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April 20, 2007

VIA ELECTRONIC FILING & FIRST CLASS MAIL

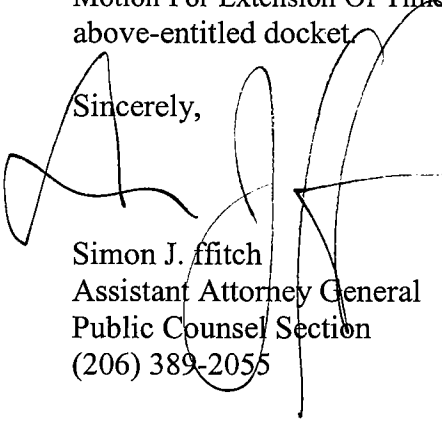
Carole Washburn
Executive Secretary
Washington Utilities & Transportation Commission
1300 S. Evergreen Pk. Dr. S.W.
PO Box 47250
Olympia, WA 98504-7250

Re: Washington Utilities and Transportation Commission v. Puget Sound Energy, Inc.
Docket No. UE-070565

Dear Ms. Washburn:

Enclosed please find the original and fifteen copies of Public Counsel's Answer to PSE Motion For Extension Of Time To File General Rate Case and Certificate of Service for filing in the above-entitled docket.

Sincerely,



Simon J. Fitch
Assistant Attorney General
Public Counsel Section
(206) 389-2055

SJf:kez
Enclosures

cc: Service List (U.S. Mail)

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY, INC.

Respondent.

DOCKET NO. UE-070565

PUBLIC COUNSEL'S ANSWER
TO PSE MOTION FOR
EXTENSION OF TIME TO FILE
GENERAL RATE CASE

Public Counsel files the following response to the PSE Motion for Extension of Time to File A General Rate Case (PSE Motion). Public Counsel was a party to the settlement of the PSE 2001 General Rate Case, Docket Nos. UE-011570/UG-011571, including the Power Cost Adjustment (PCA) portion of the settlement referred to in the PSE Motion, ¶ 3. Because the PSE motion seeks to modify a settlement agreement, it is Public Counsel's position that all signatories to the settlement agreement should be given notice of the PSE motion and an opportunity to respond prior to a ruling by the Commission.¹ It is not clear whether that has occurred.

Section 10 of the PCA settlement which PSE here seeks to modify is an important one. PSE states that the purpose of Section 10 of the PCA settlement was to "ensure that PSE does not file PCORC proceedings to the exclusion of general rate proceedings." PSE Motion, ¶ 8. This is true as far as it goes. It is more fully described, however, as a provision

¹ The parties to the PCA portion of the agreement were PSE, Staff, Public Counsel, ATT Wireless, Cogeneration Coalition of Washington, Northwest Energy Coalition, and Kroger Co.

to address the fact that the PCORC proceeding is an exception to the general rule that a company should not be allowed to file single issue rate cases. For that reason, PCORCs are subject to some limitations under the settlement, and in certain situations trigger a general rate case to true up all costs, as is the case here.²

Public Counsel agrees with PSE's statement in the motion that the frequency and recency of the Company's general rate case activity diminishes the concerns underlying Section 10 at this point in time.³ However, Public Counsel concurs with the concern raised by Commission Staff at the prehearing conference on April 11, 2007, regarding whether PSE intends to file a PCORC between the conclusion of this docket and the initiation of the delayed rate case. While the relatively short extension requested here would not seriously undermine the intent of Section 10, the filing of an additional PCORC in the intervening time would certainly be contrary to the purpose and intent of the settlement.

For the foregoing reasons, Public Counsel does not oppose issuance of an order approving the PSE motion for an extension if the order includes a bar to the filing of a PCORC by PSE prior to the next GRC filing. Public Counsel's agreement to the extension is made only for purposes of this specific motion to modify the settlement. Public Counsel

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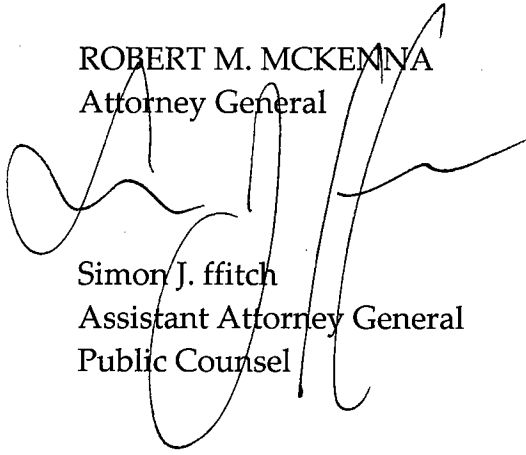
² Testimony of Staff Witness Merton Lott, Docket Nos. UE-011570, UG-011571 (MRL-2T), p. 14:3-9 (general policy witness for Staff in support of settlement).

³ It is worth noting, however, that Section 10 of the PCA agreement itself sets a frequency limit of not more than one general rate case filing in a twelve month period.

requests that the Commission order also be clearly limited to this extension, and that it reaffirm that Section 10 otherwise remains in full force and effect in the future.

RESPECTFULLY SUBMITTED this 19th day of April, 2007.

ROBERT M. MCKENNA
Attorney General



Simon J. Fitch
Assistant Attorney General
Public Counsel

CERTIFICATE OF SERVICE

DOCKET NO: UE-070565

WUTC v PSE

I hereby certify that a true and correct copy of Public Counsel's Answer to PSE Motion For Extension Of Time To File General Rate Case was sent to each of the parties of record shown on the attached Service List in sealed envelopes, via:

 X First class mail, postage prepaid

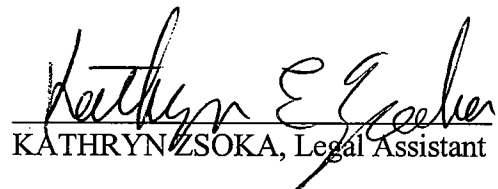
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DATED: April 20, 2007.


KATHRYN ZSOKA, Legal Assistant

Docket No. UE-070565

WUTC v. PSE

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