

**BEFORE THE**  
**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND  
TRANSPORTATION  
COMMISSION,

Complainant,  
v.

PUGET SOUND ENERGY,

Respondent.

DOCKETS UE-240004 &  
UG-240005 (*Consolidated*)

---

In the Matter of the Petition of

PUGET SOUND ENERGY

Petitioner,

For an Accounting Order Authorizing  
Deferred Accounting Treatment of  
Purchased Power Agreement  
Expenses Pursuant to RCW 80.28.410

DOCKET UE-230810

**RESPONSE TO PETITIONS FOR RECONSIDERATION**

**ON BEHALF OF THE**

**ALLIANCE OF WESTERN ENERGY CONSUMERS**

**February 13, 2025**

## TABLE OF CONTENTS

I.	INTRODUCTION AND RELIEF REQUESTED.....	1
II.	LEGAL STANDARD.....	2
III.	ARGUMENT .....	2
A.	The Commission should deny PSE’s Petition for Reconsideration.....	2
1.	Should the Commission grant PSE’s request for reconsideration of the decision to disallow certain O&M expenses, any remedy should be limited to correcting errors.....	3
2.	PSE’s request for reconsideration to include CWIP for Beaver Creek Wind Plant in rate base and to accelerate depreciation for its natural gas plant fails to meet the standard for reconsideration.....	4
i.	The Commission appropriately considered PSE’s financial health when setting the Company’s revenue requirement, including its authorized rate of return.....	5
ii.	The Commission properly disallowed accelerated gas depreciation as proposed by PSE.....	6
iii.	The Commission properly disallowed the inclusion of CWIP in PSE’s rate base.	7
B.	The Commission should deny JEA’s Petition for Reconsideration of the Commission's rejection of PSE’s proposed Targeted Electrification Pilot Phase 2 and JEA’s proposed general electrification proposal and associated Performance Incentive Mechanism (“PIM”). .....	7
C.	The Commission should grant Nucor’s Petition for Reconsideration. ....	11
IV.	CONCLUSION.....	12

## TABLE OF AUTHORITIES

### Cases

*Suquamish Tribe v. Central Puget Sound Growth Management Hearings Bd.*, 156 Wn. App. 743 (2010)..... 8, 9

### Administrative Authorities

*In re Puget Sound Energy*, Docket No. UE-031725, Order 15 (June 7, 2004)..... 2

*In re Puget Sound Energy*, Docket Nos. UE-240004/UG-240005, Order 09/07 (Jan. 15, 2025)  
..... passim

*In re American Water Resources, Inc.*, Docket Nos. UW-980072, UW-980258, and UW-980265 (consolidated), and UW-980076, Sixth Supplemental Order (Jan. 21, 1999) ..... 11

*In re Qwest Corporation and Eschelon Telecom., Inc.*, Docket No. UT-063061, Order 19 (Jan. 30, 2009) ..... 2

*In re Waste Management of Washington, Inc. d/b/a WM Healthcare Solutions of Washington*, Docket No. TG-120033, Order 10 (Jul. 10, 2013)..... 4

*Thurston County vs. Burlington Northern Railroad*, Cause No. TR-1930 (Aug. 10, 1998) ..... 2

### Regulations

WAC 480-07-850..... 2

## I. INTRODUCTION AND RELIEF REQUESTED

1 Pursuant to the Washington Utilities and Transportation Commission’s (“Commission”) February 3, 2025 Notice of Opportunity to Respond to Petitions for Reconsideration and Motion for Clarification in the above-referenced dockets, the Alliance of Western Energy Consumers (“AWEC”) files this Response.

2 On January 15, 2025, the Commission entered Order 09/07 Final Order (“Final Order”) in Puget Sound Energy’s (“PSE” or “Company”) 2024 general rate case (“GRC”) proceeding.<sup>1</sup> On January 24, 2025, PSE filed a Petition for Reconsideration of the Final Order (“PSE Petition”).<sup>2</sup> On January 27, 2025, AWEC and The Energy Project (“TEP”) filed a Petition for Reconsideration of the Final Order.<sup>3</sup> On January 27, 2025, Joint Environmental Advocates (“JEA”) filed a Motion for Clarification and Petition for Reconsideration (“JEA Petition”).<sup>4</sup> Finally, on January 27, 2025, Nucor Steel Seattle, Inc. (“Nucor”) filed a Petition for Reconsideration of the Final Order (“Nucor Petition”).<sup>5</sup>

