

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,	DOCKET UG-230470
Complainant,	ORDER 05
v.	APPROVING PAYMENT AND GRANTING PETITION TO INCREASE CUSTOMER REPRESENTATION SUB-FUND
PUGET SOUND ENERGY	
Respondent	

BACKGROUND

1 On April 18, 2025, the Washington Utilities and Transportation Commission (Commission) entered Order 04 in Docket UG-230470. In Order 04, the Commission upheld Order 01, approving Puget Sound Energy’s (PSE’s or the Company’s) proposed tariff revisions to WN-U2, to implement Schedule 111, recover costs associated with CCA¹ allowances and pass back credits from allowance auction proceeds subject to several conditions.² Among several of the conditions included PSE working with the Low-Income Advisory Group (LIAG) to identify known low-income customers, automatically enrolling these customers into PSE’s Bill Discount Reduction (BDR) program, and reaching “a target of at least 70,000 participants by January 1, 2024.”³

2 On July 25, 2023, The Energy Project (TEP) filed its Petition for Case Certification and Notice of Intent (NOI) to Request Fund Grant from PSE’s Customer Representation Sub-Fund pursuant to RCW 80.28.430, Sections 5.21 and 6.2 of the Funding Agreement.

¹ In 2021, the Washington State Legislature passed the Climate Commitment Act (CCA), codified as Revised Code of Washington (RCW) 70A.65, to reduce greenhouse gas (GHG) emissions. Also referred to as the “Cap and Invest,” the law establishes a declining cap on GHG emissions from covered entities and is intended to reduce emissions in Washington state by 95 percent by 2050. Businesses producing enough emissions to be covered by the program must acquire allowance instruments equal to the total amount of emissions they produce and then submit those allowances to the Department of Ecology at the end of the compliance period.

² *Washington Utilities and Transportation Commission (W.U.T.C) v. Puget Sound Energy*, Docket UG-230740, Order 01 (August 3, 2023).

³ Docket UG-230740, Order 01 at 5 ¶ 20.

- 3 Following the issuance of Order 01 in Docket UG-230470, and August 10, 2023, Open Meeting, the Commission entered Order 01 in Docket UG-230471, granting PSE’s accounting petition and approving Schedule 111 in Docket UG-230470 to remain unchanged.⁴
- 4 On October 13, 2023, TEP filed a Proposed Budget and Request for Payment requesting \$10,000 from the PSE’s 2023 Customer Representation Sub-Fund to partially offset TEP’s costs for participating in the proceedings.
- 5 On October 18, 2024, the Commission issued Order 03, granting TEP’s request for case certification.
- 6 On October 23, 2024, TEP submitted a letter explaining that although Order 03 requested that TEP submit a Proposed Budget and Request for Payment for Fund Grant by November 8, 2024, that it previously submitted this filing on October 13, 2023, requesting \$10,000 from PSE’s Customer Representation Sub-Fund. TEP also indicated that Order 03 incorrectly cross-referenced dates from CEIP proceedings in paragraphs 25 and 31.⁵ Finally, TEP requested that the Commission increase PSE’s 2024 Customer Representation Sub-fund to allow for intervenor funding despite no funds remaining in PSE’s 2024 Customer Representation Sub-fund as of the date of its letter, and to act on TEPs October 13, 2023, filing with a single order approving its request.
- 7 The Commission appreciates TEP bringing the discrepancies in Order 03 to our attention, hereby corrects those errors in the record herein, and approves TEP’s Proposed Budget and Fund Grant in the amount of \$10,000, as discussed in further detail below.

DISCUSSION

- 8 Pursuant to RCW 80.28.430, utilities must enter into funding agreements with organizations that represent “broad customer interests.” The Commission is directed to determine the amount of financial assistance, if any, that may be provided to any organization; the way the financial assistance is distributed; the way the financial

⁴ *In the Matter of the Petition of Puget Sound Energy for an Accounting Order Authorizing Accounting Treatment for the Cost Recovery and Pass Back of Natural Gas Costs and Proceeds Associated with the Climate Commitment Act in RCW 70A.65*, Docket UG-230471, Order 01, Granting Petition at 4 ¶ 14 (August 10, 2023).

⁵ Docket UG-230740, Order 03 at 5 ¶ 25 and 6 ¶ 31 (October 18, 2023).

assistance is recovered in a utility's rates; and other matters necessary to administer the agreement.⁶

9 On November 19, 2021, the Commission issued a Policy Statement on Participatory Funding for Regulatory Proceedings (Policy Statement) in Docket U-210595.⁷ The Commission provided "high-level guidance regarding the amount of financial assistance that may be provided to organizations, the manner in which it is distributed to participants and recovered in the rates of gas or electrical companies, and other matters necessary to administer agreements."⁸

10 On February 24, 2022, the Commission issued Order 01, Approving Agreement with Modifications (Order 01).⁹ The Commission approved the Interim Agreement filed by the parties on February 23, 2022, subject to certain modifications, and adopted the Interim Agreement as Appendix A to the Order. Among other points, the Commission clarified that it is not bound by the timeframes set forth in the Interim Agreement.¹⁰ The Commission also determined that of the amount authorized for funding, fully one third would be dedicated to organizations representing highly impacted communities and vulnerable populations.¹¹

11 Pursuant to the Interim Agreement, participating organizations must submit to the Commission a Request for Payment. The Request for Payment must:

(a) Itemize the expenses, payees, and hourly rates for amounts to be reimbursed, including billing details, and including separately identified amounts for consultant or expert witness fees and travel expenses;

(b) Demonstrate that the expenses are reasonable and are directly attributable to issues and positions pursued on behalf of customers and consistent with the intervenor's proposed budget;

⁶ RCW 80.28.430(2).

