

Agenda Date: August 29, 2001
Item Number: 2A

Docket: UE-011163
Company Name: Puget Sound Energy, Inc.

Staff: Merton Lott, Energy Industry Coordinator

Recommendation:

Suspend proposed tariff filing in Docket UE-011163 and set it for hearing. Grant the PSE's request for waiver to post customer notification under WAC 480-80-120 (1) and (2).

Discussion:

On August 21, 2001, Puget Sound Energy, Inc., (PSE) filed with the Commission Original Sheet No. 395, Electric Energy Cost Adjustment Rider. The proposed filing has an effective date of November 1, 2001. The request is for an increase in rates of 1.073 cents per kWh for all classes excluding schedules 48, 448, 449 and certain special contracts. PSE also requests that the Commission grant a waiver of notification under WAC 480-80-120 (1) and (2). This WAC requires the Company to place notices in offices giving a full 30-day period before the end of the statutory notice. In its place the Company proposes to send notice with the first billing cycle after suspension under WAC 480-80-125.

The filing, in the Company words, is "a request for authorization for a periodic rate adjustments for electric utilities; it is an emergency or other short-notice increase request driven by weather-related conditions (drought) and governmentally-imposed increases in costs of doing business (unexpected form of FERC price caps); and the filing is designed to recover increased expenses arising on short notice and beyond the Company's control." The tariff filing is associated with and dependent on approval of the Company's accounting petition in Docket UE-011170 (petition). The Company requests the Commission to suspend this tariff filing and consider it for approval in conjunction with that petition.

In its petition, PSE states that the requested relief be treated as interim relief consistent with Section III.AA.6 of the "Stipulation" adopted and incorporated by reference in the Fourteenth Supplemental Order Accepting Stipulation; Approving Merger in Docket No.UE-960195 (the merger order). PSE asks that this interim relief extend until the final disposition of the general rate increase to be filed by PSE in November 2001.

Conclusion:

In that the proposed increase affects the public interest, and that PSE asks that the tariff filing be suspended and considered jointly with the petition, Commission Staff recommends that the Commission suspend the proposed tariff filing and set it for hearing. Staff concludes that the alternative notification proposed by the Company is appropriate considering the proposed hearing process by PSE.