Agenda Date: April 24, 2014

Item Number: A3

**Dockets: UE-132032 and UE-132043**

Company: Puget Sound Energy

Staff: Juliana Williams, Regulatory Analyst

**Recommendation**

Issue an order dismissing the motion for clarification, and revising the language of Order 01 in Dockets UE-132032 and UE-132043 to strike the second sentence in paragraph 14, which reads, “The Company is encouraged to work collaboratively with Staff and the other stakeholders to resolve the issue of incremental cost recovery of CVR labor expenditures.”

**Background**

On November 1, 2013, Puget Sound Energy filed its 2014-15 biennial conservation plan and implementing tariffs in Dockets UE-132043 and UE-132032, respectively. The commission issued an order approving the biennial conservation plan on December 19, 2013, and allowed the implementing tariffs to go into effect, with the exception of Tariff WN U-60, Tariff G, Sheet 292-A, which was suspended.[[1]](#footnote-1) The order explicitly prohibited the use of Schedule 120 to fund Conservation Voltage Reduction (CVR), which Sheet 292-A would have allowed.[[2]](#footnote-2) On December 30, 2013, PSE filed a Motion for Clarification in both dockets regarding the order’s language on CVR.

**Discussion**

Order 01 in Dockets UE-132032 and UE-132043 includes a condition that expressly prohibits the use of Schedule 120 for collection of funds associated with CVR.[[3]](#footnote-3) However, the order also encouraged the company “to work collaboratively with Staff and the other stakeholders to resolve the issue of incremental cost recovery of CVR labor expenditures.”[[4]](#footnote-4) PSE’s Motion for Clarification requested that the commission clarify the apparent inconsistency of prohibiting the recovery of CVR costs through Schedule 120 while encouraging collaboration to resolve the issue. PSE proposes that the commission add language to the order, including the following (proposed language underlined):

16. For the above reasons, we approve PSE’s 2014-2023 achievable conservation potential of 2,730,408 MWh and its 2014-2015 biennial conservation target of 485,770 MWh subject to the conditions set forth in Appendix A attached to this Order, including condition 11(d) prohibiting recovery of CVR expenditures through the Company’s Conservation Rider until such time as the Commission makes a determination on the merits of the issue of incremental cost recovery of CVR labor expenditures in Docket UE-132032 (suspending WN U-60, Tariff G, Sheet 292-A).

Staff believes the order clearly prohibits the collection of CVR funds through Schedule 120, and therefore that the commission has already made a determination on the merits of cost recovery of CVR expenditures through Schedule 120. Therefore, Staff recommends that the commission dismiss the request for clarification and PSE’s proposed language, and instead simply strike the second sentence from paragraph 14 as described below.

**Conclusion**

Issue an order dismissing the motion for clarification, and revising the language of Order 01 in Dockets UE-132032 and UE-132043 to strike the second sentence in paragraph 14, which reads, “The Company is encouraged to work collaboratively with Staff and the other stakeholders to resolve the issue of incremental cost recovery of CVR labor expenditures.”

1. Dockets UE-132032 and UE-132043, Order 01. [↑](#footnote-ref-1)
2. Dockets UE-132032 and UE-132043, Order 01, Attachment A, Condition 11(d). [↑](#footnote-ref-2)
3. Dockets UE-132032 and UE-132043, Order 01, Attachment A, Condition 11(d). [↑](#footnote-ref-3)
4. Dockets UE-132032 and UE-132043, Order 01, ¶14. [↑](#footnote-ref-4)