

**BEFORE THE WASHINGTON STATE  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND	)	DOCKETS UE-090704
TRANSPORTATION COMMISSION,	)	and UG-090705 ( <i>consolidated</i> )
	)	
Complainant,	)	
	)	ORDER 07
v.	)	
	)	
PUGET SOUND ENERGY, INC.,	)	GRANTING LEAVE TO FILE
	)	SUPPLEMENTAL AND REVISED
Respondent.	)	TESTIMONY AND EXHIBITS
	)	
.....	)	

**MEMORANDUM**

1 On May 8, 2009, Puget Sound Energy, Inc. (PSE), filed with the Washington Utilities and Transportation Commission (Commission) to increase its rates for electric service (Docket UE-090704) and gas service (Docket UG-090705) to customers in Washington. The Commission suspended operation of the tariffs by Order 01 entered in these dockets following the May 28, 2009, open meeting. The Commission consolidated these dockets by Order 02, entered on June 8, 2009, and convened a prehearing conference at Olympia, Washington on June 22, 2009.

2 PSE included its direct testimony and exhibits as part of its initial filing on May 8, 2009, as required by the Commission’s procedural rules. On August 3, 2009, PSE filed its Motion for Leave To File Supplemental Testimony. PSE’s motion states that:

The purpose of this evidence is to explain the correction of errors in the portfolio screening model (“PSM”) supporting the resource acquisition analysis used in this proceeding and to provide updated analysis results. The PSM was provided as workpapers supporting the Prefiled Direct Testimony of W. James Elsea, Exhibit No. \_\_\_\_ (WJE-1HCT). PSE is also submitting the corrected workpapers with Mr. Elsea’s supplemental testimony.

3 PSE states further that since filing its initial case on May 8, 2009, it identified:

[O]ne model error and one model inconsistency in its PSM. The model error resulted in an incorrect baseline portfolio cost, and correcting the modeling error improves the portfolio benefit metrics of all tested resources. The modeling inconsistency occurred because of a problem in replicating the extremely large PSM model. Neither the modeling errors nor the model inconsistency caused a material change in the levelized cost of any resource. Accordingly, PSE requests permission to file the Prefiled Supplemental Direct Testimony of W. James Elsea, Exhibit No. \_\_\_\_ (WJE-20CT).

- 4 PSE argues in support of its motion that the proposed supplemental testimony will correct errors that are minor in effect but necessary to accurately support the company's resource acquisition analysis. PSE contends that by granting leave to supplement Mr. Elsea's prefiled testimony the Commission will reduce the burden on PSE witnesses and other parties that would otherwise result from them having to address the corrected workpapers in data request responses or rebuttal testimony.
- 5 Staff responded to PSE's motion on August 27, 2009, stating that it does not oppose the motion subject to the parties' reservation of rights to contest the admissibility of the supplemental testimony and exhibits when they are offered at hearing. Public Counsel responded in similar fashion on September 1, 2009.
- 6 The parties will have an opportunity to respond to PSE's corrected testimony and exhibits in November, when Staff, Public Counsel and the intervenors are scheduled to prefile their evidence. These parties also will have the right to object to the admission of any of the supplemental or revised testimony and exhibits, just as they have the right to object to anything proffered by the Company in its initial filing.
- 7 The Commission's and the parties' best interests are served by granting PSE leave to file its supplemental testimony and exhibits, subject to the caveats that other parties' may object to the evidence at hearing and oppose on legal and factual grounds whatever increase in revenue requirement PSE contends for following the evidentiary hearing. PSE's motion accordingly should be granted.

**ORDER**

8 THE COMMISSION ORDERS That PSE's Motion for Leave To File Supplemental Testimony is granted.

Dated at Olympia, Washington, and effective September 10, 2009.

WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

DENNIS J. MOSS  
Administrative Law Judge