

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PACIFICORP D/B/A PACIFIC POWER
AND LIGHT COMPANY,

Respondent.

DOCKETS UE-250224

ORDER 04

APPROVING PROPOSED BUDGETS
AND FUND GRANTS

BACKGROUND

- 1 On February 15, 2024, PacifiCorp d/b/a Pacific Power and Light Company (PacifiCorp or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its current WN U-76 Tariff for electric service. PacifiCorp characterizes its filing as a power cost only rate case (PCORC). The Company files this PCORC in accordance with Order 09 in Docket UE-230172, which required the Company to submit a PCORC to reset the baseline to remove coal-fired resources from rates. The Company's proposed revised tariff sheets provide an effective date of January 1, 2026.
- 2 On April 18, 2025, the Commission suspended the tariff filing and set the matter for hearing.
- 3 On April 9, 2025, the Alliance of Western Energy Customers (AWEC) filed a Petition for Case Certification and a Notice of Intent to Request a Fund Grant.
- 4 On May 8, 2025, The Energy Project (TEP) filed a Petition for Case Certification and a Notice of Intent to Request a Fund Grant.
- 5 The Commission convened a virtual prehearing conference on May 16, 2025, before Administrative Law Judges Connor Thompson and Bijan Hughes. During the prehearing

conference, the Commission granted AWEC and TEP's requests for case certification.¹

6 On April 18, 2024, the Commission entered Order 02, Prehearing Conference Order and Notice of Hearing (Order 02), scheduling an evidentiary hearing for October 7, 2025, at 9 a.m. The Commission required that any proposed budgets be filed within thirty days of the date of the prehearing conference.

7 On June 13, 2025, AWEC and TEP each filed a Proposed Budget for Fund Grant (Proposed Budget). The details of the parties' requests are discussed in detail in the following discussion section.

DISCUSSION

8 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.²

9 On November 19, 2021, the Commission issued a Policy Statement on Participatory Funding for Regulatory Proceedings (Policy Statement).³ 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."⁴ The Commission indicated that the Policy Statement was an evolving document, saying "as we implement the first round of funding arrangements, we look forward to what we expect will be many lessons learned. These lessons will inform future iterations of Washington's participatory funding program, including the possibility of a rulemaking to codify best practices into Commission rules."⁵

¹ Thompson, Tr. 24:24-5 (May 16, 2025).

² RCW 80.28.430(2).

³ *In the Matter of the Commission's Examination of Participatory Funding Provisions for Regulatory Proceedings*, Docket U-210595 (November 19, 2021).

⁴ *Id.* ¶ 3.

⁵ *Id.* ¶ 17.

- 10 On February 24, 2022, the Commission issued Order 01, Approving Agreement with Modifications (Order 01).⁶ The Commission approved the Interim Agreement filed by the parties on February 14, 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.⁷
- 11 On April 11, 2025, the Commission issued Order 03, Approving Agreement; Subject to Conditions (Order 03), updating the agreement among the utilities subject to conditions (Third Interim Agreement).⁸ The Commission ordered the utilities subject to Order 03, among other things, to submit a biannual filing in Docket U-210595 showing the fund balances and requests pending approval, with the first filings to be submitted no later than July 1, 2025.⁹
- 12 In relevant part, the Third Interim Agreement requires that Proposed Budgets include a statement of the work to be performed, a description of the general areas to be investigated, an identification of the specific sub-fund at issue, and a budget showing any estimated attorney fees or consultant fees.¹⁰ If the Commission receives one or more Proposed Budgets, it will “determine the amount, if any, of Fund Grants that will be made available . . .”¹¹ The Commission may make this determination based on the following factors:
- (a) the breadth and complexity of the issues;
 - (b) the significance of any policy issues;
 - (c) the procedural schedule;
 - (d) the dollar magnitude of the issues at stake;
 - (e) the participation of other parties that adequately represent the interests of customers;

⁶ *In the Matter of the Petition of Puget Sound Energy, et al.*, Docket U-210595 Order 01 (February 24, 2022).

⁷ *Id.*

⁸ *In the Matter of the Commission’s Examination of Participatory Funding Provisions for Regulatory Proceedings*, Docket U-210595, Order 03 at 6-9 ¶¶ 22, 33-36 (April 11, 2025).

⁹ *Id.* at 6-7 ¶¶ 22 (April 11, 2025).

¹⁰ Third Interim Agreement § 6.5.

