

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

The Energy Project, Commission Staff,
and NW Energy Coalition

Petitioners.

DOCKET UG-230470

ORDER 06

DENYING THE ENERGY
PROJECT'S PETITION FOR
RECONSIDERATION AND
CLARIFYING AND CORRECTING
FINAL ORDER 04

BACKGROUND

- 1 On June 9, 2023, Puget Sound Energy (PSE or Company) filed with the Washington Utilities and Transportation Commission (Commission), in Docket UG-230470, proposed tariff revisions to WN U-2, to implement Schedule 111 to allow PSE to recover costs associated with the Climate Commitment Act (CCA) allowances and pass back credits derived from the sale of no-cost allowances sold at auction under the CCA from August 1, 2023, to December 31, 2023.¹
- 2 On April 18, 2025, the Commission entered Order 04, Final Order Rejecting the Joint Petition and Upholding Puget Sound Energy's Compliance with Order 01 (Order 04). In Order 04, the Commission determined that PSE's proposal to dis-enroll approximately 55,000 of the 70,000 presumed low-income customers identified through third-party Experian data and auto-enrolled into its Bill Discount Reduction (BDR) program for failure to self-attest to income did not violate Order 01 or the CCA requirements set forth in Revised Code of Washington (RCW) 70A.65.130.²
- 3 The Commission explained that although the Company's previously approved Natural Gas Tariff Schedules 23BDR and 129 contemplated the eligibility process, because PSE provisionally auto-enrolled and flagged these presumed identified low-income customers (ILI)'s account with a CCA low-income flag, the ILI customers were treated as known

¹ The proposed tariff reflects an increased revenue requirement of \$104.8 million related to the State Carbon Reduction Charge and a revenue requirement decrease of \$87.9 million related to the State Carbon Reduction Credit, yielding an overall net revenue requirement increase of \$16.8 million. *Washington Utilities and Transportation Commission (W.U.T.C) v. Puget Sound Energy (PSE)*, Docket UG-230740, Order 01 at 2 ¶ 5 (August 3, 2023).

² Docket UG-230470, Order 4 at 10 ¶ 34.

low-income (KLI) by proxy. However, after being enrolled by proxy into PSE's assistance program, a majority of the ILI customers did not self-attest to income or demonstrate their eligibility of meeting the existing program requirements set forth in PSE's tariff schedules.³ To disentangle the CCA low-income credit flag from PSE's BDR program eligibility requirements, the Commission directed PSE to submit a tariff revision within 60 days of the issuance of Order 04 and to delink the CCA low-income flag from the BDR program.⁴ The Commission also directed PSE to make a presentation at an open meeting detailing the effectiveness of the additional outreach efforts it conducted as discussed in its Joint Outreach Plan submitted on September 13, 2024.⁵

- 4 On April 28, 2025, The Energy Project (TEP) filed a Petition for Reconsideration of Final Order 04 (Petition). As part of its Petition, TEP requested that the Commission reopen the record to consider additional evidence not previously submitted.
- 5 On May 1, 2025, the Commission issued a Notice of Opportunity to Respond to Petition for Reconsideration to afford the parties an opportunity to respond to TEP's Petition and request to reopen the record by May 13, 2025, and notified the parties that it would resolve the Petition by June 13, 2025.
- 6 On May 13, 2025, Commission staff (Staff),⁶ the Public Counsel Unit of the Washington Attorney General's Office (Public Counsel), and PSE timely filed responses. On this same date, the NW Energy Coalition (NVEC), Washington Conservation Action (WCA), and Front and Centered each separately filed comments supporting TEP's Petition and collectively requested that the Commission:
 - (a) Reconsider Order 04 to correct factual and legal errors TEP identified in its Petition;
 - (b) Establish the 70,000-customer target as a minimum and ongoing baseline for CCA low-income bill credits as set forth in Order 01;

³ *Id* at 12 ¶ 38-39.

⁴ Docket UG-230470, Order 4 at 16 ¶ 49.

⁵ *Id.*

⁶ In formal proceedings, such as this, the Commission's regulatory staff participates like any other party, while the Commissioners make the decision. To ensure fairness, the Commissioners, the presiding administrative law judge, and the Commissioners' policy and accounting advisors do not discuss the merits of the proceeding with the regulatory staff, or any other party, without giving notice and opportunity for all parties to participate. *See* RCW 34.05.455

- (c) Affirm that self-attestation will not be a prerequisite for receiving these credits; and
- (d) Require PSE to periodically auto-enroll low-income gas customers when updated data is available to maintain a 70,000-customer target threshold.⁷

DISCUSSION

A. Reconsideration Standard of Review

- 7 RCW 34.05.470(1) provides that any party may file, within 10 days of service of a final order, a petition for reconsideration stating the specific grounds upon which relief is requested.⁸ “The purpose of a petition for reconsideration is to request that the Commission change the outcome with respect to one or more determinations in a final order.”⁹ The petitioner must clearly identify each portion of the order that it contends is erroneous or incomplete, cite the portions of the record and statute or rule relied on to support its petition, and present argument in support of its petition.¹⁰ A petition for reconsideration is deemed denied 20 days after the date the petition is filed unless the Commission enters an order resolving the petition or serves notice of the date by which it will act on the petition.¹¹
- 8 Generally, a petition for reconsideration must be resolved exclusively based on the record developed in the proceeding.¹² If a party claims that the record is incomplete because there is evidence not in the record that should be considered, the Commission may reopen the record to receive the evidence on a proper motion and showing.