3 As set forth herein, AWEC files this Response to PSE’s, JEA’s and Nucor’s Petitions. AWEC requests that the Commission (1) deny PSE’s Petition for Reconsideration of the Commission’s decisions to disallow certain O&M expenses, deny the Company’s request to accelerate depreciation of its natural gas system and to allow recovery for Construction Work in Progress (“CWIP”) for PSE’s Beaver Creek Wind Plant, (2) deny JEA’s Petition for

---

<sup>1</sup> *In re Puget Sound Energy*, Docket Nos. UE-240004/UG-240005, Order 09/07 (Jan. 15, 2025) (“Final Order”).

<sup>2</sup> Docket Nos. UE-240004/UG-240005, Puget Sound Electric Petition for Reconsideration (Jan. 15, 2025) (“PSE Petition”).

<sup>3</sup> Docket Nos. UE-240004/UG-240005, Alliance of Western Energy Consumers and The Energy Project Petition for Reconsideration (Jan. 27, 2025).

<sup>4</sup> Docket Nos. UE-240004/UG-240005, JEA Motion for Clarification and Petition for Reconsideration (Jan. 27, 2025) (“JEA Petition”).

<sup>5</sup> Docket Nos. UE-240004/UG-240005, Nucor Steel Seattle, Inc., Petition for Reconsideration (Jan. 27, 2025) (“Nucor Petition”).

Reconsideration of the Commission’s decisions not to approve either JEA’s or PSE’s electrification proposals, and (3) grant Nucor’s Petition for Reconsideration in its entirety.

## II. LEGAL STANDARD

4 Pursuant to WAC 480-07-850(1), “[t]he purpose of a petition for reconsideration is to request that the commission change the outcome with respect to one or more issues determined by the commission's final order.” The Commission “will grant petitions for reconsideration only if the petitioner demonstrates that [the] order is erroneous or incomplete.”<sup>6</sup> In making such a request, a “party must do more than simply reargue an issue decided in a final order.”<sup>7</sup> “The Commission has consistently held that petitions for reconsideration must demonstrate some error in the order and that it will not grant petitions which merely reargue points decided against the petitioner in the order.”<sup>8</sup> The Commission will deny a petition for reconsideration if it determines that the petitioner has failed to “present a reasoned basis upon which the Commission might reconsider its findings, conclusions, and the effect of its ordering,” or mischaracterizes the Commission’s final order.<sup>9</sup>

## III. ARGUMENT

### A. The Commission should deny PSE’s Petition for Reconsideration.

5 PSE’s Petition for Reconsideration requests that the Commission grant relief on two general issues – the Commission’s disallowance of certain O&M expenses and the Commission’s decisions to reduce PSE’s requested cash flow by denying the Company’s request to include

---

<sup>6</sup> *In re Qwest Corporation and Eschelon Telecom., Inc.*, Docket No. UT-063061, Order 19 at 2-3:7 (Jan. 30, 2009) (internal citations omitted).

<sup>7</sup> *Id.* at 2:7 (internal citations omitted).

<sup>8</sup> *Thurston County vs. Burlington Northern Railroad*, Cause No. TR-1930 at 3 (Aug. 10, 1998) *citing* Order M.V. No. 135041, *In re Sun Transportation Co., Inc.*, App. No. P-68362 (Nov. 1986); Cause No. TV-1831, *In re Increased Rates in WUTC Tariff No. 4A, Item 860, Logs All Species* (May 1986); Order M.V. No. 128067, *In re Pansie*, App. No. P-65704 (Aug. 1983).

<sup>9</sup> *In re Puget Sound Energy*, Docket No. UE-031725, Order 15, at 2-3:5; 20:42 (June 7, 2004).

CWIP for Beaver Creek Plant in rate base and its request to accelerate depreciation of PSE's natural gas system which. PSE's Petition largely fails to meet the standard for granting reconsideration set by the Commission. In fact, PSE's only assertion of error appears to be that the Commission relied upon "incomplete information and inaccurate calculations in reaching its decision" related to O&M expense.<sup>10</sup> Aside from that, PSE's Petition merely reargues issues already considered and denied by the Commission based on the evidentiary record before it in this proceeding. As such, absent correcting any demonstrable calculation errors for O&M, PSE's requested relief should be denied.

