

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

AVISTA CORPORATION d/b/a
AVISTA UTILITIES,

Respondent.

DOCKETS UE-220053 and
UG-220054 (*Consolidated*)

THE ENERGY PROJECT
PROPOSED BUDGET

1 Pursuant to RCW 80.28.430, the Washington Interim Participatory Funding Agreement (Funding Agreement) approved by the Washington Utilities and Transportation Commission (Commission),¹ and Order 05 in this docket, The Energy Project (TEP) hereby submits its Proposed Budget for this matter, pursuant to Section 6.3 of the Funding Agreement.

Statement of Work for Which Funding is Sought

2 The Energy Project intends to request a Fund Grant to partially offset the expense of expert consulting services to address: performance-based ratemaking issues, including performance measures, as well as other issues affecting low-income and vulnerable customers. In all areas, the emphasis will be on the low-income and vulnerable customer impacts of Avista Utilities' (Avista's) proposals in this docket.

3 The Energy Project also intends to request a Fund Grant to partially offset the expense of retaining counsel to represent TEP on all matters related to its participation in this docket.

General Areas To Be Investigated

4 Based on its review of Avista's rate filing to date, TEP is investigating or may investigate all matters which have an impact on Avista's low-income and vulnerable customers, including but not limited to the following: the multiyear rate plan, low-income assistance program funding and

¹ Docket U-210595, Order 01 (February 24, 2022).

design, low-income weatherization, billing, credit and collection issues, arrearage management, COVID-19 impacts and costs, performance based regulation and performance measures, cost of service, rate spread, rate design, decoupling, automated meters, renewables, electric vehicles, and distributed generation, information technology programs, Clean Energy Transformation Act labor, and reporting requirements.

5 The Energy Project is still reviewing the Avista general rate case filing and conducting discovery and reserves the right to investigate and address additional issues not stated here as the case progresses.

Specific Fund/Available Funds

6 As stated in its Request for Case Certification and Notice of Intent to Request Fund Grant, TEP intends to request a Fund Grant from the Customer Representation Sub-Fund of the Customer Access Fund for Avista.² At this time, TEP does not have information upon which to base an estimate of the amount of available funds in the account. Section 4.2 of the Funding Agreement provides for a Customer Representation Fund of \$200,000 for all parties for all Avista proceedings in 2022. TEP is coordinating its request with the other case-certified parties as required under Article 6.6 of the IFA.

Budget

7 As reflected in Exhibit A attached hereto, TEP submits the following estimated budget for its requested Fund Grants in this matter:

Estimated Expert Consultant/Expert Witness(es): \$25,000

Estimated Attorney Fees: \$25,000

² See Funding Agreement § 4.2.

These amounts represent partial reimbursement of expense. The Energy Project projects that its total expert witness and attorney fees for this case will significantly exceed the amounts stated.

Additional Information Requested By Commission

8 Order 05 requested that in submitting a proposed budget TEP should detail and explain how overlapping interests between TEP and other intervenors, such as NW Energy Coalition (NWECC), differ and how each intervenor’s specific perspectives on these topics are not adequately represented by the other intervenor. Order 05 also requests TEP to explain how its participation will benefit the public interest.³

9 The Commission has determined that both the NW Energy Coalition and TEP have a substantial interest in this proceeding and that their participation will be in the public interest.⁴ Both TEP and NWECC have a long history of successful intervention in Commission proceedings as separate representatives of their own differing constituencies’ interests. The Energy Project has been granted intervention in many dockets in which NWECC has also appeared, including this proceeding. To TEP’s knowledge, the Commission has not in any case imposed a condition on TEP’s intervention, pursuant to RCW 34.04.443(2)(c), that required TEP to combine its presentations of evidence and argument, cross-examination, discovery, or other participation in the proceedings with NWECC or any other intervening party, out of a concern that TEP’s participation was duplicative of another party’s role.

10 For over twenty years, TEP has represented the interests of low-income customers and vulnerable populations in proceedings before the Commission, including Avista’s general rate cases. TEP works directly with Community Action Partnership agencies, tribes, and other service providers that deliver bill assistance, energy efficiency services, and other anti-poverty programs

³ Order 05, ¶ 27.

⁴ Order 03, ¶ 5.

to ensure that Avista’s low-income customers are able to easily and efficiently access low-income programs. In general rate proceedings, TEP typically performs an evaluation of unmet need; the low-income weatherization program and rate assistance program structure, delivery mechanisms, and available budget; rate design; disconnection policies; the impact of special contracts on low-income program funding; the impact of novel policies on customer rates; renewable energy investments and policies; and many other matters that impact low-income and vulnerable populations.

11 NWEC’s differing emphasis is reflected in its Petition to Intervene, which cites, in addition to rate concerns, issues related to climate and clean energy policies, the Colstrip coal-fired power plant in Montana, customer-side resources, energy efficiency, and distribution system investments. NWEC’s interest in affordability covers moderate income, as well as low-income customers.⁵ NW Energy Coalition is a diverse coalition comprised of 107 organizations, utilities, municipalities, non-profits, and numerous individual members.⁶ The Energy Project is a member, but takes no part in decision-making about NWEC’s positions in Commission proceedings.

