

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

DOCKET UE-070565

RESPONSE OF COMMISSION
STAFF TO MOTION FOR
EXTENSION OF TIME TO FILE
GENERAL RATE CASE

1 The Staff of the Washington Utilities and Transportation Commission responds to Motion for Extension of Time to File General Rate Case, filed March 20, 2007 by Puget Sound Energy, Inc. (“PSE” or “the Company”). PSE requests that the Commission waive the requirement that PSE must file a general rate case within three months of the effective date of any rate increase resulting from this Power Cost Only Rate Case (“PCORC”).¹ The Company commits to filing a general rate case no later than April 15, 2008.

2 Staff does not object to the Company’s Motion upon condition that PSE agrees not to file any additional PCORCs until its next general rate case is completed. Any new power resource acquisitions would be addressed in the direct testimony of the Company’s next general rate case.

3 Staff’s proposed condition is justified because it insures that the Company will not give priority to single issue ratemaking over general rate proceedings where all costs, revenues and rate base items are comprehensively examined. Indeed, the Company agrees

¹ This requirement was established in the Company’s 2001 general rate case. *WUTC v. Puget Sound Energy, Inc.*, Docket Nos. UE-11570 and UG-11571, 12th Suppl. Order at Appendix A, Exhibit A, Section 10 (June 2002).

with this basic principle,² which the Commission also acknowledged when it originally approved the PCORC mechanism:

These Power Cost Only rate proceedings are an exception to the general rule that a company should not be allowed to file single issue rate cases. For that reason, these single issue rate cases are limited and under certain events will trigger a general rate case to true-up all costs.³

4 Staff's proposed condition also supports the Company's goal to reduce the frequency of rate proceedings going forward, given the recent history of repeated general rate cases and PCORCs. At the same time, the Company is not precluded from seeking to recover any new resource acquisitions, but it must make that proposal in its direct testimony in its next general rate case, rather than in an additional PCORC.

5 For these reasons, the Commission should grant the Company's Motion, but only on condition that PSE agrees not to file another PCORC until after its next general rate case is completed.

DATED this 20th day of April, 2007.

Respectfully submitted,

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² Motion at ¶ 8 ("The purpose of Section 10 is to insure that PSE does not file PCORC proceedings to the exclusion of general rate proceedings.").

³ *WUTC v. Puget Sound Energy, Inc.*, Docket Nos. UE-011570 and UG-011571, 12th Suppl. Order at ¶ 25, citing Exhibit No. 562 at 14 (Testimony of Merton Lott) (June 2002).