

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

WASHINGTON UTILITIES AND)	DOCKET NO. UG-031216
TRANSPORTATION COMMISSION,)	
)	ORDER NO. 01
Complainant,)	
)	
v.)	
)	COMPLAINT AND ORDER
PUGET SOUND ENERGY, INC.,)	SUSPENDING TARIFF FILING
)	AND ALLOWING TARIFF
Respondent.)	FILING ON A TEMPORARY
.....)	BASIS

BACKGROUND

1 On July 5, 2003, Puget Sound Energy, Inc., (PSE or Company) filed with the Commission revisions to its currently effective Tariff WN U-2 designated as:

Eighth Revised Sheet No 18	Rule No. 7: Extension of Distribution Facilities – Other than Kittitas County
Original Sheet No. 18-A	Rule No. 7: Extension of Distribution Facilities (Continued)
Sixth Revised Sheet No. 19	Rule No. 7: Extension of Distribution Facilities (Continued)
Second Revised Sheet No. 19-A	Rule No. 7: Extension of Distribution Facilities (Continued)
Second Revised Sheet No. 19-B	Rule No. 7: Extension of Distribution Facilities (Continued)
Second Revised Sheet No. 19-C	Rule No. 7: Extension of Distribution Facilities (Continued)
Second Revised Sheet No. 19-D	Rule No. 7: Extension of Distribution Facilities (Continued)
Second Revised Sheet No. 19-E	Rule No. 7: Extension of Distribution Facilities (Continued)
Second Revised Sheet No. 19-F	Rule No. 7: Extension of Distribution Facilities (Continued)

Second Revised Sheet No. 19-G	Rule No. 7A: Extension of Distribution Facilities (Continued)
Second Revised Sheet No. 19-H	Rule No. 7A: Extension of Distribution Facilities (Continued)
Second Revised Sheet No. 19-I	Rule No. 7A: Extension of Distribution Facilities (Continued)
Second Revised Sheet No. 19-J	Rule No. 7A: Extension of Distribution Facilities (Continued)
Second Revised Sheet No. 19-K	Rule No. 7A: Extension of Distribution Facilities (Continued)
Second Revised Sheet No. 19-L	Rule No. 7A: Extension of Distribution Facilities (Continued)
Second Revised Sheet No. 19-M	Rule No. 7A: Extension of Distribution Facilities (Continued)
Original Sheet No. 42	Rule No. 28: Income Tax Rider-Contributions In Aid of Construction

2 The stated effective date is September 1, 2003. The revised tariff sheets set forth proposed revisions to tariff Rule Nos. 7 and 7A, and the initiation of tariff Rule No. 28 all related to the policies under which PSE provides service and main extensions to new customers.

3 The filing proposes how PSE will extend service to prospective customers. Because those proposals might injuriously affect the rights and interests of the public and PSE has not demonstrated that the tariff rules would result in charges that are fair, just and reasonable, the Commission suspends the tariff filing and will hold public hearings if necessary to determine whether the proposed rules and rates are fair, just and reasonable.

4 Staff memorandum presented at the August 27, 2003, open meeting indicates that the potentially injurious provisions in PSE proposals are also contained in PSE's current tariff rules. Staff also indicated that revisions included in PSE's proposal were superior compared to PSE current tariff rules. Therefore, while Staff

recommends suspension to resolve the situation contested to be unfair, unjust and/or unreasonable, Staff also recommends that the proposals be allowed to become effective on a temporary basis to provide new customers the improvements contained in the current proposal.

FINDINGS AND CONCLUSIONS

- 5 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, regulations, practices, accounts, securities, and transfers of public service companies, including gas companies. *RCW 80.01.040; Chapter 80.04 RCW; and Chapter 80.28 RCW.*
- 6 (2) PSE is a gas company and is a public service company subject to the jurisdiction of the Commission.
- 7 (3) This matter was brought before the Commission at its regularly scheduled meeting on August 27, 2003.
- 8 (4) The tariff revisions filed by PSE on July 25, 2003, would propose rules for service provided by PSE, and might injuriously affect the rights and interest of the public.
- 9 (5) PSE has not yet demonstrated that the tariff revisions would result in tariff provisions that are fair, just and reasonable.
- 10 (6) In order to carry out the duties imposed upon the Commission by law, and, as authorized in RCW 80.04.130, the Commission believes it is necessary to investigate PSE's books, accounts, practices and activities; to

make a valuation or appraisal of PSE's property; and to investigate and appraise various phases of PSE's operations.

- 11 (7) As required by RCW 80.04.130 (2), PSE bears the burden of proof to show that the proposals are fair, just and reasonable.
- 12 (8) PSE may be required to pay the expenses reasonably attributable and allocable to such an investigation to the extent the requirements for such payment are in accordance with the provisions of Chapter 80.20 RCW.
- 13 (9) It is in the public interest to allow the current proposals to go into effect on a temporary basis, as continuation of service provision under the current tariff provisions may cause greater injury.

ORDER

THE COMMISSION ORDERS:

- 14 (1) The tariff revisions filed on July 25, 2003, are suspended.
- 15 (2) The tariff sheets suspended in this Docket are allowed to become effective on September 1, 2003, on a temporary basis. The temporary rates will remain in effect pending entry of further Commission orders.
- 16 (3) The Commission will hold hearings at such times and places as may be required.
- 17 (4) Puget Sound Energy, Inc., must not change or alter the tariffs filed in this Docket during the suspension period, unless authorized by the Commission.

- 18 (5) The Commission will institute an investigation of Puget Sound Energy, Inc.'s books, accounts, practices, activities, property and operations as described above.
- 19 (6) Puget Sound Energy, Inc., shall pay the expenses reasonably attributable and allocable to the Commission's investigation to the extent the requirements for such payment are in accordance with the provisions of Chapter 80.20 RCW.

DATED at Olympia, Washington, and effective this 27th day of August, 2003.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

RICHARD HEMSTAD, Commissioner

PATRICK J. OSHIE, Commissioner