B. TEP’s Request to Reopen the Record

- 9 Washington Administrative Code (WAC) 480-07-830 in relevant part provides that:
- (2) A party may file a motion to reopen the evidentiary record at any time

⁷ Docket UG-230470, NW Energy Coalition (NVEC), Washington Conservation Action (WCA) and Front and Centered Comments in support of Petition for Reconsideration of Order 04 (May 13, 2025).

⁸ WAC 480-07-850 governs the content of petitions for reconsideration.

⁹ WAC 480-07-850(1)(a).

¹⁰ WAC 480-07-850(1)(b).

¹¹ WAC 480-07-850(2) and (5).

¹² RCW 34.05.476(3).

after the record closes and before the commission enters a final order. A party seeking to present additional evidence after the commission has entered a final order must submit a petition for rehearing pursuant to WAC 480-07-870. The commission may reopen the record in a proceeding on its own motion.

(3) The commission may reopen the record to allow receipt of evidence that is essential to a decision and that was unavailable and not reasonably discoverable with due diligence at the time of the hearing or for any other good and sufficient cause. A motion to reopen the record must include the evidence the party proposes to add to the record and must demonstrate that the evidence meets this standard.

10 In its Petition, TEP requests to reopen the record so that it can include additional evidence in this docket not previously brought before the Commission. The supporting documentation includes the following:

- (a) Attachment A - Copies of presentations PSE provided to the Low-Income Advisory Committee (LIAC) on November 12, 2024, and July 9, 2024;
- (b) Attachment B – copies of records from Dockets UE-230560 and UG-230561, involving the proceeding in which PSE’s Bill Discount Rate was approved; and
- (c) A Declaration from TEP Director Shaylee Stokes.

11 To support its request, TEP explains that it did not believe that a separate motion to reopen the record was necessary in this case as this Docket UG-230470 was only addressed at Commission Open Meetings, “not an adjudicative proceeding and thus . . . not subject to closure of the record.”¹³ TEP further explains that its request to submit this additional evidence “only became relevant to the proceeding due to the numerous factual errors contained in Order 04,” and “events that occurred after parties submitted briefs.”¹⁴

12 In response, PSE argues the Commission should reject TEP’s motion to reopen the record because the motion is embedded in the body of TEP’s Petition, which is non-compliant with WAC 480-07-375(2), and attempts to insert “additional, post-hoc evidence into the record after this proceeding closed” in violation of WAC 480-07-830(2).¹⁵ PSE further

¹³ TEP’s Petition at 6 ¶ 10.

¹⁴ Id at 6-7 ¶ 10.

¹⁵ Docket UG-230470, Puget Sound Energy’s Response in Opposition to The Energy Project’s Petition for Reconsideration (PSE’s Response) at 1 ¶ 1-2, and at 5 ¶ 9 (May 13, 2025).

asserts that since “TEP acknowledges its Petition relies on substantial additional information,” that it failed to provide earlier, “the Commission cannot, by rule, and should not by fairness reconsider its Final Order based on information” not presented “during the extensive time this docket was open.”¹⁶ PSE maintains that not only does such an approach “squarely contravene WAC 480-07-375(2)” and the rule’s purpose, but it “deprived the parties of the procedural clarity the rule guarantees.”¹⁷ Finally, PSE maintains that the lack of authority supporting TEP’s request to reopen the record indicates its request is procedurally defective,¹⁸ and that “TEP’s procedural misstep is not curable by belated amendment” since “TEP’s petition consumed the ten-day window for reconsideration allotted by WAC 480-07-850(3).”¹⁹

13 We agree with PSE. TEP’s request to reopen the record conflicts with WAC 480-07-375(2), which explicitly prohibits the Commission from considering motions “merely stated in the body of a pleading” and deprives parties of the procedural guarantees set forth in WAC 480-07-830(2) by attempting to expand the record after the record has closed and a final order was entered.

14 While WAC 480-07-830(3) allows the Commission to reopen the record under certain circumstances, we find that this standard has not been met for several reasons. First, there needs to be a logical end point at which due process requires the record to be closed. Second, the material TEP introduced is of marginal relevance and cumulative to evidence already introduced in the record. Finally, by consuming the entire ten-day window for reconsideration allotted by WAC 480-07-850(3), the other parties were deprived of the opportunity of addressing the additional evidence submitted. For these reasons, the Commission finds TEP has not demonstrated good and sufficient cause to reopen the record, and we therefore reject TEP’s motion to reopen the record because it conflicts with the above-mentioned procedural rules.