1. Should the Commission grant PSE's request for reconsideration of the decision to disallow certain O&M expenses, any remedy should be limited to correcting errors.

6 PSE asserts two issues with the Commission's decision to disallow certain O&M expenses. First, PSE argues that its O&M pro forma adjustments are "known and measurable and recovery is consistent with prior Commission decisions."<sup>11</sup> In doing so, the Company concludes that the Commission did "not appear to fully consider or reflect the re-allocated budget information" that PSE included in response to a Staff data request and in the Company's pre-filed rebuttal testimony,<sup>12</sup> and then goes on to reargue its position that its updates represent known and measurable updates to its requested O&M expense consistent with prior Commission decisions.

7 PSE fails to carry its burden in demonstrating that the Final Order contains an error appropriate for reconsideration. The Company's arguments that these adjustments are known and measurable consistent with prior Commission precedent are a clear attempt at rearguing the

---

<sup>10</sup> PSE Petition at 9:16.

<sup>11</sup> *Id.* at 6:11-9:15.

<sup>12</sup> *Id.* at 7:12.

merits of a decision that PSE lost in the Final Order. In the Final Order, the Commission clearly discusses its rationale and why it is exercising its discretion not to “relax its traditional standard to allow PSE to attempt to insulate itself from future uncertainty at the expense of ratepayers by including O&M expense beyond what is determined necessary.”<sup>13</sup> Even if the Commission granted similar adjustments in other cases by determining that they are “known and measurable,” the Commission is not bound by *stare decisis*.<sup>14</sup> PSE has not asserted, nor could it, that the Commission’s decision on this point is based on an error.

8           With regard to PSE’s second assertion that the Commission erred in relying on Staff’s presentation because it contains incomplete and inaccurate calculations, the Company again attempts to argue the merits of issues previously decided by the Commission. The Commission should only grant reconsideration of O&M expense to the extent that the Final Order contains a calculation error. The Commission should not grant reconsideration based on PSE’s additional arguments on the merits of its position, allowing PSE a second bite at the apple.

2. PSE’s request for reconsideration to include CWIP for Beaver Creek Wind Plant in rate base and to accelerate depreciation for its natural gas plant fails to meet the standard for reconsideration.

9           PSE’s Petition fails to demonstrate that the Final Order is erroneous or incomplete with regard to PSE’s request to include CWIP in rate base for the Company’s Beaver Creek Wind Plant and to accelerate the depreciation of its natural gas system. In fact, nowhere in its Petition does PSE even assert that the Commission’s decision on these issues is erroneous or incomplete. Instead, PSE simply registers its dissatisfaction with the impact that the Commission’s decisions

---

<sup>13</sup> Final Order at 133:424.

<sup>14</sup> See e.g. *In re Wast Management of Washington, Inc. d/b/a WM Healthcare Solutions of Washington*, Docket No. TG-120033, Order 10 at 6:12 (Jul. 10, 2013) (internal citations omitted) (Commission concluding that “‘stare decisis plays a more limited role in the administrative agency context and, of course, administrative agencies can change their positions’ subject to explaining the ‘reasons for a departure from prior conclusions.’”).

will allegedly have on the Company's cash flow, all while acknowledging that the Commission has policy discretion to reject both proposals. PSE's Petition on these issues is a blatant re-argument of issues already addressed on the record in testimony and briefing – arguments that the Commission fully considered and appropriately denied based on the merits of each issue. As such, PSE's request that the Commission reconsider CWIP for the Beaver Creek Wind Project and accelerated depreciation of the gas system should be denied.

