

November 14, 2002

Carole Washburn, Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Pk. Dr. S.W.
PO Box 47250
Olympia, WA 98504-7250

Re: UE-021447: Puget Sound Energy's Application to Amend the Rate Case Order Provisions Regarding Time-Of-Use (TOU) Rates and Approving Refund along with proposed revisions to the current TOU tariff schedules (307, 308, 309 and 324)

Dear Ms. Washburn:

I apologize for not filing these comments by today's noon deadline established in the Commission's November 8 notice regarding the above-referenced docket. We are overwhelmed with preparations for our upcoming 3-day Board meeting.

The NW Energy Coalition and Natural Resources Defense Council (NRDC), signatories to the time-of-use stipulation in the Puget Sound Energy (PSE) rate case (Exh. E to June 6, 2002 settlement stipulation), do not object to PSE's proposal to eliminate the time-of-use rate option for residential and small commercial customers. Even if the program is eliminated, there is value in completing the first stage of the TOU program evaluation. We therefore encourage the Commission to require that threshold analysis be completed and submitted.

PSE's November 6th filing requesting termination of the TOU rates focuses on the \$1/customer/month charge associated with the TOU program and also mentions the \$0.16/customer/month to be recovered through higher kWh charges in the TOU rate schedules. The filing does not discuss the \$0.10/customer/month to be recovered through Schedule 120, PSE's conservation tariff rider (see Exh. E, provisions 5-7). We assume that the annual true-up associated with Schedule 120 will account for the elimination of the TOU program. We encourage the Commission to clarify this point in its final order, if it approves PSE's request.

Finally, we note that a representative of the Coalition and/or NRDC will not be available to attend the Commission's November 15 hearing on this topic because the Coalition's biannual Board meeting is scheduled for November 15-17 in Portland.

Sincerely,

Danielle Dixon
Policy Associate

Cc: Via electronic mail to Parties of Record in Docket #UE-011570