

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,	DOCKETS UE-170033 and UG-170034 ( <i>Consolidated</i> )
Complainant,	ORDER 01
v.	
PUGET SOUND ENERGY,	COMPLAINT AND ORDER SUSPENDING TARIFF REVISIONS; ORDER OF CONSOLIDATION
Respondent.	

**BACKGROUND**

- 1 On January 13, 2017, Puget Sound Energy (PSE or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff WN U-60, Tariff G, Electric Service, as listed in the appendix attached to this Order. The effect of this filing is to increase rates and charges for electric service provided to customers in the state of Washington.
- 2 PSE requests an increase in base rates of approximately \$149 million (7.6 percent) on an annual basis. The net impact to customers after applying various offsets is an increase in electric rates of approximately \$87 million (4.1 percent). PSE also requests a new Electric Cost Recovery Mechanism to recover targeted reliability spending as outlined in its Electric Reliability Plan.
- 3 Also on January 13, 2017, PSE filed revisions to its currently effective Tariff WN U-2, Natural Gas, as listed in the appendix attached to this Order. The effect of this filing is to decrease rates and charges for natural gas service provided to customers in the state of Washington.
- 4 PSE requests an increase to base rates of \$23 million (2.8 percent) on an annual basis. The net impact to customers after applying various offsets is a decrease in natural gas rates of approximately \$22 million (-2.4 percent).

5 Because these tariff revisions might injuriously affect the rights and interests of the public and PSE has not demonstrated that the revisions would result in rates that are fair, just, reasonable, and sufficient, the Commission suspends the tariff filings and will hold public hearings, if necessary, to determine whether the proposed tariff revisions are fair, just, reasonable and sufficient.

6 The matters in the two dockets appear to involve related facts and principles of law. It is appropriate that they be consolidated for hearing and determination pursuant to WAC 480-07-320.

### **FINDINGS AND CONCLUSIONS**

7 (1) The 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.

8 (2) PSE is an electric company, a natural gas company, and a public service company subject to Commission jurisdiction.

9 (3) The tariff revisions PSE filed on January 13, 2017, would increase electric and decrease natural gas charges and rates for service provided by PSE and could, if left unexamined, injuriously affect the rights and interests of the public.

10 (4) PSE has not yet demonstrated that the tariff revisions would result in rates that are fair, just, reasonable, and sufficient.

11 (5) PSE's rates and charges for electric or natural gas services shown on any tariffs that PSE does not propose to revise may also be investigated to determine if they are fair, just, reasonable, and sufficient.

- 12 (6) In order to carry out the duties imposed upon the Commission by law, and as authorized in RCW 80.04.130, the Commission determines it is necessary to investigate PSE's books, accounts, practices, and activities; to make a valuation or appraisal of PSE's property; and to investigate and appraise various phases of PSE's operations. The Commission finds that these dockets meet the criteria of WAC 480-07-400(2)(b)(i) and that discovery will be conducted pursuant to the Commission's discovery rules in WAC 480-07-400 – 425.
- 13 (7) As required by RCW 80.04.130(4), PSE bears the burden of proof to show that the proposed increases are fair, just, reasonable, and sufficient.
- 14 (8) PSE may be required to pay the expenses reasonably attributable and allocable to such an investigation, consistent with RCW 80.20.020.

**ORDER**

**THE COMMISSION ORDERS:**

- 15 (1) The tariff revisions Puget Sound Energy filed on January 13, 2017, are suspended.
- 16 (2) Dockets UE-170033 and UG-170043 are consolidated for hearing and determination under WAC 480-07-320.
- 17 (3) The Commission will give notice of, and hold, hearings at such times and places as may be required. Such hearings may also examine Puget Sound Energy's rates and charges for electric or natural gas service shown on any tariffs that Puget Sound Energy does not propose to revise.
- 18 (4) Puget Sound Energy must not change or alter the tariffs filed in these dockets during the suspension period, unless authorized by the Commission.
- 19 (5) The Commission will institute an investigation of Puget Sound Energy's books, accounts, practices, activities, property, and operations as described above.
- 20 (6) Discovery will be conducted pursuant to the Commission's discovery rules in WAC 480-07-400 – 425.

- 21 (7) Puget Sound Energy shall pay the expenses reasonably attributable and allocable to the Commission's investigation, consistent with RCW 80.20.020.

DATED at Olympia, Washington, and effective January 19, 2017.

