

[Service Date May 6, 2004]

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

WASHINGTON UTILITIES AND)	DOCKET NO. UG-040640
TRANSPORTATION COMMISSION,)	
)	DOCKET NO. UE-040641
Complainant,)	
)	
v.)	
)	
PUGET SOUND ENERGY, INC.)	
)	
Respondent.)	
.....)	
In the Matter of the Petition of)	DOCKET NO. UE-031471
)	
PUGET SOUND ENERGY, INC.,)	
)	
For an Order Regarding the)	
Accounting Treatment For Certain)	
Costs of the Company's Power Cost)	
Only Rate Filing)	
.....)	
In the Matter of the Petition of)	DOCKET NO. UE-032043
)	
PUGET SOUND ENERGY, INC.,)	
)	
For an Accounting Order Authorizing)	NOTICE OF PREHEARING
Deferral and Recovery of Investment)	CONFERENCE
and Costs Related to the White River)	(Set for May 17, 2004, at 1:30
Hydroelectric Project)	p.m.)
.....)	

1 On April 5, 2004, Puget Sound Energy, Inc. (PSE) filed with the Commission certain tariff revisions designed to effect general rate increases in its rates for gas service (Docket No. UG-040640) and electric service (Docket No. UE-040641) in this state. The proposed revisions provide for general rate increases of 6.29

percent for the gas tariffs and 6.5 percent for the electric tariffs. The Commission, by Order, has suspended the operation of the general tariff revisions and has consolidated the dockets pending hearing or hearings concerning all such changes and the justness and reasonableness thereof.

2 On September 12, 2003, PSE filed a petition requesting that it be allowed to defer costs associated with outside services related to its Resource Only Rate filing (Docket No. UE-031725) in FERC Account 182.3, Other Regulatory Assets, and that the deferred costs be included in working capital in future rate proceedings.

3 On December 10, 2003, PSE filed a petition for an Accounting Order Authorizing Deferral and Recovery of Investment and Costs Related to the White River Hydroelectric Project.

4 On April 28, 2004, the Commission entered an Order consolidating Docket Nos. UE-031471 and UE-032043, with Docket Nos. UG-040640 and UE-040641.

5 The Commission will hear these matters pursuant to Part IV of chapter 34.05 RCW pertaining to adjudicative proceedings, including but not limited to RCW 34.05.413, RCW 34.05.422, RCW 34.05.431, RCW 34.05.440, RCW 34.05.449, and RCW 34.05.452. The Commission has jurisdiction over this matter pursuant to Title 80 RCW, having legal authority to regulate the rates, services, and practices of gas and electric utilities. Statutes involved, in addition to those previously cited, include those within chapters 80.01 RCW, 80.04 RCW, and 80.28 RCW relating to rates, including but not limited to RCW 80.01.040 and RCW 80.04.020. Rules involved include those within chapters 480-07 WAC, 480-90 WAC, and 480-100 WAC.

6 The ultimate issues include whether the proposed tariff revisions are fair, just, reasonable, sufficient, and in the public interest. These issues may include consideration of alternative rate design or structure. Also at issue is whether the Company's existing rates are fair, just, reasonable and sufficient. In accordance

with the provisions of RCW 80.04.130, the Respondent bears the burden of proof to show that the proposed tariff revisions are just and reasonable.

7 The Commission finds, consistent with WAC 480-07-440(1)(a), that good cause exists for this matter to be heard on shortened notice.

8 **THE COMMISSION GIVES NOTICE That a prehearing conference in this matter will be held at 1:30 p.m., on Monday, May 17, 2004, in the Commission's Hearing Room, Second Floor, Chandler Plaza Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington.**

9 The purposes of the prehearing conference are to consider petitions to intervene, to establish dates for distribution of evidence and workpapers, to determine other scheduling matters, to consider formulating the issues in the proceeding, and to determine other matters to aid in its disposition, as specified in WAC 480-07-430.