C. Overview of TEP’s Petition for Reconsideration

15 In its Petition, TEP argues that “the rationale behind the key decisions made in Order 04 are based on consequential factual and legal errors” that the Commission should

¹⁶ PSE’s Response at 4 ¶ 6.

¹⁷ PSE’s Response at 5 ¶ 8.

¹⁸ PSE’s Response at 5 ¶ 10.

¹⁹ PSE’s Response at 6 ¶ 11.

reconsider.²⁰ First, TEP argues that Order 04 contains numerous factual errors that materially affect the conclusions the Commission drew. These include the timeframe and extent of financial benefits that auto-enrolled ILI customers identified as low-income through third-party Experian data (ILI customers) received compared to known-low-income (KLI customers) and the small subset of customers who enrolled by self-declaring to their income received.²¹ Second, regarding legal errors, TEP argues that the Commission conclusions rest on a fundamental misinterpretation of the CCA which does “not require low-income customers to self-attest or provide documentation to verify their income.”²² In support of this contention, TEP reasons that PSE’s tariffs “do not take precedence over a statute or a Commission order” and “cannot override the plain language in the CCA or CETA,”²³ which unequivocally “mandate that low-income customers not bear any cost increases when allowance revenues are available.”²⁴ Finally, TEP identified several clerical errors in the Order to be corrected.

16 We will address each of these overarching arguments and the specific paragraphs of Order 04 that TEP requests the Commission reconsider in further detail below.

D. Statutory Interpretation of the CCA

17 TEP argues that “the Commission’s conclusions in paragraphs 47 and 58 of Order 04, rest on a fundamental misinterpretation of the CCA” by requiring presumed low-income customers “to self-attest or provide documentation to verify their income.”²⁵ TEP maintains that “Order’s 04’s conclusion is based on a misreading of the plain language of the CCA and the Clean Energy Transformation Act (CETA), as well as misplaced reliance on irrelevant eligibility requirements in PSE’s Natural Gas Tariff Schedules.”²⁶ In furtherance of TEP’s arguments, Public Counsel argues that to the extent that Order 04 “legitimizes the deployment of an attestation or eligibility prerequisite for a CCA

²⁰ *In the Matter of Puget Sound Energy Gas Climate Commitment Act (CCA) Tariff WN U-2 Revision*, Docket UG-230470, The Energy Project’s Petition for Reconsideration of Order 04 (TEP’s Petition) at 1 ¶ 1 (April 28, 2025).

²¹ *Id.*

²² TEP’s Petition at 12 ¶ 26.

²³ TEP’s Petition at 14 ¶ 31.

²⁴ TEP’s Petition at 2 ¶ 2.

²⁵ TEP’s Petition at 12 ¶ 25.

²⁶ TEP’s Petition at 12 ¶ 26.

credit,”²⁷ the “Commission rewrites the statute and commits reversible legal error.”²⁸ Public Counsel explains that although the Commission cited to PSE’s tariff schedules in Order 04 to justify its conclusions, that the Commission effectively rewrote the CCA statute by adopting the tariff terms “identified” and “known low-income” as modifiers when determining which class of low-income customers would be eligible to have CCA costs off-set.²⁹ To reverse this outcome, Public Counsel “urges only that the Commission follow the plain statutory language and require the utility to hold low-income customers harmless from CCA costs.”³⁰

18 To support the contention that the CCA mandates PSE to protect *all* low income customers, TEP and Public Counsel argue that the plain language of the CCA “requires gas utilities to use the revenues generated by the auction of no-cost allowances to “eliminat[e] any additional cost burden to low-income customers from the implementation of the CCA”³¹ and that the no-cost CCA allowance auction proceeds be provided in the form of bill credits to “*all* low-income customers” within PSE’s service territory.³²

19 While the Commission acknowledges the intent behind the CCA language related to eliminat[ing] cost burdens for low-income customers, the Commission disagrees with TEP and Public Counsel’s interpretation as to the extent of the protections afforded to low-income customers. The CCA statutory language does not include the term “all” in reference to “low-income customers” or provide any specific mandates on how the provision should be applied. Rather it in relevant part provides:

RCW 70A.65.130 – Allocation of allowances to natural gas utilities.

(2)(a) Beginning in 2023, 65% of the no cost allowances must be consigned to auction for the benefit of customers, including at a minimum eliminating any cost burden to low-income customers from the implementation of this chapter.

²⁷ Public Counsel’s Response to The Energy Project’s Petition for Reconsideration (Public Counsel’s Response) at 4 ¶ 6 (May 13, 2025).

²⁸ Public Counsel Response at 3 ¶ 5.

²⁹ Public Counsel Response at 2-3 ¶ 4-5.

³⁰ Public Counsel’s Response at 4 ¶ 7.

³¹ TEP’s Petition at 12 ¶ 27.