12 Neither NWEC nor The Energy Project can adequately represent the interests of the other. While The Energy Project has a broad interest in every issue that impacts low-income and vulnerable customers, as described above, the NW Energy Coalition’s interest in low-income customers is narrower: ensuring that the transformation to clean energy treats low-income customers equitably. While NWEC at times may address an aspect of a low-income issue, it does not have the same focus on, expertise about, or specific interest in low-income customers as TEP. NW Energy Coalition does not hold itself out as a principal advocate for low-income customers.

⁵ Petition to Intervene of the NW Energy Coalition , ¶ 4 (Feb. 8, 2022).

⁶ NW Energy Coalition, NWEC Members, <https://nwenergy.org/nwec-members/> (accessed March 17, 2022).

13 On the other hand, while NVEC has a broad interest in all aspects of the transformation to a clean energy future, TEP has a targeted specific interest in ensuring such a transformation is equitable and affordable for low-income and vulnerable customers. While the NW Energy Coalition focuses on and has expertise in a wide variety of clean energy topics, The Energy Project, is more specifically concerned about the availability of clean energy solutions to low-income customers and impact of the transformation on low-income customers' rates. The Energy Project does not hold itself out as a principal advocate for the clean energy transformation. Indeed, the rate impacts associated with the transformation to a clean energy future have at times resulted in TEP and NVEC taking different positions in both confidential settlement negotiations and in filings visible to the Commission. For example, TEP and NVEC have taken different positions regarding decoupling and time-of-use rates.⁷

14 Because of these differences, TEP and NVEC could take different positions in this case, and neither party can adequately represent the other's interests. Each organization is responsible to a different constituency and disagreement concerning the issues presented in this case is entirely possible.

15 The public interest will benefit from the participation of TEP and the NW Energy Coalition because of their different foci, perspectives, and constituencies. The organizations take this into account when evaluating if a rate filing meets the public interest requirement. There are many facets to the public interest. RCW 80.28.425(1) provides that when "determining the public interest, the commission may consider . . . environmental health and greenhouse gas emissions reductions, health and safety concerns, economic development, and equity, to the extent such

⁷ See, e.g., Docket UG-060518, *In the Matter of the Petition of PSE Corporation, D/B/A PSE Utilities, for an Order Authorizing Implementation of a Natural Gas Decoupling Mechanism and to Record Accounting Entries Associated With the Mechanism*, Order 04, Final Order Approving Decoupling Pilot Program (February 1, 2007).

factors affect the rates, services, and practices of a gas or electrical company regulated by the commission.” As described above, each organization can address different aspects of the public interest and thereby enrich the record in this proceeding with the perspective of their separate constituencies, which can aid the Commission’s decision making.

16 Finally, the distinct nature of TEP’s long history as a low-income advocate before the Commission was recognized in the Commission’s Policy Statement on participatory funding.

The Commission observed that:

When it mandated participatory funding, the Legislature recognized the value of diverse voices in Commission regulatory proceedings and the ways in which access to monetary resources can help or hamper equitable representation of those voices. The statute identifies organizations representing low-income . . . customers . . . such as . . . The Energy Project, that we refer to in this statement as “incumbent” organizations . . . The statute provides that incumbent organizations are eligible to receive financial assistance as they continue to appear before the Commission . . .⁸

17 The participation of parties with diverse foci, perspectives, and constituencies will help the Commission make a more informed decisions about a rate filing’s compliance with the new multifaceted definition public interest found in RCW 80.28.425.

DATED: April 21, 2022

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⁸ Docket U-210595, *In the Matter of the Commission’s Examination of Participatory Funding Provisions for Regulatory Proceedings, Policy Statement on Participatory Funding for Regulatory Proceedings*, ¶ 18 (Nov. 19, 2021).

* Mr. Zakai is not a member of the State Bar of California.

EXHIBIT A

The Energy Project's Proposed Budget for UE-220053 / UG-220054

Personnel	Estimate of Hours	Rate	Cost
<i>Attorney Fees</i> ⁹			
Associate Attorney	60	\$275	\$16,500
Fellow	25	\$220	\$5,500
Paralegal	25	\$120	\$3,000
<i>Expert Witness Fees</i>			
Experts	106	\$237/\$397	\$25,000
Total Request			\$50,000

This budget represents a partial reimbursement of expense. The Energy Project projects that its total expert witness and attorney fees for this case will significantly exceed the amounts stated.

⁹ Attorney fees do not represent Shute, Mihaly, and Weinberger LLP's market rates. In support of The Energy Project's representation of vulnerable populations and low-income customers, and the firm's commitment to equity, Shute, Mihaly, and Weinberger LLP represents The Energy Project at discounted rates.