

1 appropriate procedure for resolving issues on remand in response to the Court's order.

2 3. The NW Energy Coalition takes no position as to the appropriate return on equity
3 for PSE in the context of the multi-year rate plan, and takes no position as to the appropriate
4 procedure for addressing this question on remand. Assuming that the remand proceedings are
5 limited to the question of determining the appropriate return on equity in the context of the multi-
6 year rate plan, the NW Energy Coalition does not plan to participate in the remand proceedings.

7 4. In Order 07¹, the Commission concluded that the decoupling mechanism should
8 not lead to a prospective reduction in PSE's return on equity based on the existing evidence, but
9 found that a later reduction in return on equity may be appropriate if future evidence
10 demonstrates that the decoupling mechanism in fact reduces PSE's cost of capital. The NW
11 Energy Coalition takes the position that the Court's order does not call into question this
12 conclusion; instead, the Court's opinion and order hold that the Commission must consider
13 additional evidence before determining PSE's return on equity in the context of a multi-year rate
14 plan. If, however, the Commission intends to revisit the question of whether a prospective
15 reduction in PSE's return on equity due to the decoupling mechanism is appropriate, the NW
16 Energy Coalition would participate in the remand proceedings to address only this limited
17 question.

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24 ¹ Dockets UE-121697 and UG-121705 (consolidated) Order 07, Final Order Granting Petition
(June 25, 2013).

1 Respectfully submitted this 12th day of August, 2014.

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