Service Date: May 7, 2025

## BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Complainant,

v.

**PUGET SOUND ENERGY** 

Respondent.

DOCKET UG-240884

ORDER 04

ORDER GRANTING MOTION TO WITHDRAW PETITION

## **BACKGROUND**

- On November 15, 2024, Puget Sound Energy (PSE or Company) filed with the Washington Utilities and Transportation Commission (Commission) proposed revisions to rates charged under its natural gas Tariff WN U-2, Schedule 111, the Greenhouse Gas Cap and Investment Adjustment, filing replacement pages on December 3, 2024.
- This matter came before the Commission at the December 19, 2024, Open Meeting. Commission staff (Staff) recommended that the Commission suspend the tariff sheets filed by PSE on November 15, 2024, as revised December 3, 2024, but allow the proposed rates to become effective on January 1, 2025, on an interim basis, subject to refund, pending the Commission's final determination in this Docket and Docket UG-230968.
- On February 6, 2025, PSE filed a Petition for Declaratory Order (Petition). In its Petition, PSE requests that the Commission declare whether it may continue to spend its 2025 Climate Commitment Act (CCA) proceeds for its Voluntary CCA Decarbonization Programs. PSE notes as part of Order 09/07 in consolidated Dockets UE-240004, UG-240005, and UE-230810 (2024 PSE GRC), the Commission rejected PSE's voluntary Targeted Electrification Pilot Phase 2 (TEP Phase 2) because it may be inconsistent with I-2066. Based on this rejection, PSE argues that substantial uncertainty exists regarding

<sup>2</sup> Petition at 8-9 ¶¶ 15-16.

<sup>&</sup>lt;sup>1</sup> Petition at 3 ¶ 3.

whether its 2025 Voluntary CCA Decarbonization Programs are similarly prohibited by I-2066.<sup>3</sup>

- On February 14, 2025, the Commission issued a Notice of Petition for Declaratory Order, which set a deadline of March 6, 2025, to respond to the Petition.
- On February 24, 2025, Staff filed a response to the Petition. In its response, Staff recommends that the Commission deny the Petition because the issue of whether PSE's 2025 Voluntary CCA Decarbonization Programs conflict with I-2066 is likely to be determined by the Commission's resolution of the then pending motion for reconsideration of the denial of TEP Phase 2 in the 2024 PSE GRC proceeding.<sup>4</sup> In the event that the Commission did not reach the issue of TEP Phase 2 as part of resolving the motion for reconsideration, Staff supports PSE's Petition.<sup>5</sup>
- On February 25, 2025, Public Counsel filed a response to the Petition. Although Public Counsel does not take a specific position with respect to PSE's Petition, it argues that neither I-2066 nor the Commission's Order 09/07 in the 2024 PSE GRC prohibit voluntary electrification programs, such as PSE's 2025 Voluntary CCA Decarbonization Programs.<sup>6</sup>
- On March 6, 2025, The Energy Project filed a response to the Petition. In its response, The Energy Project states it agrees with PSE that the Company can validly pursue voluntary electrification programs using its 2025 CCA proceeds and concurs with Public Counsel's argument that nothing in I-2066 otherwise limits the Company's ability to pursue voluntary electrification. The Energy Project further argues that discontinuing the 2025 Voluntary CCA Decarbonization Programs would detrimentally impact low-income

<sup>&</sup>lt;sup>3</sup> Petition at 12 ¶ 21. *See also* Petition at 10-11 ¶ 19 (noting that the Commission approved PSE's 2025 Voluntary CCA Decarbonization Programs in Docket UG-240884).

<sup>&</sup>lt;sup>4</sup> Staff Response to Petition (Staff Response) at 2 ¶ 3.

<sup>&</sup>lt;sup>5</sup> Staff Response at  $2 \P 4$ .

<sup>&</sup>lt;sup>6</sup> Public Counsel's Response to Petition at 1, 3-6 ¶¶ 1, 7-16.

<sup>&</sup>lt;sup>7</sup> The Energy Project's Response to Petition at  $8 \, \P \, 22$ . See also The Energy Project's Response to Petition at 8-9  $\P \, \P \, 23$ -25.

customers, including customers in Named Communities<sup>8</sup> and would increase funding uncertainty and disrupt planning for local weatherization agencies.<sup>9</sup>

- Also on March 6, 2025, Energy Smart Eastside (ESE) filed comments in response to the Petition. ESE recommends that the Commission explicitly approve PSE's 2025 Voluntary CCA Decarbonization Programs, stating that they strongly support the installation of heat pumps as a means for Eastside Cities and Washington state to meet 2050 greenhouse gas reduction emissions goals and increase resiliency regarding extreme heat and smoke events.<sup>10</sup>
- On March 7, 2025, the Commission issued a Notice Establishing Date by Which the Commission Will Enter Declaratory Order, stating that the Commission would enter a declaratory order in response to the Petition no later than May 7, 2025.
- On May 2, 2025, PSE filed a letter with the Commission, requesting that the Commission allow PSE to withdraw its Petition because the question presented by the Petition has been resolved in Order 11/09 Granting in Part and Denying in Part Petitions for Reconsideration and Clarification in the 2024 PSE GRC (Order 11/09). 11

## **DISCUSSION**

Pursuant to WAC 480-07-380(3), a party may withdraw a petition "only upon permission granted by the commission in response to a written motion." Withdrawal of the Petition will eliminate the dispute that has been raised by the Petition, promoting judicial economy and conservation of administrative resources. Given that PSE now indicates that it "believes the Petition is no longer needed" based on further guidance from the Commission in Order 11/09, 12 the Commission finds that good cause exists to grant PSE's motion to withdraw its Petition and that the withdrawal of the Petition is in the public interest.

<sup>&</sup>lt;sup>8</sup> "Named Communities" includes both "highly impacted community" and "vulnerable populations" as defined by RCW 19.405.020(22), (39).

<sup>&</sup>lt;sup>9</sup> The Energy Project's Response at 3-7 ¶¶ 6-20.

<sup>&</sup>lt;sup>10</sup> Energy Smart Eastside Comments at 1.

<sup>&</sup>lt;sup>11</sup> PSE Request for Withdrawal at 1.

<sup>&</sup>lt;sup>12</sup> PSE Request for Withdrawal at 1 (*citing WUTC v. PSE*, Dockets UE-240004, UG-240005, (*consolidated*) & UE-230810, Order 11/09 at 19-21 ¶¶ 55-59 (Mar. 17, 2025)).

## **ORDER**

THE COMMISSION ORDERS that PSE's motion to withdraw its Petition is granted and the Petition is deemed withdrawn.

DATED at Lacey, Washington, and effective May 07, 2025.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

/s/ Harry Fukano
HARRY FUKANO
Administrative Law Judge