

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY,
Respondent.

.....
In the Matter of

PUGET SOUND ENERGY,

Report Identifying Its 2014-2023 Ten-Year
Achievable Electric Conservation Potential
and Its 2014-2015 Electric Biennial
Conservation Target Under RCW
19.285.040 and WAC 480-109-010

DOCKET UE-100177

DOCKET UE-132043

PETITION TO MODIFY ORDER AND
SETTLEMENT AGREEMENT TO
COMPLY WITH NEWLY ADOPTED
RULES

I. INTRODUCTION

1 Pursuant to WAC 480-07-370, WAC 480-07-875 and General Order R-578 in Docket UE-131723, Order Amending, Adopting, and Repealing Rules Permanently, Puget Sound Energy, Inc. ("PSE") petitions the Commission to modify the Settlement Agreement in Docket UE-100177 and certain provisions of Appendix A to Order 01 in Docket UE-132043 to be consistent with amended rules approved by the Commission in General Order R-578.

2 PSE informed the Conservation Resource Advisory Group (“CRAG”) on April 8, 2015 of its plans to file this petition. Attachment A hereto provides the information shared with the CRAG. Additionally, PSE is serving this petition on the parties to the above-captioned dockets.

3 PSE is engaged in the business of providing electric and natural gas service within the State of Washington as a public service company and is subject to the regulatory authority of the Commission as to its retail rates, service, facilities and practices. Its full name and mailing address are:

Puget Sound Energy, Inc.
Attn: Ken S. Johnson
Director of State Regulatory Affairs
P.O. Box 97034
Bellevue, WA 98009-9734

PSE’s representatives for purposes of this proceeding are:

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4 The following rules or statutes may be brought into issue by this Petition: RCW 80.01.040, WAC 480-07-370, and WAC 480-07-875.

II. THE COMMISSION SHOULD MODIFY ITS PAST ORDER AND PSE’S 2010 CONSERVATION SETTLEMENT AGREEMENT

5 In Docket UE-131723, the Commission convened a rule making to consider whether the Commission should modify rules in chapter 480-109 WAC to implement statutory changes and provisions of RCW 19.285, the Energy Independence Act. The Commission

convened workshops and solicited written comments from stakeholders with respect to proposed revisions to the rules. On March 12, 2015, the Commission entered General Order R-578, Order Amending, Adopting, and Repealing Rules Permanently.

6 In Paragraph 146 of General Order R-578, the Commission directed utilities to review prior orders addressing conservation targets and to file a petition to modify such orders by May 12, 2015, if requirements of the prior orders conflicted with the rules adopted in General Order R-578. Specifically, the Commission stated:

Utilities must review Commission orders that discuss the requirements we adopt in WAC 480-109 and determine if those orders are in compliance with the rules adopted in this order. If a utility determines that a prior Commission order that currently imposes a requirement on that utility conflicts with the adopted rules, that utility must petition the Commission for modification of that order within 30 days of the effective date of the rules.¹

7 In response to this direction from the Commission, PSE reviewed the orders and settlement agreement that govern its electric conservation program. These include:

- The settlement agreement entered into by PSE and other parties in Docket UE-100177, which superseded and replaced the Settlement Terms For Conservation in Docket UE-011570.² This was approved by the Commission in Order 05. This is hereafter referred to as the 2010 Conservation Settlement Agreement.
- Appendix A of Order 01 in Docket UE-132043, Order Approving Puget Sound Energy's 2014-2023 Achievable Conservation Potential and Its 2014-2015 Biennial Conservation Target Subject To Conditions.

8 PSE requests modification of the following term in the 2010 Conservation Settlement Agreement, approved by the Commission in Docket UE-100177 to comply with the rules adopted by the Commission in Order R-578 with respect to the Energy Independence Act:

¹ General Order R-578, ¶146. The rule change took effect on April 12, 2015, the thirty-first day after filing with the Code Reviewer. *Id.* ¶ 143.