- i. The Commission appropriately considered PSE's financial health when setting the Company's revenue requirement, including its authorized rate of return.*

10           The overarching basis for PSE's request for reconsideration of CWIP for the Beaver Creek Wind Project and accelerated depreciation of the gas system is to improve its cash flow, because it finds that the Commission's decisions only result in "modest" improvements to PSE's cash flow despite PSE's testimony that "substantial improvement in cash flow was necessary."<sup>15</sup> Specifically, PSE takes issue with a Commission decision that "results in a \$20 million increase in cash flow in 2025 and a \$36 million increase in cash flow in 2026, which is approximately 15 percent and 25 percent of PSE's request, respectively."<sup>16</sup>

11           PSE again stops short of asserting that the Commission erred in not approving its "cash flow improvement" proposals, and instead reargues the need for "a healthy financial profiles" so that it can "attract[] capital at reasonable rates for the benefit of customers."<sup>17</sup> However, the Final Order strikes an appropriate balance between shareholder and customer interests in determining the revenue requirement and authorized rate of return necessary to support the Company's financial health. As part of its decision on Cost of Capital, the Commission

---

<sup>15</sup> PSE Petition at 11:19.

<sup>16</sup> *Id.* at 11:19.

<sup>17</sup> *Id.* at 12:19 (internal citations omitted).



explicitly recognized PSE's need for capital.<sup>18</sup> In doing so, the Commission bestowed PSE with a gracious return on equity, capital structure, and rate of return for both years of the Multi-Year Rate Plan,<sup>19</sup> particularly relative to its 2022 GRC. As the Commission's Final Order already grants adequate support to the PSE's financial integrity, PSE has provided no credible basis for the Commission to grant its requested relief.

*ii. The Commission properly disallowed accelerated gas depreciation as proposed by PSE.*

12 As the Commission correctly concluded, accelerated depreciation of PSE's natural gas system is not in the public interest for purposes of setting rates in the Company's 2025-2026 Multi-Year Rate Plan.<sup>20</sup> As demonstrated by the Commission's discussion in the Final Order – which is not contested by PSE – ample evidence was provided on the record to address this issue in addition to the testimony offered by PSE. The Commission's decision carefully considered this evidence, and it appropriately exercised its discretion not to approve PSE's request.<sup>21</sup> Again, PSE has not asserted that the Commission's decision was based on error nor that it is incomplete. It merely believes the Commission has the discretion to reach a different conclusion and that given that discretion, it should have approved PSE's request in order to improve the Company's cash flow. This is not a sufficient basis for reconsideration. PSE spends a single paragraph rearguing points made in its testimony and briefing, which as noted above, the Commission has long held does not provide a sufficient basis for reconsideration. Thus, PSE's request for reconsideration is without merit and should be denied.

---

<sup>18</sup> Final Order at 34:108.

<sup>19</sup> *Id.* at 34:109.

<sup>20</sup> *Id.* at 108:339.

<sup>21</sup> *Id.* at 107:337-108:339.

iii. *The Commission properly disallowed the inclusion of CWIP in PSE's rate base.*

13 Like its argument related to accelerated depreciation, PSE fails to assert or argue that the Commission erred in its decision not to allow CWIP in rate base for its Beaver Creek Wind Project. Instead, the Company spends one paragraph of its Petition for Reconsideration again rearguing the points made in its testimony and briefing and as such, does not meet the Commission's requirements for granting reconsideration. To be clear, the Commission properly exercised its authority to not allow CWIP for the Beaver Creek Wind Project. The Commission, in its Final Order, considered the entire record when deciding inclusion of CWIP was not in the public interest.<sup>22</sup> As part of its decision, the Commission notes that it is not persuaded by PSE's argument that CWIP is in the public interest for the Beaver Creek Wind Project.<sup>23</sup> The Commission further notes that there are other avenues for recovery within the Final Order that allow PSE to manage its investment plan and respond to changing circumstances.<sup>24</sup> The Commission was neither erroneous nor incomplete in its denial of CWIP for the Beaver Creek Project. For that reason, the Commission should deny reconsideration of this issue.

**B. The Commission should deny JEA's Petition for Reconsideration of the Commission's rejection of PSE's proposed Targeted Electrification Pilot Phase 2 and JEA's proposed general electrification proposal and associated Performance Incentive Mechanism ("PIM").**

14 The record in this case supports the Commission's correct conclusion that PSE's proposed Targeted Electrification Pilot Phase 2 and JEA's proposed general electrification proposal and associated PIM should be denied based on the evidence in the record in this case. Nevertheless, JEA petitions the Commission for reconsideration of its decision to deny its

---

<sup>22</sup> *Id.* at 76:222-82:249.

<sup>23</sup> *Id.* at 82:250.

<sup>24</sup> *Id.* at 83:253.

