

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

In the Matter of the Petition of:

PUGET SOUND ENERGY

for (i) Approval of a Special Contract for Liquefied Natural Gas Fuel Service with Totem Ocean Trailer Express, Inc. and (ii) a Declaratory Order Approving the Methodology for Allocating Costs Between Regulated and Non-regulated Liquefied Natural Gas Services

DOCKET UG-151663

PSE REPLY TO JOINT RESPONSE  
TO MOTION TO ESTABLISH  
A BIFURCATED PROCEEDING

1. On March 4, 2016, Puget Sound Energy (“PSE”) filed a Motion to Establish a Bifurcated Proceeding in Docket UG-151663 to allow for review of an alternative business model proposed by PSE. On March 11, 2016, Staff of the Washington Utilities and Transportation Commission, the Public Counsel Unit of the Washington Attorney General’s Office, and the Northwest Industrial Gas Users (collectively, “Joint Parties”) filed a Joint Response to Motion to Establish a Bifurcated Proceeding (the “Joint Response”). In the Joint Response, the Joint Parties recommended that the Commission exercise its discretion to bifurcate the proceeding consistent with the terms of the Joint Response. The Joint Parties coordinated with PSE about the Joint Response and represented in the Joint Response that PSE also recommends that the Commission exercise its discretion to bifurcate the proceeding consistent with the terms of the Joint Response.
2. PSE confirms that the Joint Parties coordinated with PSE about the Joint Response and shared a draft of the Joint Response with PSE prior to filing. (Declaration of Jason Kuzma in Support of PSE Reply to Joint Response to Motion to Establish a Bifurcated Proceeding (“Kuzma Decl.”) at ¶ 4.) PSE also confirms that it generally recommends that the Commission

exercise its discretion to bifurcate the proceeding consistent with the terms of the Joint Response. (*Id.* at ¶ 5.) The Joint Response, however, misrepresents PSE's position with respect to the recommendation that the Commission schedule a prehearing conference after the first phase of the proceeding:

Therefore, the Joint Parties and PSE respectfully request that the Commission schedule a prehearing conference at its earliest convenience after the first phase for the purpose of establishing a schedule for the second phase of this bifurcated proceeding.


(Joint Response at ¶ 7.) PSE never supported the recommendation that the Commission schedule a prehearing conference at its earliest convenience *after the* first phase for the purpose of establishing a schedule for the second phase of this bifurcated proceeding. Instead, PSE represented to the Joint Parties that it could support the Joint Response if the Joint Parties would amend paragraph 7 so that the prehearing conference for the second phase is scheduled as soon as practicable rather than after conclusion of the first phase. (Kuzma Decl. at ¶¶ 5 and 6.)

3. PSE has concerns that if the Commission were to wait until the conclusion of the first phase of the proceeding to establish a procedural schedule for the second phase, then the proceeding could be unnecessarily delayed due to scheduling conflicts. Rather, PSE strongly prefers to establish a second phase of the proceeding as soon as practicable, recognizing that such schedule can be cancelled if there is, in fact, no second phase to the proceeding.

4. No party is prejudiced by the establishment of a procedural schedule for the second phase as soon as practicable, and the establishment of a procedural schedule will allow the parties and the Commission to plan accordingly. Therefore, PSE respectfully requests that the Commission schedule a prehearing conference at its earliest convenience for the purpose of establishing a schedule for the second phase of this bifurcated proceeding and *not* wait until the conclusion of the first phase of the proceeding.

DATED this 16<sup>th</sup> day of March, 2016.

**PERKINS COIE LLP**

By: 

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