² See Agreed Conditions For Approval of Puget Sound Energy's Inc.'s 2010-2011 Biennial Electric Conservation Targets Under RCW 19.285 Docket No. UE-100177 and Agreed Modifications To Electric Settlement Terms of Conservation in Docket No. UE-011570, ¶A.2.

- **In paragraph A.3, replace:**

“WAC 480-109-010” with “WAC 480-109-100(1)(a)(i).”

9

Additionally, PSE requests modification of several provisions in Appendix A of Order 01 in Docket UE-132043 to comply with the rules adopted by the Commission in Order R-578 with respect to the Energy Independence Act, as set forth below:

- **In Condition (3)(a)(ii), replace:**

“WAC 480-109-010(1)” with “WAC 480-109-110(1)(e).”

- **In Condition (3)(c) make the following change:**

“Except as provided in Paragraph (8) below, Puget Sound Energy will provide the CRAG an electronic copy of all tariff filings related to programs funded by the Electric Conservation Service Rider that Puget Sound Energy plans to submit to the Commission at least thirty days in advance of the filing. ~~two months before any proposed effective date. When extraordinary circumstances dictate, Puget Sound Energy may provide the CRAG with a copy of a filing concurrent with the Commission filing.~~ This condition does not apply to a general rate case.”

- **In Condition (8)(a), make the following change:**

“By November 15 ~~December 1~~, of each even-numbered year, the following year’s Annual Conservation Plan (ACP), containing any changes to program details and an annual budget with a requested acknowledgement date of January 1, of that following year. The Annual Conservation Plan may be acknowledged by placement on the Commission’s No Action Open Meeting agenda. ~~A draft will be provided to the CRAG by November 1, of the even-numbered year.~~”

- **In Condition (8)(c), make the following changes:**

“Revisions to cost recovery tariff (Schedule 120) by June 1 ~~March 1~~ each year, with requested effective date at least sixty days after the filing ~~of May 1 of that same year.~~”

- **In Condition (8)(e), replace:**

“WAC 480-109-040(1)” with “WAC 480-109-120(4).”

- **In Condition (9)(a), replace:**

“WAC 480-109-010(1)” with “WAC 480-109-110(1)(e).”

- **In Condition (9)(b), replace:**

“WAC 480-109-010(2) and (3)” with “WAC 480-109-100(2) and (3).”

10 As shown above, the majority of the requested modifications correct amended WAC citations. Additionally, some of the requested modifications update filing or notice dates based on requirements in the WAC that differ from those contained in Order 01 in Docket UE-132043.

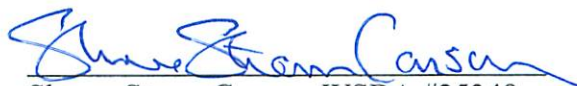
11 The Commission has authority to alter or amend its prior orders.³ In this case, the Commission notified PSE and other parties in Order R-578 that a petition or modification of any inconsistent orders should be filed within 30 days of the effective date of these rules. The effective date of the rules is April 12, 2015. This Petition complies with the Commission’s directive.

III. CONCLUSION

12 For the reasons set forth above, PSE respectfully requests the Commission modify the orders as requested in this Petition.

DATED this 16 day of April 2015.

PERKINS COIE LLP



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³ RCW 80.04.210; *see* WAC 480-07-875(1).

ATTACHMENT A

**PETITION TO MODIFY ORDER AND
SETTLEMENT AGREEMENT**

Sections, Conditions and Passages That Require Commission Modifications

Consistent with General Order R-578, Section V, paragraph 146, in Docket No UE-131723, Order Amending, Adopting, and Repealing Rules Permanently, which states:

Utilities must review Commission orders that discuss the requirements we adopt in WAC 480-109 and determine if those orders are in compliance with the rules adopted in the order. If a utility determines that a prior Commission order that currently imposes a requirement on that utility conflicts with the adopted rules, that utility must petition the Commission for modification of that order within 30 days of the effective date of the rules.

