

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of  PUGET SOUND ENERGY,  Petitioner,  For An Accounting Order Authorizing Deferred Accounting Treatment of PSE's Cost of its Clean Energy Implementation Plan	DOCKET UE-230131  ORDER 01  GRANTING ACCOUNTING PETITION
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**BACKGROUND**

- 1 On February 28, 2023, Puget Sound Energy (PSE or Company) filed with the Washington Utilities and Transportation Commission (Commission) a petition (Petition) seeking an Accounting Order under WAC 480-07-370(1)(b) authorizing PSE to defer for later ratemaking treatment the costs the Company incurs between January 11, 2023, and August 31, 2023, related to Clean Energy Implementation Plan (CEIP) implementation, and enable PSE to implement its proposed “CEIP tracker” through the deferral of going-forward costs related to CEIP implementation as well as the revenues the Company would receive from its proposed CEIP tracker.
- 2 PSE submits that its proposal for a future tariff rate schedule filing is allowed under the approved settlement of PSE’s multi-year rate plan in Docket UE-220066.<sup>1</sup> While the Company’s CEIP was still pending in Docket UE-210795 at the time of the filing of its Petition, the Company submits that granting of this Petition is needed to ensure CEIP costs are preserved and allow PSE the opportunity to recover its costs after the CEIP tracker is approved. The Company observes that the Commission has previously made clear in past orders that cost recovery is not tied to approval of its CEIP and that PSE is required to work towards CETA compliance prior to the final outcome of its CEIP filing.<sup>2</sup>
- 3 Later on July 17, 2023, PSE filed tariff pages for its proposed Schedule 141 (CEIP Tracker) on July 17, 2023 in Docket UE-230591.

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<sup>1</sup> See *WUTC v. Puget Sound Energy*, Paragraph 23k in Appendix A to Final Order 24/10 in Dockets UD-220066, et al

<sup>2</sup> See *WUTC v. Puget Sound Energy*, Dockets UE-220066 et al. Order 10 ¶ 24 (April 18, 2022). *Accord WUTC v. Puget Sound Energy*, Dockets UE-220066 et al. Order 15/03 (May 23, 2022).

4 Commission staff (Staff) has reviewed the Company's Petition and recommends that it be granted to ensure CEIP costs are preserved and allow PSE the opportunity to recover its costs after the CEIP tracker is approved. Staff notes that, absent deferred accounting treatment, the Company could not seek recovery of CEIP implementation costs incurred over the period of time at issue in the Petition. Staff notes that the issue in this docket is not whether these costs are prudent and properly recovered from ratepayers.

5 Staff further notes that the Company agrees to include costs associated with its 2025 CEIP as part of base rates or the associated tariff schedules implementing PSE's MYRP (i.e., Schedules 141-N and 141-R) in its next general rate case.<sup>3</sup>

### DISCUSSION

6 We agree with Staff that the Petition is reasonable and should be granted. The deferred accounting treatment requested in the Petition allows the Company to carry out implementing the CEIP tracker, which was established by settlement in the Company's most recent general rate case. Granting this Petition only authorizes PSE to defer and preserve for later ratemaking treatment the relevant costs. We do not consider here whether such costs are prudent or appropriate for recovery through rates.

### FINDINGS AND CONCLUSIONS

- 7 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including electric companies.
- 8 (2) PSE is an electric company and a public service company subject to Commission jurisdiction.
- 9 (3) WAC 480-07-370(3) allows companies to file petitions including that for which PSE seeks approval.
- 10 (4) Staff has reviewed the Petition in Docket UE-230131 including related work papers.

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<sup>3</sup> See *WUTC v. Puget Sound Energy*, Paragraph 23k in Appendix A to Final Order 24/10 in Dockets UD-220066, et al

- 11 (5) Staff believes the proposed accounting order PSE requests is reasonable and should be granted.
- 12 (6) This matter came before the Commission at its regularly scheduled meeting on August 24, 2023.
- 13 (7) After reviewing PSEs Petition filed in Docket UE-230131 on February 28, 2023, and giving due consideration to all relevant matters and for good cause shown, the Commission finds that the Petition filed should be granted.

**ORDER**

**THE COMMISSION ORDERS:**

- 14 (1) Puget Sound Energy's Petition seeking deferred accounting treatment of CEIP implementation costs is GRANTED.
- 15 (2) This Order shall not affect the Commission's authority over rates, services, accounts, valuations, estimates, or determination of costs, on any matters that may come before it. Nor shall this Order granting Petition be construed as an agreement to any estimate or determination of costs, or any valuation of property claimed or asserted.
- 16 (3) The Commission retains jurisdiction over the subject matter and Puget Sound Energy to effectuate the provisions of this Order.

DATED at Lacey, Washington, and effective August 24, 2023.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

AMANDA MAXWELL  
Executive Director and Secretary