

each year.

- 4 On February 25, 2025, PSE filed with the Commission a newly revised petition (February Petition) seeking to amend the previously Amended Petition to extend the deferred accounting treatment for three years, through the end of the newly proposed Participatory Funding Agreement (Proposed Agreement) filed on February 18, 2025, in Docket UE-210595.
- 5 On April 4, 2025, PSE filed its Revised Third Amended Petition (April Petition). PSE revised its February Petition indicating that the deferral will result in a credit or debit to ratepayers based on recovery relative to the amount recovered for participatory funding in base rates approved in PSE's most recent rate case in Dockets UE-240004 and UG-240005.
- 6 On April 10, 2025, the Commission entered Order 03, granting PSE's April Petition but not allowing the Company to accrue any carrying costs on deferred amounts related to the Participatory Funding Agreement.³ PSE's April Petition was approved prior to hearing discussion regarding approval of the Participatory Funding Agreement. During the discussion regarding the Participatory Funding Agreement, several utilities expressed disagreement regarding the Commission not allowing carrying costs.
- 7 The Commission requires that companies requesting to defer costs through accounting petitions demonstrate that such treatment is necessary due to extraordinary circumstances which cause a material impact. In this instance, however, the applicable statute specifically allows deferral of financial assistance provided by the utilities, and Order 01 specifically addresses allowable carrying charges.
- 8 Commission staff (Staff) reviewed the February Petition, as amended on April 4, 2025, and finds the amended accounting petition reasonable. However, Staff found that PSE's request for carrying costs at the authorized rate of return are unreasonable given the reduced risks associated with cost recovery as it relates to participatory funding expenses. Staff recommended that the Commission should approve PSE's petition subject to the condition that carrying costs are not authorized.
- 9 On April 24, 2025, during the Commission's regularly scheduled Open Meeting, Commissioner Doumit moved to reconsider this matter based on the discussions related to the Participatory Funding Agreement that occurred after the motion

³ Order 03 at ¶ 24 (Apr. 11, 2025).

approving Order 03 in this Docket, related to PSE not being permitted to recover carrying costs.

- 10 During the April 24, 2025, Open Meeting, the Commission heard comments from Staff, Public Counsel, PSE, and PacifiCorp. Staff reiterated its recommendation, noting that recovery is all but guaranteed by statute, that a portion of PSE's Participatory Funding Agreement costs are already recovered through base rates which makes them uniquely situated from other utilities, and that the amounts in question are relatively small as a portion of rate base. PSE and PacifiCorp supported reconsideration of the carrying cost issue. Public Counsel expressed support to reconsider the issue to ensure equitable treatment of all utilities.

DISCUSSION

- 11 Pursuant to WAC 480-07-900(9), the Commission may modify procedures to the Open Meeting when appropriate at the Commission's discretion. WAC 480-07-850 allows for any party to petition the Commission for reconsideration of a final order. WAC 480-07-860 further allows any party to petition the Commission to stay the effectiveness of a final order and allows the Commission to stay the effect of a final order on its own initiative. Finally, pursuant to WAC 480-07-875(1), the Commission may propose to alter, amend, or rescind any order.⁴
- 12 For the reasons discussed above, and because the Commission finds that it is appropriate to discuss this matter along with Petitions of other utilities, the Commission finds it appropriate to reconsider this matter, which would result in a stay of the effectiveness of Order 03, to rehear this matter at a later Open Meeting, and to potentially amend Order 03 as it relates to carrying costs following a later Open Meeting.

FINDINGS AND CONCLUSIONS

- 13 (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 natural gas companies.

⁴ Amendments to Orders are subject notice requirements, pursuant to WAC 480-07-750(1)(b).

- 14 (2) PSE is an electric and natural gas company providing service within the state of Washington. As a public service company, it is subject to Commission jurisdiction.
- 15 (3) WAC 480-07-370(3) allows companies to file petitions, including that for which PSE seeks approval.
- 16 (4) Staff has reviewed the Petitions filed in Dockets UE-220196 and UG-220197, including related work papers.
- 17 (5) This matter came before the Commission at its regularly scheduled meeting on April 10, 2025.
- 18 (6) During the April 24, 2025, regularly scheduled open meeting, the Commission granted a motion to reconsider this matter, which in effect is a motion to stay the effectiveness of Order 03, allowing the Commission an opportunity to amend Order 03 at an Open Meeting.

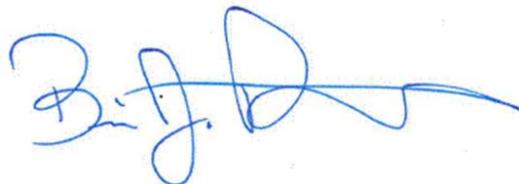
ORDER

THE COMMISSION ORDERS:

- 19 (1) The Commission stays the effectiveness of Order 03 pursuant to WAC 480-07-860, and will rehear this matter at a later Open Meeting.
- 20 (2) 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 April 24, 2025.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION



BRIAN J. RYBARIK, Chair



ANN E. RENDAHL, Commissioner



MILTON H. DOUMIT, Commissioner