND PROVISIONS (Continued)**

**34. CONSTRUCTION OF ELECTRIC FACILITIES (Continued):**

- c. Applicable Projects – The provisions of this Section 34 shall apply to Projects involving Electric Facilities including, but not limited to, the following:
- i. Electric Facilities operating at 50,000 volts or more that are submarine or underground facilities placed underwater or at or under the surface of the earth, including surface to submarine transition Electric Facilities and overhead to underground transition Electric Facilities. The Company, in its sole judgment, shall determine the electrical and civil design for submarine or underground Electric Facilities. To determine the amount to be paid by the Requesting Entity, the actual Costs of the submarine or underground Electric Facilities shall be compared to the estimated Costs of overhead Electric Facilities and the Requesting Entity shall pay the additional cost. If overhead Electric Facilities are not feasible, the additional cost shall be the increase over an equivalent length of overhead Electric Facilities. The estimated Costs shall be of Electric Facilities connecting the same points in the Company's system, but along the least cost feasible route, as determined by the Company.
  - ii. Electric Facilities operating below 50,000 volts in Projects or portions of Projects to be located in a Public Thoroughfare that are requested or required by a Requesting Entity other than the Government Entity having authority over the Public Thoroughfare where the Electric Facilities are or will be located. The Requesting Entity shall pay costs in accordance with section b. ii. of this Section 34.
  - iii. Electric Facilities operating below 50,000 volts in Projects or portions of Projects to be located other than in a Public Thoroughfare. The Requesting Entity shall pay costs in accordance with section b. ii. of this Schedule 34.
- d. Schedule 87 – The installation, modification or relocation of facilities under the provisions of this section shall be subject to the provisions of Schedule 87, Income Tax Rider.
- e. Payment – The Requesting Entity, unless prohibited by law, shall pay the estimated Costs in advance of design engineering of the Project. If the Requesting Entity cannot lawfully pay the Costs in advance, the Costs shall be paid within fifteen (15) days of the date of the Company's invoice. If the actual Costs are less than or greater than the initial estimated Costs by more than ten percent (10%) of the estimate, the Company shall refund the excess payment to the Requesting Entity or bill the Requesting Entity for the underpayment so that the Requesting Entity pays the actual Costs.

Issued: October 24, 2012  
Advice No.: 2012-29

Effective: November 30, 2012

Issued By Puget Sound Energy, Inc.

By: Tom DeBoer

Tom DeBoer

Title: Director, Federal & State Regulatory Affairs