

1
2 BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
3

4 In the Matter of the Application of)
5)
6 PUGET SOUND ENERGY, INC.,) DOCKET NO. UE-99_____
7 for (1) Approval of the Proposed sale of the)
8 Colstrip Generating Units, and) STIPULATION RE:
9 (2) Authorization to Amortize Gain Over a) EWG DETERMINATION
10 Five-Year Period.)
11 _____)
12
13

14 On March 4, 1999, Puget Sound Energy, Inc. ("PSE") filed an Application for an Order under RCW
15 Chapter 80.12 authorizing the proposed sale of PSE's ownership interest in the Colstrip Generating Units 1, 2, 3, and
16 4 to PP&L Global, Inc., together with associated transmission assets (the "Colstrip Facilities"). The Application also
17 seeks authorization for a five year amortization of any gain realized from the proposed sale.

18 As set forth in the Application, PP&L Global intends to seek FERC approval to own and
19 operate the Colstrip Facilities with exempt wholesale generator status. Because the Colstrip
20 Facilities are currently in PSE's rate base for its jurisdictional sales of electricity in this state, 15
21 U.S.C. § 79z-5a(c) requires that PP&L Global include with its EWG application to FERC a
22 statement that this Commission has determined that allowing the plant to be a wholesale facility
23 operated by an EWG: "(1) will benefit consumers; (2) is in the public interest; and (3) does not
24 violate State law."

25 This stipulation addresses only the EWG determination. This stipulation explicitly does
26 not address any other issues, nor does it preclude the parties from raising, addressing or resolving
27 any other issues, including, without limitation, the standard to be applied in resolving whether to
28 approve the proposed sale or the appropriate regulatory treatment for any gain realized as a result
29 of the sale. This stipulation has no effect with respect to approval of the proposed sale, the
30 standard to be applied in resolving whether to approve the proposed sale or any issues other than
31 the issue specifically addressed by the stipulation, i.e., the Commission making an EWG

1 determination conditioned upon final approval of the proposed sale.

2

3

AGREEMENTS

4 1. The parties agree that the Commission should grant the Company’s request for
5 EWG determination, conditioned upon the Commission’s approval of the proposed sale of the
6 Colstrip Facilities. A proposed order is attached to this stipulation.

7 2. This parties agree that the EWG determination shall have no effect with respect to
8 approval of the proposed sale, the standard to be applied in resolving whether to approve the
9 proposed sale or any issues other than the EWG determination. If the Commission does not
10 ultimately approve the proposed sale, the parties agree that the EWG determination shall be null
11 and void.

12

PROCEDURES

13 1. The parties agree to support this Stipulation as a settlement of PSE’s request for
14 EWG determination. The parties understand that this Stipulation is not binding on the
15 Commission.

16 2. The parties wish to present this Stipulation to the Commission for its acceptance
17 as soon as possible. A hearing is requested at which time each party will appear to present the
18 Stipulation and answer questions the Commission may have with respect to the Stipulation.

19 3. If the Commission rejects or modifies the Stipulation, each party reserves the
20 right, upon written notice to the Commission and other parties within 2 business days, to
21 withdraw from the Stipulation. If such right is exercised, the Company’s request for EWG
22 determination will be included in the procedural schedule established for the remainder of this
23 proceeding, or such other schedule as may be deemed appropriate under the circumstances.

24 4. The parties agree that this stipulation is not appropriate for resolving issues in any
25 other proceeding.

26

27

28 DATED this ____ day of June 1999.

29

30 Commission Staff

Public Counsel

31

32

33

34 Puget Sound Energy, Inc.

Industrial Customers of Northwest Utilities

35

36