

**BEFORE THE**

**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of )  
 )  
PUGET SOUND ENERGY, INC. )  
 )  
For an Accounting Order Authorizing )  
Accounting Treatment Related to Payments )  
for Major Maintenance Activities )  
\_\_\_\_\_ )

Docket No. UE-130583

WASHINGTON UTILITIES AND )  
TRANSPORTATION COMMISSION, )  
 )  
 )  
 )

Docket No. UE-130617

v. )

PUGET SOUND ENERGY, INC. )  
\_\_\_\_\_ )

MOTION OF INDUSTRIAL )  
CUSTOMERS OF NORTHWEST )  
UTILITIES FOR PERMISSION TO )  
REPLY TO ANSWER OF PUGET )  
SOUND ENERGY, INC. )

In the Matter of the Application of )  
 )  
PUGET SOUND ENERGY, INC. )  
 )

For an Accounting Order Authorizing )  
Accounting the Sale of the Water Rights and )  
Associated Assets of the Electron )  
Hydroelectric Project in Accordance with )  
WAC 480-143 and RCW 80.12. )  
\_\_\_\_\_ )

Docket No. UE-131099

In the Matter of the Application of )  
 )  
PUGET SOUND ENERGY, INC )  
 )

For an Order Authorizing the Sale of )  
Interests in the Development Assets )  
Required for the Construction and Operation )  
of Phase II of the Lower Snake River Wind )  
Facility )  
\_\_\_\_\_ )

Docket No. UE-131230

1

Pursuant to WAC 480-07-370(1)(d)(ii), the Industrial Customers of Northwest Utilities (“ICNU”) files this motion for permission to reply to the “Answer of Puget Sound Energy, Inc. to Petition for Accounting Order of The Industrial Customers of Northwest Utilities” (“Answer”), filed on August 28, 2014. Permission to reply is appropriate because the Answer raises new material requiring a response and ICNU’s reply will shed additional light on matters asserted by Puget Sound Energy, Inc. (“PSE” or the “Company”) in the Answer. Attached to this Motion, ICNU files its proposed reply (“Reply”) with the Washington Utilities and Transportation Commission (the “Commission”).

2

First, a reply is justified because PSE has asserted estoppel as an affirmative defense.<sup>1/</sup> By its nature, the assertion of an *affirmative* defense raises new material into a proceeding; and, by claiming the defense, PSE has taken on the burden of proving estoppel.<sup>2/</sup> Hence, in order to answer the Company’s newly raised estoppel defense, good cause exists for the Commission to grant ICNU permission to reply. Specifically, the Reply explains the legal insufficiency of PSE’s affirmative defense and the Company’s failure to establish the requisite elements necessary to any finding of estoppel. Moreover, the Reply also points out the inaccuracy of alleged facts newly raised by the Company throughout the Answer, especially in regard to misleading allusions to prior settlement agreements and terms. ICNU should be afforded the opportunity to correct the Company’s mischaracterizations associated with these newly raised facts.

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Second, ICNU’s Reply responds to allegations made by PSE and sheds additional light on matters asserted in the Answer, thereby providing good cause for the Commission to

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<sup>1/</sup> Answer at ¶ 18.

<sup>2/</sup> AT&T Commc’ns of the Pac. Nw., Inc., et al. v. Qwest Corp., Docket No. UT-051682, Order 06 at p. 8, n.18 (Dec. 22, 2006).

grant permission for the Reply.<sup>3/</sup> For example, the Company alleges that ICNU mischaracterizes a Commission notice.<sup>4/</sup> In so doing, however, PSE not only misinterprets the Petition for Accounting Order (“Petition”), but also misrepresents the Thurston County Superior Court Order (“Court Order”) which forms a basis of the Petition.<sup>5/</sup> In order to assist the Commission, the Reply clarifies both ICNU’s statements in the Petition and sheds additional light on the Court Order prompting the Petition. Likewise, the Reply responds to allegations made in the Answer and sheds further light on the Company’s denials and characterizations regarding return on equity, rate legality, prudence determinations, and settlement terms.<sup>6/</sup>

4 For the foregoing reasons, ICNU respectfully requests that the Commission grant permission for the filing of the attached Reply.

Dated in Portland, Oregon, this 5th day of September, 2014.

Respectfully submitted,

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<sup>3/</sup> See In Re the Six-Month Review of Quest Corp.’s Performance Assurance Plan, Docket No. UT-033020, Order 06 at ¶¶ 5-6 (Feb. 4, 2004).

<sup>4/</sup> Answer at ¶10.

<sup>5/</sup> See the Court Order attached to the Petition.

<sup>6/</sup> E.g., Answer at ¶¶ 8, 12, 14-16.