

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION	)	DOCKET UE-230172
	)	<b>(Consolidated)</b>
Complainant,	)	
	)	PROPOSED BUDGET FOR FUND
v.	)	GRANT OF THE ALLIANCE OF
	)	WESTERN ENERGY CONSUMERS
PACIFICORP d/b/a PACIFIC POWER & LIGHT COMPANY,	)	
	)	
Respondent.	)	
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In the Matter of	)	DOCKET UE-210852
	)	<b>(Consolidated)</b>
ALLIANCE OF WESTERN ENERGY CONSUMERS,	)	
	)	
Petition for Order Approving Deferral of Increased Fly Ash Revenues.	)	
	)	
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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 March 17, 2023, PacifiCorp d/b/a Pacific Power & Light Company (“PacifiCorp” or the “Company”) filed its request for a general rate revision for its electric service. The Commission docketed this filing as UE-230172.<sup>1</sup> On May 24, 2023, the

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<sup>1</sup> PacifiCorp’s original filing was replaced by its April 19, 2023 filing.  
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Commission issued Order 03 in this proceeding, consolidating Dockets UE-230172 and UE-210852.

3 Dockets UE-230172/UE-210852 are Eligible Proceedings for Fund Grants under Article 1(c) of the Funding Agreement. Accordingly, a Fund Grant may be made for this proceeding under the Funding Agreement.

4 On April 4, 2023, as required by Article 6.2 of the Funding Agreement, AWEC filed its Request for Case Certification and Notice of Intent to request a Fund Grant, which was also served on PacifiCorp and all parties of record in the proceeding. In that filing, AWEC identified the PacifiCorp Customer Representation Sub-Fund as the account from which AWEC intends to request a Fund Grant.

5 On May 25, 2023, the Commission granted AWEC's Request for Case Certification, finding that AWEC demonstrated it is a non-profit organization that represents broad customer interests,<sup>2</sup> that "it can effectively represent the particular customers it seeks to represent,"<sup>3</sup> and that "the public interest is served by AWEC's participation" and "no other party adequately represents the interests of industrial customers."<sup>4</sup>

6 Pursuant to Article 6.3 of the Funding Agreement, AWEC files this Proposed Budget in this case for a PacifiCorp Customer Representation Sub-Fund grant in the amount of \$66,000. If additional PacifiCorp Customer Representation Sub-Fund amounts become available, AWEC reserves the right to file an amended proposed budget and request an additional Fund Grant. The following information is provided in accordance with Articles 6.3 and 6.6 of the Funding Agreement.

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<sup>2</sup> Dockets UE-230172 and UE-210852 (*consolidated*), Orders 04/02 at ¶ 12 (May 25, 2023).

<sup>3</sup> *Id.* at ¶ 13.

<sup>4</sup> *Id.*

7                    **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 these Dockets. 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.

8                    **Description of the general areas to be investigated by AWEC.** AWEC intends to investigate all economic and policy aspects of PacifiCorp’s filing. General issues include PacifiCorp’s request for approval of a proposed Two-Year Rate Plan, performance-based ratemaking, revenue requirement items such as cost of capital, capital additions, net power costs, operating expenses and revenues, as well as rate spread and rate design. AWEC will also review issues raised by other parties.

9                    **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 PacifiCorp Customer Representation Sub-Fund, which currently has a balance of \$200,000 to AWEC’s understanding.

10                   **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.

11                   **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.

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**Cooperative Efforts.** In accordance with Article 6.6 of the Funding Agreement, AWEC coordinated with the other organizations who filed Notices of Intent to Request a Fund Grant from the Customer Representation Sub-Fund. As of the time of this filing, AWEC is not aware of any objection to its proposed budget.

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**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. General rate case proceedings implicate all aspects of a utility's revenue requirement, including expenses, revenues, capital additions, cost of capital and rate spread/rate design. Moreover, PacifiCorp's 2023 rate case raises several policy issues as described below. Evaluation of this rate case will require substantial effort and expense by AWEC to ensure just and reasonable rates for industrial customers.
- b. As indicated above, this case includes PacifiCorp's initial request for a Two-Year Rate Plan pursuant to RCW 80.28.425. PacifiCorp's Two-Year Rate Plan raises a number of policy considerations, including issues regarding the treatment of coal-fired generating units, including the conversion of Jim Bridger Units 1 and 2 to natural gas for inclusion in Washington rates through 2029 and the inclusion of net power cost benefits associated with the inclusion of Colstrip Unit 4 and Jim Bridger Units 3 and 4 through 2025.
- 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. For rate year one, PacifiCorp requests an increase in revenues of approximately \$26.8 million, effective March 1, 2024. For the second rate year, the requested increase is approximately \$27.9 million. These represent significant rate increases for PacifiCorp's industrial and large non-residential customers. Any change to PacifiCorp's rates could substantially impact the rates PacifiCorp's charges to its customers, including AWEC's members, and therefore warrants considerable scrutiny.
- e. The Commission has previously recognized AWEC as an "incumbent" organization with a history of representing industrial customers' interests before the Commission,<sup>5</sup> and determined that "no other party adequately represents the interests of industrial customers."<sup>6</sup>
- 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

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<sup>5</sup> Dockets UE-220066 and UG-220067, Order 08 at ¶ 24 (Mar. 24, 2022).

<sup>6</sup> *Id.* at ¶ 25.

and PacifiCorp. In addition, AWEC has participated in numerous previous cases related to setting rates for PacifiCorp. Thus, AWEC possesses significant interest and expertise with respect to this proceeding. AWEC's participation will benefit all PacifiCorp industrial and large non-residential customers.

- h. The level of available funds in the PacifiCorp 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 PacifiCorp Customer Representation Sub-Fund, the number of other parties eligible to seek a Fund Grant in this case, and the significance of both the number and substance of issues raised in this proceeding, AWEC anticipates utilizing available PacifiCorp grant funds in this proceeding and does not anticipate seeking additional Fund Grants from the Annual Fund Amount of the PacifiCorp Customer Representation Sub-Fund in 2023, assuming a fully litigated proceeding.<sup>7</sup>

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<sup>7</sup> AWEC notes that Paragraph 4.2.4 of the Washington Extended Interim Participatory Funding Agreement allows for a Participating Organization to file a petition to increase a current year's sub-fund. Based on discussions with other parties seeking a Customer Representation Sub-Fund Grant, AWEC does not anticipate additional funds to be available from the Annual Fund Amount once budgets are approved for PacifiCorp's General Rate Case and Clean Energy Implementation Plan proceeding.

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

Dated this 26th day of May, 2023.

Respectfully submitted,

DAVISON VAN CLEVE, P.C.

/s/ Sommer J. Moser

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Of Attorneys for the

Alliance of Western Energy Consumers

UE-230172/UE-210852

Exhibit A

AWEC Proposed Budget for Fund Grant

Personnel	Hours	Rate	Cost
<i>Attorney Fees</i>			
Partner	80	\$325	\$26,000
Senior Attorney	180	\$300	\$54,000
Junior Attorney	160	\$275	\$44,000
Paralegal / Law Clerk	135	\$200	\$27,000
<i>Expert Witness Fees</i>			
Expert	200	\$244	\$48,800
<i>Other Expenses</i>			
Travel			\$100
Printing and Postage			\$100
Subtotal			\$200,000
<b>Total AWEC Request for PacifiCorp Customer Representation Sub-Fund Grant</b>			<b>\$66,000</b>