³² TEP’s Petition at 15 ¶ 33 citing RCW 70A.65.130(2)(a). Emphasis added. See also Public Counsel Response at 3 ¶ 6.

20 The reason the Commission analyzed the plain language in PSE's approved Tariff Schedules 129,³³ 23BDR³⁴ and Schedule Tariff 111, in Order 04, was because it was carefully balancing the legal requirements of the CCA against the legal requirements that must be met for a customer to qualify as low income under RCW 19.405.020(24).³⁵ However, because the legislature was silent on the implementation of the CCA, the Commission must carefully balance the intent of eliminating cost burdens with the realities of CCA implementation. By design, the CCA offers natural gas utilities a declining quantity of no-cost allowances they must consign to auction and pass back to low-income customers. The Commission does not dispute the intent of the CCA however, the Commission disagrees with TEP and other parties on how these revenues should be passed back to low-income customers. Additionally, the Commission recognizes the revenues derived from these no-cost allowances are a finite resource, and PSE needs to be judicious about how to properly balance a finite resource with the requirement to "eliminate" these costs for low-income customers. Therefore, to maximize the efficacy of the decreasing revenues derived from no-cost CCA allowances, the Commission determined that based on the record before it, customers who: (1) self-attested to income; (2) demonstrated they qualified as low-income; and/or (3) were determined to have received any form of energy assistance in the past 24 months in accordance with PSE's Schedule 129, would be treated as KLI and afforded the benefits commensurate with their income as intended by the CCA and BDR program.³⁶

1. *Clarification on Order 04 – Terminology*

21 Next, with respect to the terminology used in Order 04, to be clear, the Commission believes that KLI customers are distinct from identified low-income customers (ILI), which are those customers PSE provisionally treated and presumed as low-income (either through Experian data or other means). PSE auto-enrolled ILI customers into the sixth tier of the BDR program and marked their accounts with a CCA low-income flag without any action being taken from those customers to demonstrate they indeed qualified as low-

³³ Puget Sound Energy Natural Gas Tariff WN U-2 Schedule 129 Low Income Program Original Sheet No. 1129-A.

³⁴ Puget Sound Energy Natural Gas Tariff WN U-2 Schedule 23BDR Bill Discount Rate Original Sheet No. 123BDR.

³⁵ Low-Income is defined households with incomes that, adjusted for household size that "do not exceed the higher of eighty percent of area median income or two-hundred percent poverty level." RCW 19.405.020 (25) and WAC 480-109-100 (22). See also CACAP Household Income guideline charges in PSE Schedule 129 based on federal poverty income limits.

³⁶ *Id.*

income and met the eligibility requirements to participate in PSE's CCA Flag, BDR, and HELP Assistance programs.

- 22 The Commission acknowledges that Order 02 required PSE to continue service to ILI customers after temporarily extending the enrollment period to December 1, 2024,³⁷ in order to: (1) allow these customers more time to self-attest to income; and (2) require PSE to conduct additional targeted outreach to improve its conversion and saturation rates.³⁸ However, for those ILI customers who failed to respond, or self-attest to income after the 13-month window in Schedule 129 of PSE's BDR tariff, or prior to the December 1, 2024, deadline set forth in Order 02, the sixth tier BDR (5 percent discount) expired.
- 23 While we recognize that the competing BDR tariff and CCA deadlines were not fully explained in Order 04, we agree with Staff that the "CCA allowances under PSE's CCA tariff provide one benefit, and enrollment in the BDR program provides a separate benefit."³⁹ Specifically, the benefits under the BDR program include a discount in the form of a credit on a customer's monthly bill statement, and the CCA low-income flag allows a "CCA credit" in the form of pass back revenues derived from the consignment of no cost allowances.⁴⁰ However, we cannot adopt Staff's recommendations to allow the ILI, or those presumed low-income customers who failed to self-attest within the required period to receive a "CCA credit" in the form of pass back revenues derived from the consignment of no cost allowances.⁴¹ Adopting such approach would allow presumed low-income or ILI customers who failed to respond to PSE's outreach efforts the ability to retain benefits without first self-attesting to income or otherwise demonstrating they indeed qualify as "low-income." This in turn would result in implementation of the CCA that runs counter to the legislature's intent in 70A.65.130 (2)(a) to protect that class of customers deemed eligible as low-income.

³⁷ Order 02 at 7 ¶ 38.

³⁸ Order 02 at 5-6 ¶ 28, ¶ 30 and 7 ¶¶ 38-40.

³⁹ Docket UG-230470, Staff's Response to TEP's Petition for Reconsideration of Order 04 (Staff's Response) Staff's Response at 2-3 ¶ 5-6 citing Brief of Commission Staff on Puget Sound Energy's Compliance with Order 01 at 1 ¶ 2 and 6-7 ¶ 18 (October 13, 2024).

⁴⁰ *Id.*

⁴¹ Docket UG-230470, Staff's Response to TEP's Petition for Reconsideration of Order 04 (Staff's Response) at 2-3 ¶ 6 (May 13, 2025) citing Brief of Commission Staff on Puget Sound Energy's Compliance with Order 01 at 1 ¶ 2 and 6-7 ¶ 18 (October 13, 2024).

