

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION, Complainant, v. AVISTA CORPORATION, D/B/A AVISTA UTILITIES, Respondent.	DOCKETS UE-240006 and UG-240007 (<i>Consolidated</i>) ORDER 09 APPROVING PAYMENT
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BACKGROUND

- 1 On January 18, 2024, Avista Corporation d/b/a Avista Utilities (Avista or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its electric service tariff, Tariff WN U-28, and its natural gas service tariff, Tariff WN U-29 (Initial Filing). Through these filings, Avista sought to increase rates and charges for the electric and natural gas services the Company provides to its Washington customers.
- 2 On March 21, 2024, the Alliance of Western Energy Consumers (AWEC) filed its initial Proposed Budget with the Commission requesting \$85,000 from the 2024 Avista Customer Representation Sub-Fund to partially offset AWEC’s costs in participating in the proceedings. On April 3, 2024, the Commission issued Order 06 in Docket UE-240006 granting case-certified status and AWEC’s proposed budget of \$85,000.
- 3 On June 18, 2024, AWEC filed a Petition to Increase Customer Representation Sub-Fund of the Alliance of Western Energy Consumers by \$5,000 to account for the cost of the Aurora license. In AWEC’s proposed budget filed March 21, 2024, it reserved the right to file a revised budget to include the cost to procure the Aurora license. No interested parties have objected to AWEC’s proposed increase of the Consumer Representation Sub-Fund.
- 4 On December 20, 2024, the Commission entered Final Order 08 (Order 08), denying Avista’s proposed tariff revisions. Order 08 resolved all outstanding issues with regards to Avista’s proposed revision to its electric service Tariff WN U-28 and natural gas Tariff WN U-29.

- 5 On January 17, 2025, AWEC filed a Request for Payment (Request for Payment). AWEC requested a total payment in the amount of \$90,000, to be allocated to the 2024 Avista Customer Representation Sub-Fund.

DISCUSSION

- 6 Pursuant to Revised Code of Washington (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 assistance is recovered in a utility’s rates; and other matters necessary to administer the agreement.¹
- 7 On November 19, 2021, the Commission issued a Policy Statement on Participatory Funding for Regulatory Proceedings (Policy Statement) in Docket U-210595.² 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.”³
- 8 On February 24, 2022, the Commission issued Order 01, Approving Agreement with Modifications (Order 01).⁴ 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 Order 01. Among other points, the Commission clarified that it is not bound by the timeframes set forth in the Interim Agreement.⁵ 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.⁶

¹ RCW 80.28.430(2).

² *In the Matter of the Commission’s Examination of Participatory Funding Provisions for Regulatory Proceedings*, Docket U-210595 (November 19, 2021).

³ *Id.* ¶ 3.

⁴ *In the Matter of the Petition of Puget Sound Energy, et al.*, Docket U-210595 Order 01 (February 24, 2022).

⁵ *Id.* ¶ 17.

⁶ *Id.* ¶ 4.

- 9 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;
 - (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.⁷
- 10 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,⁸ 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.⁹ 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.¹⁰ 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.
- 11 On February 9, 2023, the Commission entered Order 02, Approving Agreement Subject to Condition, Requiring Refiling of Modified Agreement (Order 02).¹¹ The Commission approved the Revised Agreement submitted by the parties, subject to the removal of

⁷ Interim Agreement § 7.1.

⁸ Interim Agreement § 7.3.

⁹ Interim Agreement § 7.6.

¹⁰ Interim Agreement § 7.7.

¹¹ *In the Matter of the Petition of Puget Sound Energy, et al.*, Docket U-210595 Order 02 (February 9, 2023).

paragraph 7.9, which authorized deferred accounting treatment.¹² The Commission also clarified that it was not bound by the timelines set forth in the Revised Agreement.¹³

- 12 As relevant here, the Revised Agreement carried forward the same requirements for requests for payments of fund grants.¹⁴ It also makes clear that “[e]ligible expenses” may include costs for eligible proceedings incurred prior to the approval of the Revised Agreement.¹⁵
- 13 In this case, AWEC filed a Request for Payment of Fund Grant, requesting a payment of \$90,000.00 allocated to the 2024 Avista Customer Representation Sub-Fund. The Commission approved AWEC’s proposed budget of \$85,000 with a request to increase the 2024 Avista Customer Representation Sub-Fund by \$5,000 to cover expenses related to AWEC procuring access to Aurora to assess power costs as part of the proceeding. AWEC notes that in their initial proposed budget, they reserved the ability to request the additional \$5,000 if funds were available and that no party objected to that reservation or planned request.
- 14 After considering the requirements set forth in Sections 4.2.4, 7.1, 7.3, and 7.7 of the Revised Agreement, we determine that AWEC’s request for payment of \$85,000.00 should be approved, and that it should be assessed against industrial customers. Further, we determine that AWEC’s Petition to Increase Avista Customer Representation Sub-Fund by \$5,000 should be granted. AWEC’s request outside those costs related to the Aurora license only requests payment for a portion of its attorneys’ time and for reasonable expert witness fees. AWEC’s costs appear reasonable, and it maintains that these costs are directly attributable to participating in this proceeding.
- 15 In regard to AWEC’s Petition to Increase Customer Representation Sub-Fund we find the following: (1) this decision to increase the Customer Representation Sub-Fund by \$5,000 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) we find good cause to grant AWEC’s Petition on the basis that AWEC needed to obtain the Aurora license for the first time due to software licensing changes, no

¹² *Id.* ¶ 20.

¹³ *Id.* ¶ 21.

¹⁴ Revised Agreement § 7.1.

¹⁵ 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).

party objected, and it provides additional information symmetry among the parties in complex proceedings.

- 16 Because AWEC focuses on issues affecting industrial customers, it is appropriate to assess AWEC's costs against the industrial customer class. AWEC's Request for Payment should be allocated to Avista's 2024 Customer Representation Sub-Fund.
- 17 Avista must pay the above Request for Payment as directed within 30 days of the entry of this Order.¹⁶

ORDER

THE COMMISSION ORDERS:

- 18 (1) The Alliance of Western Energy Consumer's Petition to Increase Customer Representation Sub-Fund of the Alliance of Western Energy Consumers by \$5,000 is GRANTED.
- 19 (2) The Alliance of Western Energy Consumer's Request for Payment from the 2024 Avista Customer Representation Sub-Fund is APPROVED in the amount of \$90,000.

Dated at Lacey, Washington, and effective March 7, 2025.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

/s/ Connor A. Thompson
CONNOR THOMPSON
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.

¹⁶ Revised Agreement § 7.8.