¹¹ *Id.*

- (f) the amount of funds being provided by the applicant intervenor, if any;
- (g) the qualifications of the party and experience before the Commission;
- (h) the level of available funds in the Fund account or accounts involved;
- (i) other Eligible Proceedings for Funds in which stakeholders may seek additional Fund Grants from the same Sub-Fund; or
- (j) any other factors the Commission deems relevant.”¹²

13 The Commission may reject, in whole or in part, a request for Fund Grant based on these factors.¹³ The Commission may place reasonable conditions on Fund Grants, and it may amend Fund Grants on a prospective basis.¹⁴

14 In this case, each of the two case-certified parties filed Proposed Budgets. AWEC requested \$80,000 and TEP requested \$35,000, for a total of \$115,000 from the \$200,000 remaining in PacifiCorp’s Customer Representation Sub-Fund. We address each Proposed Budget in turn, considering them in light of the content requirements set forth in Section 6.3 and the various factors set forth in Section 6.5 of the Third Interim Agreement.

15 **AWEC.** On June 13, 2025, AWEC filed a Proposed Budget. AWEC requested a Fund Grant of \$80,000 from the Customer Representation Sub-Fund to partially offset the costs of staff and operational support and expert witness fees required in this proceeding.¹⁵ AWEC estimates to incur a total cost of \$149,800. AWEC plans to investigate:

all economic and policy aspects of PacifiCorp’s filing. General issues include review of the prudence of PacifiCorp’s 2026 net power cost forecast and the requested rate increase of approximately \$33.9 million or 7.9 percent. AWEC also intends to investigate and address PacifiCorp’s proposal for allocating certain system costs and resources to Washington. AWEC will also review issues raised by other parties.¹⁶

¹² *Id.*

¹³ *Id.*

¹⁴ *Id.*

¹⁵ We note that AWEC’s proposed budget indicates that it plans to spend five-thousand dollars on an Aurora license and as a result that it intends to submit a request for additional funds, should they become available.

¹⁶ AWEC Proposed Budget at ¶ 8 (June 13, 2025)

- 16 Several factors weigh in favor of the reasonableness of AWEC's Proposed Budget. AWEC only requests a portion of its costs for participating in this proceeding. AWEC also has a history of appearing before the Commission. The Commission also recognizes AWEC as an "incumbent" organization with a history of representing industrial customers before the Commission. The Commission also observes that the total requests presented to the Commission in this proceeding would not exceed the remaining funds available in PacifiCorp's Consumer Access Fund.
- 17 The Commission therefore approves a Fund Grant for AWEC in the amount of \$80,000 for this proceeding.
- 18 **TEP.** On June 12, 2025, TEP filed a Proposed Budget. TEP requested a Fund Grant of \$35,000 pursuant to the Third Interim Agreement to partially offset the costs of its participation. TEP noted that it may investigate "all matters which have an impact on PacifiCorp's low income and vulnerable customers, including but not limited to multijurisdictional allocation methodologies, power costs, and rate spread." TEP requests a total award of \$35,000, for attorney fees, from PacifiCorp's Customer Representation Sub-Fund. This is less than TEP's total estimated costs, as it does not include the cost of professional or in-house staff.
- 19 Much like AWEC, several Section 6.5 factors weigh in favor of TEP's request. We observe that TEP is contributing from its own funds to participate, and TEP's Fund Grant only seeks to partially offset these costs. TEP is an "incumbent" organization with a history of appearing before the Commission,¹⁷ and it seeks to investigate important issues in this proceeding. We also observe that the total requests presented to the Commission in this proceeding would not exceed the remaining funds available in PacifiCorp's Consumer Access Fund.
- 20 The Commission therefore approves a total Fund Grant of \$35,000 for TEP in this proceeding.
- 21 Finally, we remind all parties that neither case-certification nor approval of a Proposed Budget for a Fund Grant is a guarantee of reimbursement. We may determine that a party's request for reimbursement should be denied in part or in whole. The amount of funding in each Consumer Access Fund is limited, and it may be required for more than one Eligible Proceeding. These funds are also sourced from ratepayers, many of whom are faced with their own economic challenges. Thus, we expect all requests for reimbursement to contain details, including receipts, invoices, and any other

¹⁷ Policy Statement ¶ 18.

documentation of costs for which recovery is requested. All requests must also include references to eligibility for expenses and any relevant portions of the Third Interim Agreement. To incentivize appropriate use and equitable distribution of Fund Grants, we will also carefully evaluate how recovered costs should be allocated to customers. For example, we will consider whether each case-certified party's recovered costs should be allocated towards a specific customer class, a select group of classes, or across the entirety of customers.

ORDER

THE COMMISSION ORDERS:

- 22 (1) The Alliance Western Energy Consumer's Proposed Budget and Fund Grant is
 APPROVED in the amount of \$80,000.
- 23 (2) The Energy Projects' Proposed Budget and Fund Grant is APPROVED in the
 amount of \$35,000.

Dated at Lacey, Washington, and effective July 10, 2025.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

/s/ Bijan Hughes
BIJAN HUGHES
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.