2. Reliability of Third-Party Data

- 24 Next, although TEP, Public Counsel, and Staff assert that the Commission substantially changed its position from Order 01 to Order 04, in this order we clarify that the Commission’s support in Order 01 for PSE to rely on third-party data was based on an expectation that this data would be used as a tool for PSE to broaden its outreach to energy burdened customers,⁴² not that this data would be applied as a tool to simultaneously auto-enroll “presumed” or ILI customers into the CCA and BDR and HELP low-income assistance programs without clearly delineated requirements for the implementation of each provision.
- 25 In sum, the Commission believes there is a minimum bar customers must meet to avail themselves of the separate and distinct benefits afforded by the CCA and PSE’s BDR and HELP low-income assistance programs. Self-attestation is already a low threshold. Therefore, to balance the needs of the public as well as PSE (and other utilities), the Commission believes that self-attestation is a minimal requirement and that some form of income verification is necessary for those ILI customers who were provisionally enrolled through December 1, 2024, to be afforded the full benefits commensurate with their income and to receive the CCA low-income credit derived from pass back revenues from PSE’s consignment of no cost allowances.
- 26 Finally, although Public Counsel argues that “PSE’s decision to use the third-party data to identify 70,000 customers in the first instance...was precise enough to identify individual household for auto-enrollment...targeted the lowest income fraction” and actual risk of erroneous application was minimal,⁴³ this position is in direct contravention to Public Counsel’s prior comments at the July 21, 2023, Recessed Open Meeting. During the July 21, 2023, Open Meeting Public Counsel passionately argued against reliance on the accuracy of third-party data and raised concerns about the impacts of using such data sets.⁴⁴ Public Counsel also raised concerns about customer’s privacy rights and recommended the Commission consider devising a data sharing agreement to ensure that all parties had access to, and that customers were provided with an opportunity to agree to or opt out of, the Company’s sharing of its low-income enrollment data.

⁴² Emphasis added.

⁴³ Docket UG-230470, Public Counsel’s Response to The Energy Project’s Petition for Reconsideration (Public Counsel’s Response) at 5 ¶ 9 (May 13, 2025).

⁴⁴ [July 21, 2023, Recessed Open Meeting](#) at 0:58:09 – 0:58:54.

- 27 Therefore, based on the record in this proceeding, and the discussion of balancing accuracy and privacy concerns against the benefits of relying on third-party data, the Commission is not convinced in this case that the third-party Experian data is reliable in the absence of customer response, self-attestation to income, or any further verification. That said, this determination does not foreclose future use of third-party data in other proceedings if that data were proven to more accurately reflect that the customers indeed qualify as low-income to receive the corresponding benefits under each of these provisions.
- 28 On a related note, while the Commission did state in paragraph 47 of Order 04 that we did not anticipate a substantial increase in saturation and conversion rates based on the data presented during the August 29, 2024 Open Meeting, we were not arriving at any definitive conclusions regarding this data. Rather, we were highlighting previous trends identified in the record and providing conservative estimations, which is why we ordered PSE in Paragraph 59 of Order 04 to make a presentation at an open meeting detailing the effectiveness of the Joint Outreach Plan submitted in this docket on September 13, 2024, in accordance with Paragraph 40 of Order 02. However, because we recognize that as of the date of the response filing, PSE has not shared any data metrics or specific results summarizing the effectiveness of its Joint Outreach Plan conducted from October 2024 to June 2025 with the Commission, LIAC, or the other parties, we require PSE to provide a presentation at an Open Meeting and file this information in the docket within 30 days of the effective date of this Order. This information will provide a basis for discussion about how PSE should move forward on this issue.

3. Order 01 - 70,000 Customer Target Goal

- 29 TEP argues that Order 04 fails to acknowledge that the 70,000 target itself was set “as an intermediate target on the way to full compliance.”⁴⁵ The Commission agrees with TEP that Order 04 was silent on this issue, however this omission was intentional. While the Commission required the initial 70,000 target in Order 01,⁴⁶ the Commission viewed this number as a good “starting point” and a single point in time metric as the parties began to implement the CCA. However, this did not mean the Commission determined that this minimum threshold could not be altered or modified on an ongoing basis if it proved not

⁴⁵ TEP’s Petition at 15 ¶ 33.

⁴⁶ [July 21, 2023, Recessed Open Meeting](#). 1:54:36 to 1:56:20; 1:57:42 to 1:59:06; and 2:21:20 to 2:24:08.

to be viable for all parties involved. There is nothing in Order 01 or the discussion at the July 21, 2023 Open Meeting to suggest this was a permanent minimum threshold.⁴⁷

30 Next, TEP recommends the Commission require PSE to work with its LIAC to “design a pilot to determine how different groups (e.g., elderly, rural, urban, non-English speakers) respond to different forms of outreach” and to “determine a target conversion rate.”⁴⁸ Since the Commission in Order 04 declined TEP’s pilot proposal contained in its October 14, 2024, brief in this proceeding, as it was based on continued auto-enrollment, we decline to reconsider TEP’s renewed request in its Petition.