⁷ *In the Matter of the Commission's Examination of Participatory Funding Provisions for Regulatory Proceedings*, Docket U-210595 (November 19, 2021).

⁸ *Id.* ¶ 3.

⁹ *In the Matter of the Petition of Puget Sound Energy, et al.*, Docket U-210595 Order 01 (February 24, 2022).

¹⁰ *Id.* ¶ 17.

¹¹ *Id.* ¶ 4.

(c) Provide information sufficient to show that the Participating Organization has complied with any condition or requirement of the Fund Grant; and

(d) Specify whether the request for payment is for interim funding, in the case of Prioritized Organizations only, or final payment in full, and indicate whether any approved budget amount may be released back to the applicable Sub-Fund because the Participating Organization does not intend to request payment for the full approved budget amount.¹²

- 12 The Commission may disallow, in whole or in part, a Request for Payment if it determines that the request seeks reimbursement for (a) expenses that are not Eligible Expenses,¹³ or (b) expenses that are inconsistent with the Participating Organization's Consumer Access Fund Grant or any conditions placed on the Consumer Access Fund Grant.¹⁴ Upon authorization of payment, the Commission will make a determination on how to recover the Fund Grants from the various customer classes of the affected Participating Public Utility.¹⁵ Additionally, the Commission may determine whether Fund Grants that were used to advocate positions on behalf of a broad cross-section of customers should be assessed against all customers or multiple classes of customers, to fairly align the costs of the advocacy with the intended potential beneficiaries of the advocacy.
- 13 On February 9, 2023, the Commission entered Order 02, Approving Agreement Subject to Condition, Requiring Refiling of Modified Agreement (Order 02).¹⁶ The Commission approved the Revised Agreement submitted by the parties, subject to the removal of paragraph 7.9, which authorized deferred accounting treatment.¹⁷ The Commission also clarified that it was not bound by the timelines set forth in the Revised Agreement.¹⁸
- 14 As relevant here, the Revised Agreement carried forward the same requirements for requests for payments of fund grants.¹⁹ It also makes clear that "[e]ligible expenses" may

¹² Interim Agreement § 7.1.

¹³ Interim Agreement § 7.3.

¹⁴ Interim Agreement § 7.6.

¹⁵ Interim Agreement § 7.7.

¹⁶ *In the Matter of the Petition of Puget Sound Energy, et al.*, Docket U-210595 Order 02 (February 9, 2023).

¹⁷ *Id.* ¶ 20.

¹⁸ *Id.* ¶ 21.

¹⁹ Revised Agreement § 7.1.

include costs for eligible proceedings incurred prior to the approval of the Revised Agreement.²⁰

- 15 In this case, we find that TEP timely filed a petition on October 13, 2023, requesting a payment of \$10,000 allocated from PSE’s Customer Representation Sub-Fund to cover expenses related to responding to PSE’s proposed tariff revision and petition concerning CCA costs, revenues, and customer credits impacting low-income, energy burdened, and vulnerable customers.
- 16 After considering the various factors of Section 6.5 and the requirements set forth in Sections 4.2.4, 7.1, 7.3, and 7.7 of the Revised Agreement, we determine that TEP’s request for payment of \$10,000 should be approved and that it should be assessed against PSE.²¹ Further, we determine that TEP’s petition to Increase Puget Sound Energy Customer Representation Sub-Fund by \$10,000 should be granted given that TEP’s costs are directly related to payment for its attorney’s time and PSE’s compliance with the CCA and sharing of risks between its customers and stakeholders. Accordingly, we find that TEP’s costs appear reasonable and directly attributable to its participation in this proceeding.
- 17 In regard to TEP’s Petition to Increase Customer Representation Sub-Fund we find the following: (1) this decision to increase the Customer Representation Sub-Fund by \$10,000 is not precedential, (2) parties should include all anticipated funding requests when seeking budget approval and not have conditional or pending requests when they can be avoided, and (3) that there is good cause to grant TEP’s petition for the reasons set forth in paragraph 16 above.
- 18 Finally, because TEP investigated the impacts of PSE’s proposed tariff and accounting petition on low-income, energy burdened, and vulnerable customers, and worked to identify additional eligible low-income customers to offset any rate increases caused by PSE’s compliance with the CCA, it is appropriate to assess TEP’s costs against PSE. TEP’s Request for Payment should therefore be allocated to Puget Sound Energy’s 2024 Customer Representation Sub-Fund.

²⁰ Revised Agreement § 7.3. *See also* Interim Agreement § 9.3 (providing that the Commission will require a participating utility to pay eligible expenses incurred under an approved fund grant that was awarded before the date of the termination of the Interim Agreement).

²¹ “The Commission, in its discretion, may grant the petition if the Participating Organization demonstrates good cause to increase the amount available in the Sub-Fund and a need to utilize additional funds from the Sub-Fund in a specific proceeding.” Revised Agreement § 4.2.4.

- 19 Puget Sound Energy must pay the above Request for Payment as directed within 30 days of the entry of this Order.²²

ORDER

THE COMMISSION ORDERS:

- 1 (1) The Energy Project's Petition to Increase Puget Sound Energy's Customer Representation Sub-Fund by \$10,000 is GRANTED.
- 2 (2) The Energy Project's Request for Payment from the 2024 Puget Sound Energy Customer Representation Sub-Fund is APPROVED in the amount of \$10,000.

Dated at Lacey, Washington, and effective April 18, 2025.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

/s/ Amy Bonfrisco

AMY BONFRISCO

Administrative Law Judge

NOTICE TO PARTIES: This is an Interlocutory Order of the Commission. Administrative review may be available through a petition for review, filed within 10 days of the service of this Order pursuant to WAC 480-07-810.

²² Revised Agreement § 7.8.