BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of

PUGET SOUND ENERGY, INC.

for a Declaratory Order and Accounting Order Regarding the Classification of Certain Facilities and Accounting Treatment Consistent Therewith. NO. UE-010010

JOINT SUPPLEMENTAL COMMENTS OF PUGET SOUND ENERGY, INC., TENASKA WASHINGTON PARTNERS, L.P., AND THE COGENERATION COALITION OF WASHINGTON

On January 2, 2001, Puget Sound Energy, Inc. ("PSE") filed a petition for a declaratory order requesting the Commission adopt PSE's proposed classification of transmission and distribution facilities and for an accounting order authorizing PSE to reflect such classifications in its accounts (the "Petition"). The Commission heard oral comment on the Petition on March 9, 2001. During these proceedings, the Commission decided to permit parties an opportunity to submit supplementary written comments. By order dated March 9, 2001, (the "March 9 Order") the Commission ordered that the parties have an opportunity to file supplemental comments on or before March 13, 2001.

Pursuant to the March 9 Order, PSE, Tenaska Washington Partners, L.P. ("Tenaska"), and the Cogeneration Coalition of Washington ("CCW") (together, the "Joint Commenters"), hereby submit the following joint supplemental comments.

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JOINT COMMENTS - 1
[07771-0100/010010, PSE et al, Joint Supplemental Comments, 3-13-01.doc]

In order to address the concerns raised by Tenaska and CCW in this proceeding, the Joint Commenters respectfully request that any order issued by the Commission in this proceeding contain or reflect the following principles:

- The classification of facilities in this proceeding as transmission and distribution shall not predetermine which facilities are designated for RTO West operational control, nor would such classification predetermine the extent or nature of PSE's participation, if any, in an RTO.
- 2. Generators obtaining FERC-jurisdictional service using facilities that are classified in this proceeding as distribution will pay for the use of such distribution facilities at a rate or charge pursuant to the terms and conditions of the applicable Open Access Transmission Tariff accepted for filing by the Federal Energy Regulatory Commission ("FERC"); such generators will not be subject to any retail distribution rate imposed by the Washington Utilities and Transportation Commission.
- 3. The classification of a facility as distribution will not alter FERC's jurisdiction over such facility as it is used for the provision of FERC-jurisdictional services.
- Any dispute resulting from FERC-jurisdictional generation integration or transmission service shall be subject to the terms and conditions of the applicable Open Access Transmission Tariff or RTO dispute resolution process.

CONCLUSION

The Joint Commenters therefore respectfully request that the Commission enter an order adopting the proposed classification of transmission and distribution facilities as set forth in Exhibit A to PSE's Petition. The Joint Commenters also respectfully request that any such order contain or reflect the principles set forth above.

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Dated the 13th day of March, 2001.

Respectfully submitted,

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