31 However, based on the experience and lessons learned from PSE’s initial implementation of this program, we believe that the most appropriate venue for determining the minimal participation threshold for eliminating cost burden to low-income customers from CCA is a broader proceeding where all regulated natural gas utilities and advocates can participate. As stressed at the outset of this docket and reiterated at the July 21, 2023 Recessed Open Meeting, topics related to the implementation of the CCA require more thought, analysis, and consideration as we navigate the early years of the law. The Commission believes further conversations on how targets or thresholds should be achieved, as well as the efficacy and application of third-party data, should occur in the currently on-going workshop series on CCA implementation in Docket U-230161. There, utilities and interested parties can share their successes and challenges in meeting the statutory requirement to eliminate the cost burden for low-income customers.

E. De-linking the CCA Flag with BDR

32 TEP also requests that the Commission reconsider its decision to “de-link” the CCA Flag customers from the BDR program as it is “not necessary or advisable.”⁴⁹ TEP maintains that “PSE’s tariffs are clear that the BDR term is one year (plus a 90 day grace period) for most customers, and the CCA credit is provided to any customers that have received low-income bill assistance within the last 24 months,” and that “it is a feature, not a flaw,” that the CCA low-income credit is designed to provide the CCA credits for a longer term than the BDR program.⁵⁰ TEP further reasons “this is appropriate based on CCA’s statutory direction to eliminate the cost burden for low-income customers.”⁵¹

⁴⁷ *Id.*

⁴⁸ TEP’s Petition at 10 ¶ 21.

⁴⁹ TEP Petition at 16 ¶ 36 – 37.

⁵⁰ TEP’s Petition at 16-17 ¶ 37.

⁵¹ *Id.* at 17 ¶ 38.

33 When PSE applied the CCA Low-Income credit flag and cross-enrolled the 70,000 plus customers into the sixth tier of its BDR program, these two provisions became intricately entangled. In Order 04, the Commission fully intended to delink or disentangle the low-income provisions from the implementation of the CCA to ensure the proper application of these two separate provisions and we reaffirm that position in this Order. Further, when ordering PSE in Order 01 to “either identify additional KLI customers, or to automatically enroll low-income customers in a bill discount or bill assistance program, to reach a target of at least 70,000 participants by January 1, 2024,” the Commission acted in response to the information presented at that time. Although former Chair Dave Danner recommended during the July 21, 2023 Recessed Open Meeting, that the parties “either expand the universe of known low-income customers or identify a mechanism for auto-enrollment by setting a numeric target of approximately 60,000 -70,000 customers;” he also acknowledged “there was no basis for this number” other than to set an initial threshold above the 10,000 target PSE initially proposed.⁵² However, as time progressed, it became clear that the directive in Order 01 to reach a target of at least 70,000 participants was problematic due to the different timeframes⁵³ in which customers would be afforded benefits, and entanglement of the applicable legal provisions with respect to the implementation of these two programs.

34 In hindsight, this approach also had other cascading effects which we are now attempting to resolve more than 18 months after this directive was initially provided. To resolve these issues, the Commission re-affirms its position that these two programs should be delinked. In Order 04, the Commission highlighted the definition of Identified Low-Income Customer (ILI) as one possible method for delinking these programs. The Commission reaffirms its decision to delink these programs and requires PSE to continue working with its LIAC and interested parties to further evaluate, refine, and modify the definition of “identified low-income customer” in Tariff Schedule 111. The revisions to Tariff Schedule 111 should include: (a) definitions; (b) new terms and conditions clearly delineating the criteria to be met for qualifying low-income customers to receive the separate “CCA low-income credit” derived from pass back revenues from PSE’s consignment of no-cost allowances; (c) the duration of enrollment; and (d) should be

⁵² [July 21, 2023, Recessed Open Meeting](#) at 1:55:05 to 1:56.20.

⁵³ For typical BDR customers, the enrollment period is 13 months, and for the CCA low-income flag for 24 months, or two years, which is a purposeful provision to insulate CCA customers.

distinct from the specific terms and conditions sets forth in Schedule 23BDR⁵⁴ and Schedule 129.⁵⁵

- 35 After collaborating with the LIAC and the other parties in this matter, PSE shall submit the revised Tariff Schedule 111 as a compliance filing in this docket within 90 days of the effective date of this Order.

F. Correction of Factual and Clerical Errors in Order 04

- 36 In its Petition, TEP states that Order 04 contains numerous factual errors that materially affect the Commission's determinations. We agree with TEP that the factual errors found in Order 04 should be corrected, but do not find them to materially affect the decisions in Order 04.

