



STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION
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September 15, 2023

NOTICE OF INTENT TO AMEND FINAL ORDER

And

NOTICE OF PREHEARING CONFERENCE
(Set for September 29, 2023, at 1:30 p.m.)

RE: *Washington Utilities and Transportation Commission v. Puget Sound Energy*,
Dockets UE-220066, UG-220067, and UG-210918 (*Consolidated*)

TO ALL PARTIES:

On December 22, 2022, the Washington Utilities and Transportation Commission (Commission) entered Final Order 24/10, Rejecting Tariff Sheets; Approving Settlements, with Conditions; Authorizing and Requiring Compliance Filing (Final Order 24/10). By this Order, the Commission approved three partial multi-party settlements that, considered together, resolved all of the outstanding issues in the general rate case filed by Puget Sound Energy (PSE or Company). This included the Revenue Requirement Settlement (Revenue Requirement Settlement), which was adopted by the Commission subject to conditions.

As relevant here, in paragraph 40 of the Revenue Requirement Settlement, the Settling Parties agreed to the following: “PSE agrees to continue its existing credit and collection processes until the conclusion of the proceeding currently being conducted in Docket U-210800.” The Commission accepted this particular settlement term without condition.¹

On August 10, 2023, PSE filed a Petition to Amend Final Order (Petition), requesting that the Commission allow the Company to change its credit and collection practices prior to the conclusion of the rulemaking in Docket U-210800.

¹ See Final Order 24/10 ¶¶ 265-68.

By August 31, 2023, Commission staff (Staff), Public Counsel, the Joint Environmental Advocates, and the Energy Project each filed responses in opposition to PSE's Petition.

The Commission has considered PSE's Petition and the responses from each of the non-company parties. The Commission acknowledges that the issue of expanding credit and collection practices involves a balancing of competing interests. On the one hand, the Company cites growing arrearage balances beyond what was anticipated at the time of the settlement and the potential for significant impacts on low- and moderate-income customers if the Company is required to recover this bad debt in rates. On the other hand, the non-company parties argue that amending Final Order 24/10 may result in inequitable impacts, chill future settlement discussions, and have other negative repercussions.

Pursuant to WAC 480-07-875(1), the Commission indicates its intent to amend Final Order 24/10 to grant PSE's Petition in part, and to deny the Petition in part, so that the Company may modify its credit and collection practices prior to the conclusion of the rulemaking in Docket U-210800. The growing arrearage balances described in the Petition likely constitute a harm that was not fully anticipated at the time of the settlement and its subsequent approval by the Commission. The most fair, just, reasonable, and sufficient result may be to allow the Company to resume certain credit and collection processes subject to stipulations.²

The Commission accordingly provides notice of a pre-hearing conference, to determine an expedited procedural schedule that includes a settlement conference and a hearing in the event that the parties are not able to resolve this issue through settlement.

THE COMMISSION GIVES NOTICE of its intent to amend Final Order 24/10.

THE COMMISSION FURTHER GIVES NOTICE That a prehearing conference will be held in this matter at 1:30 p.m., on September 29, 2023. To attend via Zoom, [click here to join meeting](#). To attend by phone, please call (253) 215-8782 and enter the Meeting ID: 871 8871 2387# and Passcode: 946079#.

/s/ Michael Howard
MICHAEL HOWARD
Administrative Law Judge

² See, e.g., Public Counsel Response ¶ 10 (arguing in-the-alternative for potential modifications to Final Order 24/10 that would allow PSE to modify its credit and collection processes subject to certain limitations).