

A-130355 Procedural Rules

Summary of 8-01-18 Comments on Proposed Revisions to Parts III B through IV

August 9, 2018

480-07	PPL & PSE	AWEC & TEP	CenturyLink	Public Counsel	Staff Response
505(1)		Retain current subsection (b), which provides that a filing that increases rates to any customer class by 3% or more will be treated as a rate case, as an important consumer protection		Same as AWEC and TEP	Staff disagrees. A rate increase for one customer class, without more, should not necessarily trigger a rate case. A rate rebalancing, for example, could result in a rate increase for one customer class but leave overall revenues unchanged. The Commission expressly retains the flexibility in subsection 505(4) to treat any filing as a rate case (without any requirement for a requesting party to engage in discovery or other adjudicative process to support its request), which provides sufficient protection against an attempt to evade the rule by targeting one customer class.
505(1)(b)	PSE: Change “rate of return” to “return on common equity” so that a change to the cost of debt does not trigger a general rate case				Staff agrees based on the recent Commission orders PSE cites in support of its comment and recommends that the final rule incorporate this revision (i.e., not make the proposed change to this language).
510(3)(a)	PSE: Clarify language to provide that the company must provide sufficient information to satisfy its burden of proof				Staff agrees that PSE’s proposed revisions provide useful clarification of the rule’s intent and recommends that the final rule incorporate these changes.
510(4)(a)	PSE: Do not extend time for filing work papers to 5 days, which would cause hardship to the company				Staff disagrees. The current requirement results in hardship to parties with more limited resources than the utility. Parties can always seek a procedural schedule that modifies or accommodates the additional two business days the proposed revision provides.

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510(5)(a)	PPL: Clarify “most recently calculated” rate of return in subsection (vii) to specify rate of return for the test period				Staff agrees and recommends that the final rule incorporate this clarification.
740(2)(a)			Clarify the meaning of “matters of comparable complexity” and retain the existing 30 day notice period		Staff disagrees. The term is in the existing rule and is not readily susceptible to any greater precision than the current analogy to a rate case. 30 days is also insufficient time for the Commission to act on a settlement in a complex proceeding.
740(2)(b)			Distinguish complex from less complex matters and retain the existing 21 days for less complex matters		Staff disagrees. The rule currently uses these terms, and Staff is unaware of any confusion about their meaning. 30 days, moreover, is the same advance notice period as utility tariff filings, most of which are less complex matters.
740(2)(d)	PPL: Clarify that statement about willingness to waive statutory deadline applies only if the settlement is filed with a shorter timeframe than specified in subsection (a) or (b)				Staff disagrees. These subsections serve different purposes. No settlement, including a proposed tariff filing, is effective without Commission approval, and the timeframes in subsections (a) and (b) are intended to provide sufficient time for the Commission to act in advance of a requested effective date. The Commission must take action by a statutory deadline, however, and subsection (d) provides the Commission with useful information to consider when determining whether to suspend a procedural schedule designed to allow the Commission enough time to meet that deadline.
750(2)(b)			Do not require each party to unequivocally accept Commission conditions but make the default acceptance in the absence of express rejection		Staff disagrees. The lack of unequivocal acceptance in the past has resulted in a settling party seeking judicial review of a Commission order approving a settlement with conditions. The rule revision ensures that if any party does not accept a Commission condition, the Commission can adjudicate the case in the first instance.

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General	PSE: Recommends that the Commission adopt the rule Staff initially proposed to establish limited rate proceedings to promote certainty and efficiency in the ratemaking process				Staff disagrees and adheres to its previously stated position that such a rule would be premature at this time. In addition, the Commission could not adopt this rule at this point in the rulemaking process consistent with APA requirements.
Commenter Acronyms	PPL – Pacific Power & Light Company PSE – Puget Sound Energy	AWEC – Alliance for Western Energy Consumers TEP – The Energy Project			