

**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION HOLDS  
HEARING IN REMAND PHASE OF PUGET SOUND ENERGY EXPEDITED RATE  
FILING**

The Washington Utilities and Transportation Commission ("Commission") held a hearing on February 13, 2015 regarding the reasonableness of Puget Sound Energy's ("PSE") current return on equity ("ROE"). The hearing was part of consolidated proceedings that were remanded to the Commission following a Thurston County Superior Court ruling that the Commission unlawfully set PSE's ROE at a previously authorized level which was not supported by evidence. Davison Van Cleve represented the Industrial Customers of Northwest Utilities ("ICNU") on judicial review of the Commission's original order, and continues to represent ICNU on remand.

In the original proceedings, the Commission authorized an "expedited rate filing" as a one-time update to PSE's rates without the procedural requirements of a general rate case. It also awarded the company full electric and gas decoupling and a multi-year rate plan with fixed annual automatic rate increases. Meanwhile, the Commission made no change to PSE's previously authorized 9.8% ROE. In the original proceedings, ICNU recommended a 50 basis point decrease in the ROE, to 9.3%, and continues to make that recommendation on remand. The Commission's staff is recommending that the Commission reduce the company's ROE to 9.5%. An order is expected late spring or early summer.