

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION)	DOCKET UG-230393
)	
Complainant,)	PROPOSED BUDGET FOR FUND
)	GRANT OF THE ALLIANCE OF
v.)	WESTERN ENERGY CONSUMERS
)	
PUGET SOUND ENERGY)	
)	
Respondent.)	
)	

1 Pursuant to the Washington Extended Interim Participatory Funding Agreement (“Funding Agreement”), approved by the Washington Utilities and Transportation Commission (“WUTC” or “Commission”) in Order 02 in Docket No. U-210595, the Alliance of Western Energy Consumers (“AWEC”) hereby submits its proposed budget in the above-captioned proceeding.

2 On May 25, 2023, Puget Sound Energy (“PSE” or the “Company”) filed its Tacoma LNG Tracker Tariff, which the Commission docketed as UG-230393. Docket UG-230393 is an Eligible Proceeding for Fund Grant under Article 1(c) of the Funding Agreement. Accordingly, a Fund Grant may be made for this proceeding under the Funding Agreement.

3 On July 19, 2023, as required by Article 6.2 of the Funding Agreement, AWEC filed its Request for Case Certification and Notice of Intent to Request Fund Grant, which was served on PSE and all parties of record in the proceeding. In that filing, AWEC identified the PSE Customer Representation Sub-Fund as the account from which AWEC intends to request a Fund Grant.

4 Pursuant to Article 6.3 of the Funding Agreement, AWEC files this Proposed Budget in this case within 30 days of the Prehearing Conference and seeks a PSE Customer Representation Sub-Fund grant in the amount of \$20,000. AWEC reserves the right to file an amended proposed budget and request an additional Fund Grant if the needs of this proceeding warrant such action. The following information is provided in accordance with Articles 6.3 and 6.6 of the Funding Agreement.

5 **Statement of work to be performed by AWEC for which AWEC is seeking a Fund Grant.** AWEC has retained Davison Van Cleve, P.C. to represent it in this Docket. AWEC will attend all workshops, public meetings, oral presentations and hearings. AWEC will also conduct discovery in this proceeding. In addition, AWEC will submit expert witness testimony and briefs as called for by the procedural schedule in this case.

6 **Description of the general areas to be investigated by AWEC.** AWEC intends to investigate all economic and policy aspects of PSE’s filing as challenged by other parties to this proceeding in accordance with its obligations and interests under the Tacoma LNG Settlement from PSE’s most recent multi-year rate case proceeding, which gave rise to the current proceeding.

7 **Identification of the specific Sub-Fund from which AWEC is seeking a Fund Grant and an estimate of the amount of available funds in that account, if known.** AWEC is seeking a Fund Grant from the 2023 PSE Customer Representation Sub-Fund, which currently has a balance of \$200,000 to AWEC’s understanding.

8 **A budget showing estimated attorney fees, which may include the cost for appropriate support staff and operational support.** AWEC’s proposed budget, setting forth estimated attorney fees, support staff costs and operational support costs, appears in Exhibit A.

9 **A budget showing estimated consultant fees and expert witness fees, which may include the cost for appropriate support staff and operational support.** AWEC’s proposed budget, setting forth consultant fees and expert witness fees, is also included in Exhibit A.

10 **Cooperative Efforts.** In accordance with Article 6.6 of the Funding Agreement, AWEC coordinated with the other, known organizations who are eligible to request a Fund Grant from PSE’s Customer Representation Sub-Fund, none of which are parties to this proceeding but all of which have interests in the use of PSE’s Customer Representation Sub-Fund. As of the time of this filing, AWEC is not aware of any objection to its proposed budget.