“general electrification” proposal and PSE’s Phase 2 Electrification Pilot, arguing that the Commission erred by not resolving whether these proposals are consistent with Initiative 2066.<sup>25</sup> JEA also makes a number of policy arguments as to why its proposal should be adopted, essentially rearguing the points made in its testimony and briefing in this case.<sup>26</sup> Because the Commission did not commit a legal error in its decision to deny JEA’s and PSE’s electrification proposals, and because the Commission already considered the arguments raised by JEA when reaching its decision as a matter of policy, JEA’s request for the Commission to reconsider its decision not to implement either PSE’s or JEA’s electrification proposals is appropriately denied.

15           Contrary to JEA’s claims, the Commission need not reach a legal conclusion when unnecessary to resolve a contested issue. No party in this proceeding has asserted, rightfully so, that Washington law *requires* the Commission to adopt either PSE’s or JEA’s electrification proposals. As such, the Commission has the discretion to deny PSE’s and JEA’s requests as a matter of policy and need not reach a legal determination on whether Initiative 2066 is consistent with either PSE’s or JEA’s proposals.

16           Moreover, the very case JEA cites to in support of reconsideration of the Commission’s electrification decision does not in fact support its request. In *Suquamish Tribe v. Central Puget Sound Growth Management Hearings Bd.*, 156 Wn. App. 743, 783 (2010), the Court addressed the appropriate standard of review under the Administrative Procedures Act (“APA”) “‘from an agency order in an adjudicative proceeding’ where ‘[t]he agency has not decided all issues requiring resolution by the agency.’”<sup>27</sup> The Court explained that “[w]hen an agency fails to address an issue or supplies no reason for a decision based on an erroneous legal conclusion that

---

<sup>25</sup> JEA Petition at 8:16.

<sup>26</sup> *Id.* at 8:17-11:21; 12-13:23.

<sup>27</sup> *Suquamish Tribe v. Cent. Puget Sound Growth Mgmt. Hearings Bd.*, 156 Wash. App. 743, 775, 235 P.3d 812, 829 (2010) (internal citations omitted).

leads an agency either to not decide or to inadequately decide an issue, a legal ground for remand under RCW 34.05.570(3)(f) and further proceedings before the agency arises.”<sup>28</sup>

17           The contested issue in this case is whether the Commission should adopt recommendations from PSE related to Phase 2 of its Targeted Electrification Pilot and from JEA on its general electrification proposal and associated PIM. The contested issue is not the interpretation of Initiative 2066 – that is merely a sub-argument within the contested issue and as described above, need not be resolved by the Commission in this proceeding. Nor has the Commission inadequately decided on this issue. In reaching its decision, the Commission concluded that it did not have an adequate record to determine whether the electrification policies advocated for by PSE and JEA are appropriate in light of the policy intent of Initiative 2066, thereby noting that “it would be prudent for PSE to consult further with its Energy Efficiency Advisory Group,” and that it “supports additional discussion of a refined proposal in a future GRC, where the Commission will have the benefit of full testimony and briefing regarding how such a plan could promote state emissions policy goals in light of I-2066.”<sup>29</sup> Again, language demonstrating that the Commission did not feel it had an adequate record to grant either PSE’s or JEA’s electrification proposals based on the evidence in this proceeding. Review of the standard set forth in *Suquamish Tribe* makes clear that the Commission in this instance has met its duty in resolving the issue of PSE’s Phase II pilot and JEA’s voluntary electrification proposal and PIM.

18           JEA’s request for reconsideration of this issue also inappropriately attempts to reargue issues that the Commission already considered when reaching its determination in the Final

---

<sup>28</sup>       *Id.* at 831 (internal citations omitted).

<sup>29</sup>       Final Order at 111:349-50.

