

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

<p>WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,</p> <p style="text-align: center;">Complainant,</p> <p>v.</p> <p>PUGET SOUND ENERGY,</p> <p style="text-align: center;">Respondent.</p>	<p>DOCKETS UE-190529 and UG-190530 (<i>consolidated</i>)</p> <p>ORDER 06</p>
<p>In the Matter of the Petition of</p> <p>PUGET SOUND ENERGY</p> <p>For an Order Authorizing Deferral Accounting and Ratemaking Treatment for Short-life UT/Technology Investment</p>	<p>DOCKETS UE-190274 and UG-190275 (<i>consolidated</i>)</p> <p>ORDER 03</p>
<p>In the Matter of the Petition of</p> <p>PUGET SOUND ENERGY</p> <p>For an Order Authorizing Deferred Accounting associated with Federal Tax Act on Puget Sound Energy’s Cost of Service</p>	<p>DOCKETS UE-171225 and UG-171226 (<i>consolidated</i>)</p> <p>ORDER 01</p>
<p>In the Matter of the Petition of</p> <p>PUGET SOUND ENERGY</p> <p>For an Order Authorizing the Accounting treatment of Costs of Liquidated Damages</p>	<p>DOCKETS UE-190991 and UG- 190992 (<i>consolidated</i>)</p> <p>ORDER 01</p> <p>CONSOLIDATION ORDER</p>

BACKGROUND

- 1 On April 9, 2019, Puget Sound Energy (PSE or Company) filed with the Washington Utilities and Transportation Commission (Commission) a petition for an order authorizing deferral of certain expenses related to the Company's investments in short-lived technology assets as part of its Get to Zero (GTZ) program, which was assigned Dockets UE-190274 and UG-190275. PSE requested that the Commission approve the deferred accounting and ratemaking treatment for the depreciation expense associated with GTZ program investments, asking for recovery of the deferred costs in future regulatory proceedings.
- 2 On June 20, 2019, PSE filed with the Commission revisions to its currently effective Tariff WN U-60, Tariff G, Electric Service, and Tariff WN U-2, Natural Gas, which was assigned Dockets UE-190529 and UG-190530. The effect of this filing is to increase rates and charges for electric and natural gas service provided to customers in the state of Washington. PSE requests an increase in its annual electric revenue requirement of approximately \$140 million (6.9 percent), and an increase to its annual natural gas revenue requirement of approximately \$65 million (7.9 percent). On July 3, 2019, the Commission suspended the tariff revisions and consolidated Dockets UE-190529 and UG-190530, initiating PSE's general rate case (GRC).
- 3 On July 22, 2019, the Commission entered Order 03, Prehearing Conference Order; Notice of Hearing, in the GRC, which, among other things, established a procedural schedule including an evidentiary hearing on February 6-7, 2020, a deadline for post-hearing initial briefs on March 17, 2020, and a deadline for reply briefs on March 27, 2020.
- 4 On October 28, 2019, the Commission entered Order 04/01, Granting Motion for Consolidation (Order 04/01), which consolidated Dockets UE-190529, UG-190530, UE-190274, and UG-190275 (collectively, the GRC/GTZ Dockets).
- 5 On December 29, 2017, PSE filed with the Commission a petition for an order authorizing deferred accounting associated with the impacts of the Tax Cuts and Jobs Act (TCJA) on PSE's cost of service, which was assigned Docket UE-171225 and UG-171226 (TCJA Petition). The TCJA Petition sought deferral of the costs and savings associated with the difference between the prior tax law and the new tax law. On November 26, 2018, PSE filed an amended petition (Amended TCJA Petition), which updated the petition to address (a) the over-collection of taxes for the period of January 1

to April 30, 2018, and (b) the excess deferred income tax balances that are created by the TCJA.

- 6 On November 27, 2019, PSE filed with the Commission a petition (Green Direct Petition or, together with the Amended TCJA Petition, the Petitions) for an order authorizing deferral accounting for liquidated damages under Schedule 139, Voluntary Long Term Renewable Energy Purchase Rider, which was assigned to Dockets UE-190991 and UG-190992 (together with UE-171225 and UG-171226, the Petition Dockets). The Green Direct Petition seeks authority for PSE to defer liquidated damages and use them to offset other voluntary long term renewable energy program costs.
- 7 On February 3, 2020, the presiding officer notified the parties in the GRC/GTZ Dockets that the Commission intends to consolidate the GRC/GTZ Dockets with the Petition Dockets. The parties were given the option to address the issues raised in the Petitions in post-hearing briefs or to make oral arguments at a second hearing that would be scheduled for a later date.
- 8 On February 5, 2020, PSE and the parties to the GRC/GTZ Dockets, who comprise all parties who have appeared in the Petition Dockets,¹ notified the Commission that they agree to address the issues specific to the Petitions in their post-hearing briefs in the GRC/GTZ Dockets.

DISCUSSION

- 9 WAC 480-07-320 provides that the Commission may act on its own motion to consolidate two or more proceedings in which the facts or principles of law are related. Because the issues raised in the Petitions are inextricably tied to issues in the GRC/GTZ Dockets, the Commission finds that consolidating the Petitions with the GRC/GTZ Dockets will result in a more cohesive and comprehensive record. Accordingly, the parties may address issues raised by the Petitions in post-hearing briefs. Interested persons and stakeholders who are not parties to the Petition Dockets may file comments related to issues raised by the Petition Dockets until March 27, 2020, the date that Reply Briefs are due in the GRC/GTZ Dockets.

¹ The Public Counsel Unit of the Attorney General's Office and the Alliance of Western Energy Consumers, both parties to the GRC/GTZ Dockets, are the only parties who entered notices of appearance in the Amended TCJA Petition Docket. No party has entered an appearance or filed a petition to intervene in the Green Direct Petition Docket.

ORDER

10 **THE COMMISSION ORDERS THAT** Dockets UE-171225, UG-171226, UE-190991 and UG-190992 are consolidated with Dockets UE-190529, UG-190530, UE-190274, and UG-190275.

Dated at Lacey, Washington, and effective February 5, 2020.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

/s/ Rayne Pearson

RAYNE PEARSON

Administrative Law Judge