4. Duration of BDR benefits and CCA Flag benefits

- 37 As noted in paragraphs 12-17 of TEP's Petition, TEP argues that paragraph 47 of Order 04 builds upon the incorrect premise that 16 months is a relevant timeframe in which these customers receive benefits of the programs. TEP correctly notes that CCA Flag customers began seeing benefits of both the CCA flag and BDR between January to February 2024, and PSE ended the BDR portion of benefits for these customers on December 1, 2024, meaning that these customers received benefits for 10 months as opposed to 16 months.⁵⁶ The Commission hereby revises paragraph 47 of Order 04 as follows:

The Commission cannot adopt the parties' request that these allowances be provided to all presumed low-income customers and require PSE to continue providing benefits without receiving any self-attestation to, or

⁵⁴ PSE Schedule 23BDR.

⁵⁵ PSE Schedule 129.

⁵⁶ As noted in TEP's April 28, 2025, Response, PSE began providing the CCA Flag on customer accounts in January 2024, and cross-enrolled these CCA flag customers into the BDR program in February 2025 for those who had been "pre-approved" using the Experian data. These benefits were provided for a maximum of 10 months if PSE stopped providing the BDR benefits for this subset of customers on December 1, 2024. However, it is unclear if PSE continued the CCA flag or discontinued the flag given the delay in issuance of Order 04. Therefore, in Order 06, the Commission recognizes the duration of 10 months as the maximum period in which customers may have simultaneously had access to both the CCA low-income flag and sixth tier BDR (five percent discount), but recognizes that information from PSE going forward will further clarify these details. See TEP Petition at 7 ¶ 12 and 10 ¶ 19.

subsequent verification of income; because such approach would run afoul of the income requirements set forth in RCW 19.405.020 (24). More importantly, we find that it is necessary that KLI customers are provided with benefits commensurate with their actual income. ~~Further, it would not be fair or equitable to those customers who complied with the existing processes and fully enrolled in the BDR program by completing self-attestation as a pre-requisite for continuing to receive CCA low income credits. Despite all parties' efforts to ensure PSE holistically conducted outreach to reach the ambitious 70,000 target goal we set in Order 01, we acknowledge given the low saturation and conversion rates over the last 9 months, it is unreasonable to extend the CCA low income credit flag and the sixth tier BDR (5 percent discount) any further. Based on the data provided thus far in this docket, we do not anticipate a substantial increase in saturation and conversion rates.~~

5. Use of terminology "Attest" and "Verify" for different processes

38 In its Petition, TEP argues the Commission used the terms "attest" and "verify" interchangeably when the terms refer to two distinct processes.⁵⁷ We agree that the use of these terms were interchanged inadvertently, and revise paragraph 43 of Order 04 as follows:

We agree, and at this juncture the Commission believes that the Joint Outreach Plan PSE submitted in this docket on September 13, 2024, represents a reasonable plan to reach out and notify these 55,000 customers before discontinuing the CCA Flag and 5 percent discount for those provisionally enrolled in the BDR program. We also concur with PSE that "continuing to require zero confirmation, attestation, or proof of income for those automatically enrolled customers, while refusing to provide the same benefit of doubt to customers who apply by the typical rules of the BDR program...applies two different standards ~~but provides them with equal benefits,~~" which is unfair, inequitable, and inconsistent with the accepted tariff terms. Accordingly, the Commission grants PSE's request to require auto-enrolled customers to self-attest to eligibility as a prerequisite to continue receiving benefits in PSE's BDR program and to provide income verification as requested by the Company in accordance with its approved tariffs, or when selected via the post-enrollment verification process) to avail themselves of additional benefits that may be available. That said, we also find that any prequalified low-income customer that PSE provisionally enrolled in the sixth tier of the BDR program may not be barred from receiving benefits in the future if that customer demonstrates income eligibility.

⁵⁷ TEP Petition at 14 ¶ 31.

39 Furthermore, the Commission understands that the language in Order 04 could be interpreted to prohibit self-attestation, which is contrary to what we intend. Accordingly, to provide clarification, we amend paragraph 62 of Order 04 as follows:

Puget Sound Energy may require identified low-income customers to self-attest or declare income eligibility under Schedule 111 ~~but shall provide income verification~~ as a prerequisite before being enrolled in PSE's BDR program to receive any benefits.

40 Finally, the Commission desires to correct the record regarding statements and arguments made by certain parties. Paragraph 23 of Order 04 states:

NWEC commented that the enrollment process is streamlined and low-income is well defined through the tariff. NWEC believes that because of this, continuing the auto-enrollment program is inequitable, potentially preferential, and unduly discriminatory towards other customers.

41 These comments were made by AWEC at the August 28, 2024, Open Meeting. The Commission apologizes for this oversight and hereby amends paragraph 23 of Order 04 as follows:

AWEC commented that the enrollment process is streamlined and low-income is well defined through the tariff. AWEC believes that because of this, continuing the auto-enrollment program is inequitable, potentially preferential, and unduly discriminatory towards other customers.