Order. As previously discussed herein, that does not provide a sufficient basis for the Commission to grant reconsideration. However, even if the Commission determines that JEA has met the applicable standard of proof – which it has not – the Commission should nevertheless decline to change its ultimate decision to deny both PSE’s and JEA’s electrification proposals. The Commission correctly determined that the record in this proceeding supports the Commission’s decision to deny these proposals. Specifically, AWEC provided testimony and briefing explaining that it is premature for the Commission to accept JEA’s proposal given that any Commission guidance may conflict with Initiative 2066, CETA, and the CCA.<sup>30</sup> Specifically, AWEC explained that ESHB 1589 requires the Commission to consider decarbonization efforts on PSE’s system on a holistic basis with specific requirements for decarbonization measures which have not been fully developed.<sup>31</sup> As AWEC noted, PSE’s Phase 2 does not take these requirements into account, nor does the Company indicate how its efforts will or should be informed by remaining ESHB 1589 requirements.<sup>32</sup> Finally, AWEC observed that PSE will be unable to use the learnings from Phase 2 in order to inform its Targeted Electrification Strategy, further begging the question of whether this effort will result in meaningful customer benefits.<sup>33</sup>

19           Appropriately, the Commission explained that it “supports additional discussion of a refined proposal in a future GRC, where the Commission will have the benefit of full testimony and briefing regarding how such a plan could promote state emissions policy goals in light of I-2066.”<sup>34</sup> The Commission further determined that in accordance with testimony put forth by

---

<sup>30</sup>       See Kaufman, Exh. LDK-1T at 18:2-22:7; Kaufman, Exh. LDK-8T at 9:21-12:20; and AWEC Post-Hearing Brief at 58:108-30:112.

<sup>31</sup>       Kaufman, Exh. LDK-1CT at 19:9-13.

<sup>32</sup>       *Id.* at 19:11-13.

<sup>33</sup>       *Id.* at 19:13-17.

<sup>34</sup>       Final Order at 112:350.

PSE,<sup>35</sup> “the benefits of future electrification also are appropriately addressed as part of the Company’s 2027 Integrated System Plan process.”<sup>36</sup> Given the impacts of electrification on customers, including costs, a holistic consideration in the Company’s 2027 Integrated System Plan is appropriate.

20 In sum, JEA fails to demonstrate that the Commission’s Final Order is erroneous or incomplete and is also an inappropriate attempt to reargue its case on the merits. JEA has failed to carry its burden of proof and therefore, the Commission should deny reconsideration of the Commission’s rejection of PSE’s Phase II pilot and JEA’s electrification proposal.

**C. The Commission should grant Nucor’s Petition for Reconsideration.**

21 AWEC supports the Petition for Reconsideration filed by Nucor in its entirety and for the reasons set forth therein, requests that the Commission grant Nucor’s requested relief. As the Commission recognized, AWEC’s and Nucor’s allocation proposals may not be “prohibited by the plain language in Table 4 of WAC 480-85-060(3), particularly if there were a sufficient showing that direct costs could be assigned.”<sup>37</sup> Moreover, if the Commission is inclined to grant PSE’s request to reconsider accelerated depreciation of its natural gas system, it must also grant Nucor’s Petition for Reconsideration. Appropriate and precise allocation of costs is paramount in order to ensure that there are not inter-class subsidizations of plant that will inequitably exacerbate what are already substantial rate increases to natural gas customers. Accelerating depreciation of the natural gas system without ensuring that allocation methodologies are proper would lead to inappropriate rate shock, contrary to the public interest.<sup>38</sup>

---

<sup>35</sup> Mannetti, Exh. JM-9T at 9:4-7, 16-18.

<sup>36</sup> Final Order at 112:351.

<sup>37</sup> *Id.* at 89:278.

<sup>38</sup> See *In re American Water Resources, Inc.*, Docket Nos. UW-980072, UW-980258, and UW-980265 (consolidated), and UW-980076, Sixth Supplemental Order at 23 (Jan. 21, 1999) (“We find the policy suggested by the Initial Order and adopted here promotes the public interest by creating a necessary

#### IV. CONCLUSION

22 For the foregoing reasons, AWEC requests that the Commission adopt the recommendations detailed above.

Dated this 13th day of February 2025.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.

/s/ Sommer J. Moser

Sommer J. Moser, OR State Bar No. 105260

Corinne O. Olson, OR State Bar No. 194200

Davison Van Cleve, P.C.

107 SE Washington St., Suite 430

Portland, OR 97214

sjm@dvclaw.com

coo@dvclaw.com

Telephone: (503) 241-7242

*Attorneys for the Alliance of Western Energy Consumers*

---

safeguard to protect consumers from rate shock that otherwise sometimes occurs under our longstanding practice that favors systemwide rates. In that way, the policy supports our continued approval of systemwide rates by making them more acceptable to consumers.”).