PSE has reviewed the current Commission Orders that outline PSE's conservation requirements and will file a petition with the Commission by May 12, 2015 to modify eight passages in two Orders. Specifically:

- 1) In the Agreed Conditions for Approval of Puget Sound Energy, Inc.'s 2010-2011 Biennial Electric Conservation Targets Under RCW 19.285, Docket No. UE-011570, Section A.3, sentence 3 indicates:

"[...] RCW 19.285.040(1) and WAC 480-109-010 require utilities to identify achievable cost-effective conservation potential using methodologies consistent with those used by the Northwest Power and Conservation Council ("Council")."

PSE will petition the Commission to modify this sentence to now reference WAC 480-109-100(1)(a)(i) Identify potential. (There *is* another WAC reference in Section C.5, but it only indicates "...and WAC 480-109...", so there is no need to update the specific reference.)

The remaining revisions all apply to Appendix A of Order 01, Docket No UE-132043.

- 2) Condition (3)(a)(ii) currently indicates:

(The Advisory Groups shall address but are not limited to the following issues:) Development of conservation potential assessments under RCW 19.285.040(1)(a) and WAC 480-109-010(1).

PSE will petition the Commission to revise the sentence to reference WAC 480-109-110(1)(e).

- 3) Condition (3)(c) currently indicates:

Except as provided in Paragraph (8) below, Puget Sound Energy will provide the CRAG an electronic copy of all tariff filings related to programs funded by the Electric Conservation Service Rider that Puget Sound Energy plans to submit to the Commission at least two months before any proposed effective date. When extraordinary circumstances dictate, Puget Sound Energy may provide the CRAG with a copy of a filing concurrent with the Commission filing. This condition does not apply to a general rate case filing.

PSE will petition the Commission to modify the highlighted sentence with language extracted from WAC 480-109-110(3):

Except for the conservation cost recovery adjustment filing required in WAC 480-109-130, a utility must provide its conservation advisory group an electronic copy of all conservation filings that the utility intends to submit to the commission (sic) at least thirty days in advance of the filing.

4) Condition (8)(a) currently indicates:

By December 1, of each even-numbered year, the following year's Annual Conservation Plan (ACP), containing any changes to program details and an annual budget with a requested acknowledgement date of January 1, of that following year. The Annual Conservation Plan may be acknowledged by placement on the Commission's No Action Open Meeting agenda. A draft will be provided to the CRAG by November 1, of the even-numbered year.

PSE will petition the Commission to modify the highlighted sentence with language extracted from WAC 480-109-120(2):

On or before November 15th of each even-numbered year, a utility must file with the commission, in the same docket as its current biennial conservation plan, an annual conservation plan containing any changes to program details and annual budget.

The highlighted sentence is no longer required, as this stipulation is addressed in WAC 480-109-110(3).

5) Condition (8)(c) currently indicates:

Revisions to cost recovery tariff (Schedule 120) by March 1 each year, with requested effective date of May 1 of that same year.

PSE will petition the Commission to revise the filing date to "by June 1 each year", consistent with WAC 480-109-130.

6) Condition (8)(e) currently indicates:

Two-year report on conservation program achievement (Biennial Conservation Report, or BCR) by June 1, every even year. This filing is the one required in WAC 480 109 040(1) and RCW 19.285.070, which require that the report also be filed with the Washington Department of Commerce.

PSE will petition the Commission to revise the highlighted reference to WAC 480-109-120(4).

7) Condition (9)(a) currently indicates:

Puget Sound Energy must consult with the Advisory Groups on the scope and design of a 10-year conservation potential analysis, which shall be completed by November 1, 2015. See RCW 19.285.040(1)(a); WAC 480 109 010(1).

PSE will petition the Commission to revise the highlighted reference to WAC 480-109-110(1)(e).

8) Condition (9)(b) currently indicates:

Puget Sound Energy must consult with the Advisory Groups starting no later than July 1, 2015, to begin to identify achievable conservation potential for 2016-2025 and to begin to set annual and biennial targets for the 2016-2017 biennium, including necessary revisions to program details. See RCW 19.285.040(1)(b); WAC 480 109 010(2) and (3).

PSE will petition the Commission to revise the highlighted reference to WAC 480-109-100(2) and (3).