BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION.

Complainant,

DOCKET NOS. UE-011570 AND UG-011571 (CONSOLIDATED)

PUBLIC COUNSEL'S OBJECTIONS TO INTERIM HEARING EXHIBITS

v.

PUGET SOUND ENERGY, INC.,

Respondent.

Public Counsel concurs in the Objection of Commission Staff to Testimony and Exhibits filed earlier today.

1. Testimony and Workpapers of PSE Witness James Heidell (Exhibits 207, 168).

Public Counsel is particularly concerned with any effort to offer the testimony or exhibits of Mr. Heidell as evidence of PSE's cost of service in the interim phase of this proceeding. As Staff points out, Mr. Heidell is a witness in the general rate case, not the interim phase, and no proper foundation has been established, nor is Mr. Heidell tendered for cross-examination at the interim hearing. Staff's Objection observes, aptly, that parties may wish to object to admission of Mr. Heidell's testimony and exhibits in the general case, and may wish to discredit his proposals.

Public Counsel has significant concerns with Mr. Heidell's testimony. Public Counsel would expect, *inter alia*, to object to the testimony and exhibits as violative of the Commission's clearly established requirements for cost of service studies. In discovery in the general rate proceeding, Public Counsel has requested that Mr. Heidell recompute the Company's cost of service study using the Commission's approved methodology. (PC Data Request No. 12). In its response to the Data Request, PSE has agreed to do so, but has not yet completed the study. While we are not asking the Commission to resolve challenges to Mr. Heidell's testimony at this

time, for the foregoing reasons we agree with Staff that his testimony and workpapers should not be admitted in the interim case to the extent they are offered as evidence of PSE's cost of service. Public Counsel has no objection to ICNU's use of these exhibits for cross if not offered for that purpose.

2. Exhibits 28 and Exhibit 25-T, page 16, line 22- page 17, line 3.

Public Counsel objects to the admission of these exhibits for the reasons stated by Staff in its Objections filed today.

DATED this 15th day of February, 2002.

CHRISTINE O. GREGOIRE Attorney General of Washington

Simon J. ffitch Assistant Attorney General Public Counsel