

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

<p>WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,</p> <p>Complainant,</p> <p>v.</p> <p>PUGET SOUND ENERGY,</p> <p>Respondent.</p>	<p>DOCKETS UE-220066 and UG- 220067 (<i>Consolidated</i>)</p> <p>ORDER 28</p>
<hr/> <p>In the Matter of the Petition of</p> <p>PUGET SOUND ENERGY</p> <p>For an Order Authorizing Deferred Accounting Treatment for Puget Sound Energy’s Share of Costs Associated with the Tacoma LNG Facility</p>	<p>DOCKET UG-210918</p> <p>ORDER 14</p> <p>APPROVING PAYMENTS</p>

BACKGROUND

- 1 On January 31, 2022, Puget Sound Energy (PSE or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff WN U-60, Tariff G, Electric Service, and its currently effective Tariff WN U-2, Natural Gas. The Commission initiated an adjudication in consolidated Dockets UE-220066 and UG-220067.
- 2 On March 3, 2022, the Commission entered Order 03, Prehearing Conference Order and Notice of Hearing, set for October 3-4, 2022 (Order 03). The Commission granted petitions to intervene filed by The Energy Project (TEP) and other intervenors. Pursuant to the Interim Agreement filed in Docket U-210595, the Commission required the parties to file any requests for case certification and notices of intent to seek funding on or before March 14, 2022. Proposed budgets were due 30 days later, on April 13, 2022.
- 3 On March 24, 2022, the Commission issued Order 08, Granting Requests for Case Certification (Order 08). The Commission granted case certification to each of the six

parties who requested it. This included TEP, the Alliance of Western Energy Consumers (AWEC), the NW Energy Coalition (NWEC), the Puyallup Tribe of Indians (Puyallup Tribe), Front and Centered, and the Coalition of Eastside Neighbors for Sensible Energy (CENSE).

- 4 On April 12, 2022, the Commission issued a Notice Extending Deadline for Proposed Budgets. The Commission required any proposed budgets to be filed by April 25, 2022.
- 5 By April 25, 2022, each of the six case-certified parties filed Proposed Budgets and Requests for Fund Grants.
- 6 On May 26, 2022, the Commission entered Order 16/02, Approving Proposed Budgets and Fund Grants in Part; Rejecting in Part (Order 16/02). The Commission approved proposed budgets and fund grants for the following intervenors: \$50,000 for TEP; \$50,000 for the AWEC; \$50,000 for NWEC; and \$15,000 for Front and Centered. The Commission approved in part, and rejected in part, proposed budgets and fund grants for the following intervenors: \$45,000 for the Puyallup Tribe of Indians and \$15,000 for CENSE.
- 7 On December 22, 2022, the Commission entered Final Order 24/10, Rejecting Tariff Sheets; Approving Settlements, with Conditions; Authorizing and Requiring Compliance Filing (Final Order 24/10). Final Order 24/10 approved three partial multiparty settlements, which, considered together, resolved all the disputed issues in PSE's general rate case.
- 8 AWEC, CENSE, the Puyallup Tribe, and NWEC filed requests for payments of fund grants by February 16, 2023.
- 9 On March 2, 2023, the Commission entered Order 27/13 Approving Payments (Order 27/13). The Commission approved the requests for payment filed earlier by AWEC, the Puyallup Tribe, and NWEC. The Commission approved in part, and rejected in part, the request for payment filed by CENSE.
- 10 On March 8, 2023, Front and Centered filed a Motion Requesting Clarification of Order 27/13 (Motion for Clarification) and a Request for Payment of Fund Grant in the amount of \$15,000 (Request for Payment). Front and Centered notes that Order 27/13 stated that Front and Centered did not submit a request for payment within 60 days of the Commission's final order in this proceeding. However, Front and Centered submits that the Interim Agreement provides that requests for payment must be submitted within 60 days of when the final order is no longer appealable. Front and Centered requests clarification of the deadline for submitting a request for payment and that the Commission consider and approve its Request for Payment.

DISCUSSION

I. Front and Centered's Motion for Clarification

- 11 Commission rules provide that a party may request clarification of an initial or final order.¹ Although Order 27/13 does not represent a final order that resolves the disputed issues in this adjudication,² we find it appropriate to consider and rule on Front and Centered's request for clarification of Order 27/13. Front and Centered filed its Motion for Clarification less than 10 days after the entry of Order 27/13, and its motion is not prohibited by any Commission rule.
- 12 With regards to the issue raised by Front and Centered, the Interim Agreement requires any organizations to submit requests for payment within 60 days of when the Commission's final order is final and no longer appealable.³ The Interim Agreement provides, "A Request for Payment for Customer Access Funds may be made at the conclusion of an Eligible Proceeding, and, when applicable, no later than 60 days after the Commission's final order issued in the Eligible Proceeding has become final and non-appealable."⁴
- 13 Order 27/13 indicated summarizing the procedural history of the case that Front and Centered did not file any request for payment within 60 days of the Commission's final order.⁵ Yet this language did not reflect the proper deadline for requests for payment. As Front and Centered observes, the Interim Agreement requires the organization to submit its request for payment no later than 60 days after the final order is no longer appealable. The parties normally have 30 days to appeal a final order from the Commission, and this time must be included in setting the deadline for any such requests.⁶
- 14 We therefore grant Front and Centered's Motion for Clarification. The proper deadline for such requests is described above in paragraphs 11 and 12 of this Order. Because Order 27/13 merely noted this issue in its recitation of the procedural history, we do not find the need to amend any language in Order 27/13.