**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

DAVID W. DANNER, Chairman

PHILIP B. JONES, Commissioner

ANN E. RENDAHL, Commissioner

**Appendix**

**Proposed Tariff Revisions  
WN U-60, Tariff G, Electric Service**

34 <sup>th</sup> Revision	Sheet No. 7	Residential Service
9 <sup>th</sup> Revision	Sheet No. 7-B	Master Metered Residential Service (Continued)
32 <sup>nd</sup> Revision	Sheet No. 24	General Service
22 <sup>nd</sup> Revision	Sheet No. 25	Small Demand General Service
14 <sup>th</sup> Revision	Sheet No. 25-A	Small Demand General Service (Continued)
23 <sup>rd</sup> Revision	Sheet No. 26	Large Demand General Service
28 <sup>th</sup> Revision	Sheet No. 29	Seasonal Irrigation & Drainage Pumping Service
34 <sup>th</sup> Revision	Sheet No. 31	Primary General Service
27 <sup>th</sup> Revision	Sheet No. 35	Seasonal Primary Irrigation & Drainage Pumping Service
9 <sup>th</sup> Revision	Sheet No. 40	Large General Service Greater Than 3 aMW
6 <sup>th</sup> Revision	Sheet No. 40-A	Large General Service Greater Than 3 aMW (Continued)
5 <sup>th</sup> Revision	Sheet No. 40-B	Large General Service Greater Than 3 aMW (Continued)
5 <sup>th</sup> Revision	Sheet No. 40-C	Large General Service Greater Than 3 aMW (Continued)
24 <sup>th</sup> Revision	Sheet No. 43-A	Interruptible Primary Service for Total- Electric Schools (Continued)
33 <sup>rd</sup> Revision	Sheet No. 46	High Voltage Interruptible Service
14 <sup>th</sup> Revision	Sheet No. 46-A	High Voltage Interruptible Service (Continued)
32 <sup>nd</sup> Revision	Sheet No. 49	High Voltage General Service
32 <sup>nd</sup> Revision	Sheet No. 50	Limited Street Lighting Service
4 <sup>th</sup> Revision	Sheet No. 50-B	Limited Street Lighting Service (Continued)
3 <sup>rd</sup> Revision	Sheet No. 51-B	LED (Light Emitting Diode) Lighting Service (Continued)
3 <sup>rd</sup> Revision	Sheet No. 51-C	LED (Light Emitting Diode) Lighting Service (Continued)
3 <sup>rd</sup> Revision	Sheet No. 51-D	LED (Light Emitting Diode) Lighting Service (Continued)
2 <sup>nd</sup> Revision	Sheet No. 51-F	LED (Light Emitting Diode) Lighting Service (Continued)
22 <sup>nd</sup> Revision	Sheet No. 52-A	Custom Lighting Service Company Owned (Continued)

