

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

DOCKETS UE-090704  
and UG-090705 (consolidated)

COMMISSION STAFF ANSWER  
TO PSE PETITION FOR  
RECONSIDERATION

1 Puget Sound Energy, Inc. (“Company”) asks the Commission to increase the annual level of low income electric and natural gas bill assistance by the corresponding percentage residential increase approved by the Commission in these consolidated dockets.<sup>1</sup> However, the Company did not file revisions to Schedule 129 to increase the surcharges in that tariff that fund the low income program. Thus, Staff recommended that the Commission delay consideration of the proposal until the Company files revisions to Schedule 129 for the next program year.<sup>2</sup> All issues related to the Company’s proposal would be addressed at that time without prejudice.

2 By Petition for Reconsideration, filed April 8, 2010, the Company objects to Staff’s recommendation. The Company’s argument is inherently inconsistent and should be rejected by the Commission.

3 On the one hand, the Company argues that the tariff filing and publication requirements of RCW 80.28.060 do not apply because the Company “did not request to

<sup>1</sup> We assume that the Company intends its petition to incorporate the percentage increase to the residential class that resulted from Commission Order 12, entered the same day that the Company filed its petition.

<sup>2</sup> Staff Reply Br. at ¶¶ 24-25.

increase its current low income tariff.”<sup>3</sup> On the other hand, in the very same paragraph of the petition, the Company argues that its low income proposal is authorized by RCW 80.28.068, even though that statute only comes into play when a discount rate for low income customers is presented to the Commission for approval:

Upon request by an electrical or gas company, or other party to a general rate case hearing, the commission may approve rates, charges, services, and/or physical facilities at a discount for low-income senior customers and low-income customers. Expenses and lost revenues as a result of these discounts shall be included in the company's cost of service and recovered in rates to other customers.

4 The Company cannot have it both ways. If it wishes to increase funding for its low income bill assistance program, it should file a revision to Schedule 129 to implement that increase, along with all supporting justification for the increase it seeks. The Commission can then address that proposal and any other relevant issues.<sup>4</sup> The outcome, however, should not be predetermined in this proceeding.

5 The Company claims that Staff’s recommendation is untimely because it was presented only in Staff’s reply brief. The Commission can be assured that Staff did not hold back on this issue to deliberately surprise the Company. Omission of Staff’s position in testimony and initial briefs was as much an oversight as it appears the Commission itself overlooked the issue in its Order 11.

6 Moreover, like Staff, the Northwest Energy Coalition also did not take a position on the low income issue until its reply brief.<sup>5</sup> It is inconsistent for the Company to argue that

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<sup>3</sup> Company Petition for Reconsideration at ¶ 6.

<sup>4</sup> Issues that may arise beyond the merits of a proposed tariff revision include whether RCW 80.28.068 establishes the sole legal authority for the proposal and whether that statute requires the tariff revision to be addressed in a general rate case hearing. Similar issues are currently before the Commission in Docket UE-070725, involving the treatment of the Company’s renewable energy credits. Therefore, the Commission’s decision in Docket UE-070725 may aid in resolving these issues for the Schedule 129 filing.

<sup>5</sup> NWECC Reply Br. at ¶¶ 10-11.

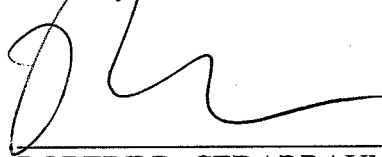
Staff's position is untimely, but to be silent about the timing of the Coalition's presentation on the same issue.

7 For the reasons set forth above, the Commission should deny the Petition for Reconsideration of the Company and, consistent with the Staff recommendation, address the Company's low income proposal when Schedule 129 is filed for the next program year. Nothing in this approach will prejudice the Company's ability to request any increase in funding for low income bill assistance that it can justify as reasonable.

DATED this 16<sup>th</sup> day of April 2010.

Respectfully submitted,

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