¹ WAC 408-07-825(3); WAC 480-07-835.

² See WAC 480-07-820(1)(b) (defining final orders).

³ *Petition for approval of an interim participatory funding agreement pursuant to RCW 80.28.430*, Docket U-210595, Order 01 (February 24, 2022), Attachment A § 7.1 (Executed Feb. 24, 2022).

⁴ *Id.*

⁵ Order 27/13 ¶ 13.

⁶ RCW 34.05.542.

II. Front and Centered's Request for Payment

- 15 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 assistance is recovered in a utility’s rates; and other matters necessary to administer the agreement.⁷
- 16 On November 19, 2021, the Commission issued a Policy Statement on Participatory Funding for Regulatory Proceedings (Policy Statement) in Docket U-210595.⁸ 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.”⁹
- 17 On February 24, 2022, the Commission issued Order 01, Approving Agreement with Modifications (Order 01).¹⁰ 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.¹¹ 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.¹²
- 18 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;

⁷ RCW 80.28.430(2).

⁸ *In the Matter of the Commission’s Examination of Participatory Funding Provisions for Regulatory Proceedings*, Docket U-210595 (November 19, 2021).

⁹ *Id.* ¶ 3.

¹⁰ *In the Matter of the Petition of Puget Sound Energy, et al.*, Docket U-210595 Order 01 (February 24, 2022).

¹¹ *Id.* ¶ 17.

¹² *Id.* ¶ 4.

(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."¹³

19 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,¹⁴ 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.¹⁵ 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.¹⁶ 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.

20 On February 9, 2023, the Commission entered Order 02, Approving Agreement Subject to Condition, Requiring Refiling of Modified Agreement (Order 02).¹⁷ The Commission approved the Revised Agreement submitted by the parties subject to the removal of paragraph 7.9, which authorized deferred accounting treatment.¹⁸ The Commission also clarified that it was not bound by the timelines set forth in the Revised Agreement.¹⁹

¹³ Interim Agreement § 7.1.

¹⁴ Interim Agreement § 7.3.

¹⁵ Interim Agreement § 7.6.

¹⁶ Interim Agreement § 7.7.

¹⁷ *In the Matter of the Petition of Puget Sound Energy, et al.*, Docket U-210595 Order 02 (February 9, 2023).

¹⁸ *Id.* ¶ 20.

¹⁹ *Id.* ¶ 21.

- 21 As relevant here, the Revised Agreement carried forward the same requirements for requests for payments of fund grants.²⁰ It also makes clear that “[e]ligible expenses” may include costs for eligible proceedings incurred prior to the approval of the Revised Agreement.²¹
- 22 Here, Front and Centered has filed a timely Request for Payment of \$15,000. After considering the requirements set forth in Sections 7.1, 7.3, and 7.7 of the Interim Agreement, we determine that Front and Centered’s request for payment of \$15,000 should be approved.
- 23 Front and Centered investigated and participated in multiple issues in this proceeding supporting the Revenue Requirement Settlement.²² It describes its requests for time from its own staff, specifically its Director and Policy Director, in sufficient detail for the Commission to determine that they are reasonable. It maintains that this time is directly attributable to participating in the case. Front and Centered also describes holding workshops focused on energy justice issues to its coalition members, which are a permissible use of funds for prioritized organizations.
- 24 Finally, we observe that Front and Centered’s request represents only a portion of its costs for participating in this proceeding. Front and Centered does not request any fees for its representation by Earthjustice.
- 25 Because Front and Centered is broadly concerned with issues affecting historically under-represented communities, these participatory funding costs should be assigned proportionally between electric and natural gas customers based on total billed revenue and should be assessed and recovered from all customer classes.
- 26 We observe that Front and Centered requests reimbursement from PSE’s Customer Representation Sub-Fund.²³ This specific reference appears to be in error, because it is inconsistent with earlier filings. We instead construe Front and Centered as requesting reimbursement from PSE’s Prioritized Organizations Sub-Fund because this is consistent with earlier filings, orders in this proceeding, and other submissions from the organization. In its Proposed Budget, filed on April 25, 2022, Front and Centered requested funds from the Prioritized Organizations Sub-Fund. In Order 16/02, the

²⁰ Revised Agreement § 7.1.

²¹ 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).

²² *E.g.*, AWEC Brief ¶ 5.

²³ Request for Payment ¶ 9.

Commission approved the organization's proposed budget referring to the same sub-fund. Finally, in Exhibit A to Front and Centered's Request for Payment, Front and Centered indicates that it is making "[a] final request for payment under this Approved Fund Grant, for the full amount of the Approved Fund Grant." Given these filings and the findings in Order 16/02, we construe Front and Centered as requesting reimbursement from the Prioritized Organization Sub-Fund.

- 27 PSE must pay the above Request for Payment as directed within 30 days of the entry of this Order.²⁴

ORDER

- 28 THE COMMISSION ORDERS That Front and Centered's Request for Payment from the Prioritized Organizations Sub-Fund in the amount of \$15,000 is APPROVED.

DATED at Lacey, Washington, and effective April 11, 2023.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chair

ANN E. RENDAHL, Commissioner

MILTON H. DOUMIT, Commissioner

²⁴ Interim Agreement § 7.8.