9 <sup>th</sup> Revision	Sheet No. 52-B	Custom Lighting Service Company Owned (Continued)
2 <sup>nd</sup> Revision	Sheet No. 52-D	Custom Lighting Service Company Owned (Continued)
20 <sup>th</sup> Revision	Sheet No. 53-A	Street Lighting Service Sodium Vapor (Continued)
17 <sup>th</sup> Revision	Sheet No. 53-B	Street Lighting Service Sodium Vapor (Continued)
11 <sup>th</sup> Revision	Sheet No. 53-C	Street Lighting Service Sodium Vapor (Continued)
6 <sup>th</sup> Revision	Sheet No. 53-F	Street Lighting Service Sodium Vapor (Continued)
3 <sup>rd</sup> Revision	Sheet No. 53-G	Street Lighting Service Sodium Vapor (Continued)
2 <sup>rd</sup> Revision	Sheet No. 53-H	Street Lighting Service Sodium Vapor (Continued)
1 <sup>st</sup> Revision	Sheet No. 53-K	Street Lighting Service Sodium Vapor (Continued)
34 <sup>th</sup> Revision	Sheet No. 54	Customer-Owned Street Lighting Energy Service Sodium Vapor
9 <sup>th</sup> Revision	Sheet No. 54-A	Customer-Owned Street Lighting Energy Service Sodium Vapor (Continued)
5 <sup>th</sup> Revision	Sheet No. 54-B	Customer-Owned Street Lighting Energy Service Sodium Vapor (Continued)
1 <sup>st</sup> Revision	Sheet No. 54-D	Customer-Owned Street Lighting Energy Service Sodium Vapor (Continued)
34 <sup>th</sup> Revision	Sheet No. 55	Area Lighting Service
15 <sup>th</sup> Revision	Sheet No. 55-A	Area Lighting Service (Continued)
3 <sup>rd</sup> Revision	Sheet No. 55-B	Area Lighting Service (Continued)
30 <sup>th</sup> Revision	Sheet No. 57	Continuous Lighting Service
29 <sup>th</sup> Revision	Sheet No. 58	Flood Lighting Service
18 <sup>th</sup> Revision	Sheet No. 58-A	Flood Lighting Service (Continued)
4 <sup>th</sup> Revision	Sheet No. 58-B	Flood Lighting Service (Continued)
5 <sup>th</sup> Revision	Sheet No. 58-C	Flood Lighting Service (Continued)
35 <sup>th</sup> Revision	Sheet No. 95	Power Cost Adjustment Clause
10 <sup>th</sup> Revision	Sheet No. 95-A	Power Cost Adjustment Clause (Continued)
12 <sup>th</sup> Revision	Sheet No. 95-B	Power Cost Adjustment Clause (Continued)
11 <sup>th</sup> Revision	Sheet No. 95-C	Power Cost Adjustment Clause (Continued)
4 <sup>th</sup> Revision	Sheet No. 95-C.1	Power Cost Adjustment Clause (Continued)
4 <sup>th</sup> Revision	Sheet No. 95-C.2	Power Cost Adjustment Clause (Continued)
11 <sup>th</sup> Revision	Sheet No. 95-D	Power Cost Adjustment Clause (Continued)
11 <sup>th</sup> Revision	Sheet No. 95-E	Power Cost Adjustment Clause (Continued)

2 <sup>nd</sup> Revision	Sheet No. 95-E.1	Power Cost Adjustment Clause (Continued)
3 <sup>rd</sup> Revision	Sheet No. 141-A	Expedited Rate Filing Rate Adjustment (Continued)
3 <sup>rd</sup> Revision	Sheet No. 141-B	Expedited Rate Filing Rate Adjustment (Continued)
2 <sup>nd</sup> Revision	Sheet No. 141-C	Expedited Rate Filing Rate Adjustment (Continued)
1 <sup>st</sup> Revision	Sheet No. 141-D	Expedited Rate Filing Rate Adjustment (Continued)
1 <sup>st</sup> Revision	Sheet No. 141-E	Expedited Rate Filing Rate Adjustment (Continued)
1 <sup>st</sup> Revision	Sheet No. 141-F	Expedited Rate Filing Rate Adjustment (Continued)
1 <sup>st</sup> Revision	Sheet No. 141-G	Expedited Rate Filing Rate Adjustment (Continued)
1 <sup>st</sup> Revision	Sheet No. 141-H	Expedited Rate Filing Rate Adjustment (Continued)
1 <sup>st</sup> Revision	Sheet No. 141-I	Expedited Rate Filing Rate Adjustment (Continued)
1 <sup>st</sup> Revision	Sheet No. 141-J	Expedited Rate Filing Rate Adjustment (Continued)
2 <sup>nd</sup> Revision	Sheet No. 141-K	Expedited Rate Filing Rate Adjustment (Continued)
2 <sup>nd</sup> Revision	Sheet No. 141-L	Expedited Rate Filing Rate Adjustment (Continued)
1 <sup>st</sup> Revision	Sheet No. 141-M	Expedited Rate Filing Rate Adjustment (Continued)
1 <sup>st</sup> Revision	Sheet No. 141-N	Expedited Rate Filing Rate Adjustment (Continued)
Original	Sheet No. 149	Electric Reliability Cost Recovery Mechanism (ERCRM)
12 <sup>th</sup> Revision	Sheet No. 448-I	Power Supplier Choice (Continued)
13 <sup>th</sup> Revision	Sheet No. 449-I	Retail Wheeling Service (Continued)
3 <sup>rd</sup> Revision	Sheet No. 458	Back-Up Distribution Service
3 <sup>rd</sup> Revision	Sheet No. 458-A	Back-Up Distribution Service (Continued)
3 <sup>rd</sup> Revision	Sheet No. 459	Back-Up Distribution Service
3 <sup>rd</sup> Revision	Sheet No. 459-A	Back-up Distribution Service (Continued)