11 **Additional Considerations.** Article 6.5 of the Funding Agreement sets forth several factors that the Commission may consider when making a determination on budget requests. In aid of the Commission’s decision, AWEC provides the following information:

- a. The breadth and complexity of issues in this proceeding are significant. PSE’s proposed Schedule 141LNG is the culmination of several proceedings - most recently, PSE’s 2022 general rate case proceeding in which PSE sought a prudence determination for the Tacoma LNG facility, among other issues. In that case, PSE and some parties entered into the 2022 Tacoma LNG Settlement, which required PSE to move cost recovery of its Tacoma LNG related costs to a separate tracker, to be implemented concurrently with its 2022 Purchased Gas Adjustment

Filing, and to start amortization of deferred costs.¹ Following the Commission's direction in PSE's 2022 General Rate Case, the Company now seeks a prudence determination of its costs, rates to recover the calculated revenue requirement for the Tacoma LNG Facility, and support for the existing allocation of costs of the four-mile distribution line serving the Tacoma LNG Facility between core customers and Puget LNG. Evaluation of this proceeding, including other parties' positions, will require substantial effort and expense by AWEC to ensure just and reasonable rates for industrial customers.

- b. As indicated above, this case raises a number of policy considerations, including issues regarding the prudence of Tacoma LNG Facility costs and the allocation of those costs among customers.
- c. The procedural schedule in this case assumes a fully litigated case, which requires discovery, pre-filed written testimony, workshops and settlement conferences, as well as a hearing, briefing and any other events the Commission may deem appropriate. As such, AWEC's participation will be extensive.
- d. PSE's tariff represents a revenue requirement of \$47.6 million and an average increase of 3.45 percent in overall bills for all customers subject to the tariff. Any change to PSE's rates could substantially impact the rates PSE charges to its customers, including AWEC's members, and therefore warrants considerable scrutiny.

¹ PSE Advice No. 2023-23 – PSE's Natural Gas Tariff Filing Cover Letter at 2.
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- e. The Commission has previously recognized AWEC as an “incumbent” organization with a history of representing industrial customers’ interests before the Commission,² and determined that “no other party adequately represents the interests of industrial customers.”³
- f. AWEC anticipates that its costs will significantly exceed its budget request in this case, assuming a fully litigated proceeding. To the extent that AWEC’s costs are greater than Fund Grant amounts, AWEC will bear the costs of its participation. AWEC notes that, as shown in Exhibit A, its proposed budget in this case is much less than the anticipated costs associated with its participation in a fully litigated proceeding.
- g. AWEC represents the interests of large energy consumers and has significant experience participating in Commission proceedings involving the Commission and PSE. In addition, AWEC has participated in numerous previous cases related to setting rates for PSE. Thus, AWEC possesses significant interest and expertise with respect to this proceeding. AWEC’s participation will benefit all PSE industrial and large non-residential customers.
- h. To the best of AWEC’s knowledge, the level of available funds in the PSE Customer Representation Sub-Fund for 2023 is \$200,000. As such, AWEC’s request is within the limits of available funding.
- i. Given the limited nature of the PSE Customer Representation Sub-Fund, the number of other parties eligible to seek a Fund Grant in this case, and the

² Dockets UE-220066 and UG-220067, Order 08 at ¶ 24 (Mar. 24, 2022).

³ *Id.* at ¶ 25.

significance of both the number and substance of issues raised in this proceeding, AWEC anticipates utilizing available PSE grant funds in this proceeding and does not anticipate seeking additional Fund Grants from the Annual Fund Amount of the PSE Customer Representation Sub-Fund in 2023, assuming a fully litigated proceeding.

12 Therefore, AWEC respectfully requests that the Commission issue an order granting a Fund Grant in the amount specified above.

Dated this 19th day of July, 2023.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.

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Of Attorneys for the

Alliance of Western Energy Consumers

UG-230393

Exhibit A

AWEC Proposed Budget for Fund Grant

Personnel	Hours	Rate	Cost
<i>Attorney Fees</i>			
Partner	10	\$325	\$3,250
Senior Attorney	30	\$300	\$9,000
Junior Attorney	20	\$275	\$5,500
Paralegal / Law Clerk	20	\$200	\$4,000
<i>Expert Witness Fees</i>			
Expert	72	\$250	\$18,000
<i>Other Expenses</i>			
Travel			\$100
Printing and Postage			\$150
Subtotal			\$40,000
Total AWEC Request for PSE Customer Representation Sub-Fund Grant			\$20,000