10 Petitions to intervene should be made in writing at least three business days prior to the date scheduled for the prehearing conference, as required in WAC 480-07-355(a). The Commission will consider petitions to intervene made orally during the conference, but strongly prefers written petitions to intervene. In addition, party representatives must file notices of appearance with the Commission, as required by WAC 480-07-345(2), no later than the day prior to the conference. If any party or witness needs an interpreter or other assistance, please fill out the form attached to this notice and return it to the Commission. The time and place for any evidentiary hearings will be set at the prehearing conference, on the record of a later conference or hearing session, or by later written notice.

11 **THE COMMISSION GIVES NOTICE that any party who fails to attend or participate in the prehearing conference set by this Notice, or any other stage of this proceeding, may be held in default in accordance with RCW 34.05.440. The parties are further advised that the sanction provisions of WAC 480-07-450 are specifically invoked.**

12 The names and mailing addresses of all parties and their known representatives are as follows:

Complainant: Washington Utilities and
Transportation Commission
1300 S. Evergreen Park Drive S.W.
P.O. Box 47250
Olympia, WA 98504-7250
(360) 664-1160

Representative: Robert D. Cedarbaum
Senior Counsel
1400 S. Evergreen Park Drive S.W.
P. O. Box 40128
Olympia, WA 98504-0128
(360) 664-1188

Respondent/Petitioner: Puget Sound Energy
P.O. Box 97034
Bellevue, WA 99009-9734

Representative: Kirstin S. Dodge
Perkins Coie
10885 N.E. Fourth Street, Suite 700
Bellevue, WA 98004-5579
(425) 635-1407

Public Counsel: Simon ffitc
Public Counsel Section
Office of Attorney General
900 Fourth Avenue, Suite 2000
Seattle, WA 98164-1012
(206) 464-7744

- 13 The Commissioners of the WUTC and Administrative Law Judge Dennis J. Moss, from the Utilities and Transportation Commission's Administrative Law Division, will preside during this proceeding.
- 14 The Attorney General has designated the Public Counsel section of the Office of the Attorney General to represent the public. The address of the Commission, shown below, may be used for inquiries of Public Counsel, or Public Counsel may be contacted directly by writing or calling the address or telephone number listed below.
- 15 Notice of any other procedural phase will be given in writing or on the record, as the Commission may deem appropriate during the course of this proceeding.

DATED at Olympia, Washington, and effective this ___ day of May, 2004.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

CAROLE J. WASHBURN
Executive Secretary

Inquiries may be address to:

Secretary
Washington Utilities and
Transportation Commission
Chandler Plaza Building
1300 S. Evergreen Park Drive S.W.
P.O. Box 47250
Olympia, WA 98504-7250
(360) 664-1160

- or - Public Counsel Section
Office of the Attorney General
900 Fourth Avenue, Suite 2000
Seattle, WA 98164-1012
(206) 464-7744

NOTICE

PLEASE NOTE: The hearing facilities are accessible to interested people with disabilities; that smoking is prohibited; and if limited English-speaking or hearing-impaired parties or witnesses are involved in a hearing and need an interpreter, a qualified interpreter will be appointed at no cost to the party or witness.

The information needed to provide an appropriate interpreter or other assistance should be stated below and returned to Washington Utilities and Transportation Commission, Attention: Carole J. Washburn, 1300 S. Evergreen Park Drive SW, P. O. Box 47250, Olympia, WA 98504-7250. (PLEASE SUPPLY ALL REQUESTED INFORMATION)

Docket No.: _____

Case Name: _____

Hearing Date: _____ Hearing Location: _____

Primary Language: _____

Hearing Impaired (Yes) _____ (No) _____

Do you need a certified sign language interpreter:

Visual _____ Tactile _____

Other type of assistance needed: _____

English-speaking person who can be contacted if there are questions:

Name: _____

Address: _____

Phone No.: (____) _____