**Proposed Tariff Revisions  
WN U-2, Natural Gas**

4 <sup>th</sup> Revision	Sheet No. 33	Rule No. 21: Firm Service Priority
4 <sup>th</sup> Revision	Sheet No. 37-A	Rule No. 23: Interruptible Sales and Transportation Service Priority (Continued)
2 <sup>nd</sup> Revision	Sheet No. 37-B	Rule No. 23: Interruptible Sales and Transportation Service Priority (Continued)
2 <sup>nd</sup> Revision	Sheet No. 43	Rule No. 29: Terms of Distribution System Transportation Service
12 <sup>th</sup> Revision	Sheet No. 116-A	General Gas Lighting and Street Lighting Service (Optional) (Continued)
57 <sup>th</sup> Revision	Sheet No. 123	Residential General Service
53 <sup>rd</sup> Revision	Sheet No. 131	Commercial and Industrial General Service
7 <sup>th</sup> Revision	Sheet No. 131T	Distribution System Transportation Service (Firm-Commercial and Industrial)
59 <sup>th</sup> Revision	Sheet No. 141	Large Volume High Load Factor Gas Service (Optional)
20 <sup>th</sup> Revision	Sheet No. 141-A	Large Volume High Load Factor Gas Service (Optional) (Continued)
7 <sup>th</sup> Revision	Sheet No. 141T	Distribution System Transportation Service (Firm-Large Volume High Load Factor)
7 <sup>th</sup> Revision	Sheet No. 141T-A	Distribution System Transportation Service (Firm-Large Volume High Load Factor) (Continued)
13 <sup>th</sup> Revision	Sheet No. 153-B	Propane Service (Continued)
15 <sup>th</sup> Revision	Sheet No. 185	Interruptible Gas Service with Firm Option
49 <sup>th</sup> Revision	Sheet No. 185-A	Interruptible Gas Service with Firm Option (Continued)
16 <sup>th</sup> Revision	Sheet No. 185-B	Interruptible Gas Service with Firm Option (Continued)
20 <sup>th</sup> Revision	Sheet No. 185-C	Interruptible Gas Service with Firm Option (Continued)
20 <sup>th</sup> Revision	Sheet No. 185-D	Interruptible Gas Service with Firm Option (Continued)
7 <sup>th</sup> Revision	Sheet No. 185T	Distribution System Transportation Service (Interruptible with Firm Option)
5 <sup>th</sup> Revision	Sheet No. 185T-A	Distribution System Transportation Service (Interruptible with Firm Option) (Continued)
2 <sup>nd</sup> Revision	Sheet No. 185T-B	Distribution System Transportation Service (Interruptible with Firm Option) (Continued)
2 <sup>nd</sup> Revision	Sheet No. 185T-C	Distribution System Transportation Service (Interruptible with Firm Option) (Continued)

20 <sup>th</sup> Revision	Sheet No. 186-C	Limited Interruptible Gas Service with Firm Option (Optional) (Continued)
17 <sup>th</sup> Revision	Sheet No. 186-D	Limited Interruptible Gas Service with Firm Option (Optional) (Continued)
5 <sup>th</sup> Revision	Sheet No. 186T	Distribution System Transportation Service (Interruptible with Firm Option)
6 <sup>th</sup> Revision	Sheet No. 186T-A	Distribution System Transportation Service (Interruptible with Firm Option) (Continued)
21 <sup>th</sup> Revision	Sheet No. 187-D	Non-Exclusive Interruptible Gas Service w/ Firm Option (Continued)
5 <sup>th</sup> Revision	Sheet No. 187T	Distribution System Transportation Service (Non-Exclusive Interruptible with Firm Option)
6 <sup>th</sup> Revision	Sheet No. 187T-A	Distribution System Transportation Service (Non-Exclusive Interruptible with Firm Option) (Continued)
3 <sup>rd</sup> Revision	Sheet No. 1141-A	Expedited Rate Filing Rate Adjustment (Continued)
1 <sup>st</sup> Revision	Sheet No. 1141-B	Expedited Rate Filing Rate Adjustment (Continued)
1 <sup>st</sup> Revision	Sheet No. 1141-C	Expedited Rate Filing Rate Adjustment (Continued)
1 <sup>st</sup> Revision	Sheet No. 1141-D	Expedited Rate Filing Rate Adjustment (Continued)
1 <sup>st</sup> Revision	Sheet No. 1141-E	Expedited Rate Filing Rate Adjustment (Continued)