

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**Amended Petition of**

**PUGET SOUND ENERGY, INC.**

**For an Order Authorizing the Use of the  
Proceeds from the Sale of Renewable  
Energy Credits and Carbon Financial  
Instruments**

**Docket No. UE-070725**

**JOINT MOTION FOR APPROVAL OF  
JOINT PROPOSAL AND REQUEST  
FOR AMENDMENT OF ORDER 03**

1. Pursuant to WAC 480-07-375, WAC 480-07-875 and Order 05 entered by the Washington Utilities and Transportation Commission (the "Commission") in Docket UE-070725, Puget Sound Energy, Inc. ("PSE"), Commission Staff, and the Industrial Customers of Northwest Utilities ("the Parties") hereby request that the Commission approve the Agreed Proposal Concerning the Crediting Method For REC Proceeds and Request For Amendment of Order 03 ("Proposal"), which is being filed concurrently with this Motion.<sup>1</sup>

2. The Proposal is a negotiated agreement that provides a method for Renewable Energy Credit ("REC") proceeds received by PSE to be credited to customers, and the appropriate rate of interest to be applied. Further, as part of the Proposal, the Parties request that the Commission amend Order 03, pursuant to WAC 480-07-875, to allow a portion of the REC proceeds received after November 30, 2009 to offset the surplus amount of


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<sup>1</sup> All parties to Docket UE-070725 were invited to participate in discussions regarding the REC Proposal. Public Counsel participated in the discussions, and NW Energy Coalition, The Energy Project and the Renewable Northwest Project did not participate actively. Although not joining in the Proposal or this Accounting Petition, the parties to Docket UE-070725 do not object to the Proposal or to this Petition. The Federal Executive Agencies did not intervene in this case and is aware of the Motion and Agreed Proposal but has not reviewed them and does not plan to do so.

Production Tax Credit ("PTC") that has been credited to customers through the PTC Tracker. The remainder of the REC proceeds received by PSE after November 30, 2009 would be treated as a regulatory liability and used to reduce PSE's rate base for ratemaking purposes. The Parties request that the Commission amend Order 03 to allow a five-year amortization of the regulatory liability, rather than the ten year amortization set forth in Order 03.<sup>2</sup>


3. The Proposal has been negotiated by the Parties, and the Parties respectfully request that the Commission approve the Proposal in its entirety.

DATED: September 21, 2010

<b>PERKINS COIE LLP</b>   SHEREE STROM CARSON Counsel for Puget Sound Energy, Inc.	<b>ROBERT M. MCKENNA</b> <b>Attorney General</b>   <hr/> DONALD TROTTER Senior Counsel Counsel for Washington Utilities and Transportation Commission
<b>DAVISON VAN CLEVE, PC</b>   <hr/> IRION SANGER Counsel for ICNU	

<sup>2</sup> See Order 03 at ¶¶ 66-68, 90.

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<p><b>PERKINS COIE LLP</b></p> <hr/> <p><b>SHEREE STROM CARSON</b> Counsel for Puget Sound Energy, Inc.</p>	<p><b>ROBERT M. MCKENNA</b> Attorney General</p> <hr/> <p><b>DONALD TROTTER</b> Senior Counsel Counsel for Washington Utilities and Transportation Commission</p>
<p><b>DAVISON VAN CLEVE, PC</b></p> <hr/> <p> <b>IRION SANGER</b> Counsel for ICNU</p>	

**JOINT MOTION FOR APPROVAL  
OF AGREED PROPOSAL AND REQUEST  
FOR AMENDMENT OF ORDER 03**

The Parties request that the Commission amend Order 03 to allow a five-year amortization of the regulatory liability, rather than the ten year amortization set forth in Order 03.<sup>2</sup>

3. The Proposal has been negotiated by the Parties, and the Parties respectfully request that the Commission approve the Proposal in its entirety.

DATED: September 22, 2010

<p><b>PERKINS COIE LLP</b></p> <hr/> <p>SHEREE STROM CARSON Counsel for Puget Sound Energy, Inc.</p>	<p><b>ROBERT M. MCKENNA</b> Attorney General</p> <p></p> <hr/> <p>DONALD TROTTER Senior Counsel Counsel for Washington Utilities and Transportation Commission</p>
<p><b>DAVISON VAN CLEVE, PC</b></p> <hr/> <p>IRION SANGER Counsel for ICNU</p>	

<sup>2</sup> See Order 03 at ¶¶ 66-68, 90.