

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

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| WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION, |) | DOCKET UE-100177 |
| |) | |
| Complainant, |) | ORDER 08 |
| |) | ORDER GRANTING PETITION TO |
| v. |) | MODIFY SETTLEMENT |
| |) | AGREEMENT TO COMPLY WITH |
| PUGET SOUND ENERGY, |) | NEWLY ADOPTED RULES |
| Respondent. |) | |
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| In the Matter of |) | DOCKET UE-132043 |
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| PUGET SOUND ENERGY, |) | ORDER 04 |
| |) | |
| Report Identifying Its 2014-2023 Ten- Year Achievable Electric Conservation Potential and Its 2014-2015 Electric Biennial Conservation Target Under RCW 19.285.040 and WAC 480-109-010 |) | ORDER GRANTING PETITION AND MODIFYING ORDER 01 TO COMPLY WITH NEWLY ADOPTED RULES |
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BACKGROUND

- 1 Under the Energy Independence Act (EIA or Act), electric utilities with 25,000 or more customers are required to set and meet energy conservation targets.¹

- 2 The Washington Utilities and Transportation Commission (Commission) promulgated rules implementing the EIA in chapter WAC 480-109. These rules require that, “On or before January 31, 2010, and every two years thereafter, each utility must file with the Commission a report identifying its ten-year achievable conservation potential and its biennial conservation target.”²

¹ RCW 19.285.040.

² WAC 480-109-010(3).

- 3 On September 28, 2010, the Commission entered Order 05 in Docket UE-100177, which, among other things, approved and adopted an EIA settlement agreement (Settlement Agreement) that replaced Puget Sound Energy's (PSE) conservation settlement approved in an earlier docket.
- 4 On November 1, 2013, PSE filed its Biennial Conservation Plan (BCP) identifying a 2014-2023 ten-year achievable conservation potential of 2,730,408 megawatt-hours (MWh) and a 2014-2015 biennial conservation target of 485,770 MWh.³ On December 19, 2013, the Commission issued Order 01 in Docket UE-132043 approving PSE's ten-year conservation potential and 2014-2015 biennial conservation target, subject to conditions (Order 01).
- 5 On March 12, 2015, the Commission entered General Order R-578 in Docket UE-131723, Order Amending, Adopting, and Repealing Rules Permanently, which modified rules in chapter WAC 480-109 to implement statutory changes and other provisions of the EIA. Paragraph 146 of the order directed utilities to review prior orders addressing conservation targets and to file a petition to modify such orders if requirements of the prior orders conflicted with the rules adopted in General Order R-578.
- 6 On April 16, 2015, PSE filed a petition requesting modification of Appendix A to Order 01 in Docket UE-132043, and to replace the reference to WAC 480-109-010 in paragraph A.3 of the Settlement Agreement with a reference to WAC 480-109-100(1)(a)(i). The majority of the requested modifications correct amended WAC citations and resolve differences in filing and notice date requirements.
- 7 Commission Staff (Staff) reviewed PSE's petition and found that the proposed changes are consistent with, and solely related to, the new rule. Staff recommends granting PSE's petition and modifying both the rule reference in the Settlement Agreement, and Appendix A to Order 01 in Docket UE-132043, as set forth in Exhibit A to this Order.

DISCUSSION AND DECISION

- 8 Under RCW 19.285.040(1)(e), the Commission has authority to "rely on its standard practice for review and approval of investor-owned utility conservation targets." This standard practice includes approval of conservation targets subject to conditions. Because

³ As required by WAC 480-109-010(3)(b), PSE used its 2013 Integrated Resource Plan as the basis for its calculations.

General Order R-578 changed the EIA rule citations, existing conditions should be modified for consistency with the new rule.

9 The Commission finds that granting PSE's petition is appropriate.

FINDINGS AND CONCLUSIONS

- 10 (1) The Washington Utilities and Transportation Commission is an agency of the state of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including electric companies.
- 11 (2) Puget Sound Energy is an electric company and a public service company subject to Commission jurisdiction.
- 12 (3) The Commission has authority to rely on its standard practice for review and approval of investor-owned utility conservation targets under RCW 19.285.040(1)(e). The Commission has adopted WAC 480-109 to implement RCW 19.285. PSE is a qualifying investor owned electric utility under RCW 19.285.030(19).
- 13 (4) On November 1, 2013, PSE filed with the Commission its 2014-2015 Biennial Conservation Report identifying the Company's 2014-2023 ten-year achievable conservation potential and 2014-2015 biennial conservation target.
- 14 (5) On March 12, 2015, the Commission entered General Order R-578, Order Amending, Adopting, and Repealing Rules Permanently.
- 15 (6) On April 16, 2015, Puget Sound Energy filed a petition requesting the modification of Appendix A of Order 01 in Docket UE-132043, and the settlement agreement filed and approved by Order 05 of Docket UE-100177.
- 16 (7) After reviewing PSE's petition, and giving due consideration to all relevant matters and for good cause shown, the Commission finds it is in the public interest to approve PSE's petition to modify the conditions in Order 01 in Docket UE-132043 and the rule reference in the Settlement Agreement in Docket UE-100177 to be consistent with the Commission's new EIA rules in chapter WAC 480-109.

ORDER

THE COMMISSION ORDERS:

- 17 (1) Puget Sound Energy's petition to modify Appendix A of Order 01 in Docket UE-132043, and the settlement agreement filed and approved by Order 05 of Docket UE-100177 is granted. In paragraph A.3 of the settlement agreement, "WAC 480-109-010" is replaced with "WAC 480-109-100(1)(a)(i)," and the modified conditions of Order 01 are attached as Exhibit A to, and incorporated into, this Order.
- 18 (2) The Commission retains jurisdiction over this matter for purposes of effectuating this order.

The Commissioners, having determined this Order to be consistent with the provision of RCW 82.14B.030 and in the public interest, directed the Secretary to enter this Order.

DATED at Olympia, Washington, and effective October 29, 2015.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

STEVEN V. KING, Executive Director and Secretary