April 29, 2002

NOTICE OF ISSUANCE OF COMMISSION BENCH REQUESTS (May 1, 2002)

RE: WUTC v. Puget Sound Energy, Docket Nos. UE-011570/UG-011571 (consolidated)

TO KING COUNTY and PUGET SOUND ENERGY:1

Please respond to the following Bench Requests as soon as possible, but no later than 12:00 noon on May 1, 2002:

- 1. Section 3.3 of the Stipulation establishes a Service Revision Date as the date the King County Settlement Agreement was filed with the Commission (*i.e.*, April 19, 2002).
 - 1.1. If the Commission approves this settlement, would this provision effect a change to the rate PSE charges King County prior to the date of the Commission order?
 - 1.2. If there would be an impact on the rates and charges, what would be the dollar impact on the rates and charges to King County relative to what King County would be required to pay for the same service under the existing Special Contract?
 - 1.3. In your opinion, does this have implications in terms of any prohibition against setting or charging retroactive rates, or granting "an unlawful rebate in violation of RCW 80.28.080," as asserted by Staff in its comments?
- 2. Section 4.2 of the Stipulation refers to "the application of environmental laws, energy facilities siting requirements, OATT provisions regarding system upgrades, or applicable regulatory requirements." Environmental laws, energy facilities siting requirements, and OATT provisions regarding system upgrades appear to be matters wholly outside the Commission's jurisdiction. The phrase "applicable regulatory requirements" is inherently vague, and may or may not be intended to refer to matters within the Commission's jurisdiction. What is the meaning and purpose of this provision in Section 4.2 of the Stipulation?

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¹ Other parties may respond.

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- 3. Section 4.3 of the Stipulation includes the statement that "[t]his commitment does not shift any greater cost responsibility to PSE for any expenses of supporting King County's self-generation than set forth in Schedule 80."
 - 3.1. Please explain the meaning and relevance of this statement.
 - 3.2. Does the commitment shift <u>any</u> cost responsibility to PSE's other customers?
 - 3.3. If the commitment shifts any cost responsibility to PSE's other customers, please state the amount
 - 3.4. Does <u>any</u> provision of the Stipulation potentially shift cost to PSE or to any other PSE customers?
 - 3.5. If the answer to subsection 3.4, above, is yes, state the amount.
- 4. What are the immediate and prospective rate and revenue effects, or implications for future rates and revenues, of the proposed return of King County to Schedule 49, vis-à-vis other customers served under Schedule 49 or under other schedules?
- 5. The anticipation that King County will self-generate appears to be a central justification for the change in service from the currently effective Special Contract to Schedule 49.
 - 5.1. Why does this expectation justify a return to core service when self-generation means that King County will again leave core service under another Special Contract? (Section 4.3, lines 12-13)?
 - 5.2. Conversely, if self-generation is a central justification for King County's return to core service, how is this condition met if King County never implements the anticipated self-generation?
- 6. Section 4.4 of the Stipulation appears to set a ceiling on March to October billing demand of 10 MVa initially, with a potential adjustment to 9 MVa in the future.
 - 6.1. Please state whether this is, in fact, the parties' intent.
 - 6.2. What was King County's actual highest 30-minute demand recorded between 8:00 a.m. and 12:00 noon and between 5:00 p.m. and 8:00 p.m. during the peak seasons, November through February, for 2001, 2000, 1999, 1998, and 1997?
 - 6.3. If King County had been a Schedule 49 customer during any of the years 1998 through 2002, would its March through October Billing Demand have been determined on the basis of King County's actual highest 30-minute demand recorded between 8:00 a.m. and 12:00 noon and between 5:00 p.m. and 8:00 p.m. during the peak seasons, November through February for the preceding year?
 - 6.4. If the response to subsection 6.3, above, is "no" for any of the years in question, what would have been the basis under Schedule 49 for determining King County's March through October Billing Demand and what would King County's Billing Demand have been using the applicable criterion under Schedule 49?
 - 6.5. What, in your view, are the implications of this provision of Section 4.4 of the Stipulation vis-à-vis the requirements of RCW 80.28.080?

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- 6.6. Explain the purpose of the Billing Demand alternatives under Schedule 49.
- 6.7. With reference to your response to subsection 6.6, above, how is that purpose satisfied by the proposed cap on King County's Billing Demand?
- 7. Provide a list of all Schedule 49 customers and state their respective March through October Billing Demands for each of the years 1998 through 2002. State the basis upon which each Billing Demand amount was established under Schedule 49.

Dennis J. Moss Administrative Law Judge