42 Finally, paragraph 44 of Order 04 erroneously states that TEP, Staff and NWEC (Joint Petitioners) agree that "revenues derived from the consignment of no cost allowances should "not" be passed back to customers. As noted by the Joint Petitioners, they are advocating for these revenues to be passed back to customers. The Commission hereby amends paragraph 44 to state:

Next, although the Joint Petitioners and Public Counsel offer varying interpretations of PSE's statutory obligations under RCW 70A.65.130 (2)(a), to eliminate "any additional cost burden to low-income customers" under the CCA, they collectively agree that revenues derived from the consignment of no cost allowances should be passed back to low-income customers.

FINDINGS AND CONCLUSIONS

43 Having discussed above in detail the evidence received in this proceeding concerning all
material matters, and having stated findings and conclusions upon issues in dispute
among the Parties and the reasons therefore, the Commission now makes the following
summary of those facts, incorporating by reference pertinent portions of the preceding
detailed findings:

- 44 (1) The Commission is an agency of the state of Washington vested by statute with
the authority to regulate the rates, rules, regulations, practices, accounts,
securities, transfers of property, and affiliated interests of public service
companies, including electric companies.
- 45 (2) PSE is a “public service company,” an “electrical company,” and a “gas
company” as those terms are defined in RCW 80.04.010 and subject to
Commission jurisdiction providing service as an electric and natural gas
company.
- 46 (3) On April 28, 2025, TEP filed a petition for reconsideration, advocating for
various modifications to Order 04.
- 47 (4) TEP’s motion to reopen the record to include additional evidence in this
docket not previously brought before the Commission should be denied.
- 48 (5) TEP’s request to reconsider factual errors concerning the time frame in which
auto-enrolled low-income customers received benefits should be granted, and
language in Order 04 revised and amended to reflect that the presumed auto-
enrolled low-income customers received the BDR sixth tier (5 percent) discount
benefit for 10 months as opposed to 16 months.
- 49 (6) TEP’s request that the Commission reconsider paragraph 43 of Order 04 because
it used the terms “attest” and “verify” interchangeably in referring to two distinct
process should be granted.
- 50 (7) TEP’s request to correct other numerous clerical factual errors in paragraphs 23,
44, and 64 of Order 04 should be granted.
- 51 (8) TEP’s request for the Commission to reconsider paragraphs 47 and 58 to provide

that the Climate Commitment Act (CCA) authorizes PSE to utilize automatic enrollment if necessary to comply with its statutory mandate to eliminate CCA implementation costs should be denied.

- 52 (8) TEP's request for the Commission to reconsider its decision to delink the CCA low-income credit flag from the BDR program should be denied.
- 53 (9) PSE must share its data metrics and specific results summarizing the effectiveness of its Joint Outreach Plan, conducted from October 2024 to June 2025, with the Commission, LIAC and other parties. We require PSE to provide a presentation at an Open Meeting and file this information in the docket within 30 days of the effective date of this Order.
- 54 (10) PSE must continue to work with its LIAC and interested parties to further evaluate, refine, and modify the definition of "identified low-income customer" in Tariff Schedule 111, as well as other terms for a CCA low-income credit. The revisions to Tariff Schedule 111 should include: (a) definitions; (b) new terms and conditions clearly delineating the criteria to be met for qualifying low-income customers to receive the separate "CCA low-income credit" derived from pass back revenues from PSE's consignment of no-cost allowances; (c) the duration of enrollment; and (d) be distinct from the specific terms and conditions sets forth in Schedule 23BDR and Schedule 129. After collaborating with the LIAC and the other parties in this matter, PSE shall submit the revised Tariff Schedule 111 in this docket within 90 days of the effective date of this Order.
- 55 (11) Puget Sound Energy must also continue working with its LIAC and interested Parties, and engage in further discussions on how targets and/or minimum thresholds should be achieved, and whether or not the application of using third-party data in the context of conducting outreach should occur in the currently ongoing workshop series on CCA implementation in Docket U-230161.

ORDER

THE COMMISSION ORDERS:

- 56 (1) The Petition for reconsideration filed by The Energy Project (TEP) is DENIED.
- 57 (2) Puget Sound Energy is authorized and required to make compliance filings in this

docket including all tariff sheets that are necessary and sufficient to effectuate the terms of this Order.

- 58 (3) The Commission Secretary is authorized to accept by letter, with copies to all Parties to this proceeding, filings that comply with the requirements of this Order.
- 59 (4) The Commission retains jurisdiction over the subject matter and Puget Sound Energy to effectuate the provisions of this Order.

DATED at Lacey, Washington, and effective June 13, 2025.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION



Ann E. Rendahl



Milt H. Doumit

NOTICE TO PARTIES: This is a final order of the Commission. In addition to judicial review, administrative relief may be available through a petition for reconsideration filed within 10 days of the service of this order pursuant to RCW 34.05.470 and WAC 480-07-850, or a petition for rehearing pursuant to RCW 80.04.200 or RCW 81.04.200 and WAC 480-07-870.