



STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

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Electronic Filing

October 31, 2024

Mr. Jeff Killip
Executive Director & Secretary
Washington Utilities & Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

Re: Attestation of Regulatory Compliance with Final Order 07 in Docket No. UE-230482

Mr. Killip,

On October 30, 2024, and October 31, 2024, pursuant to Commission direction in Final Order 07 that was issued on October 30, 2024, Pacific Power & Light Company filed revised tariff sheets and calculation workbooks for affected schedules under Tariff WN U-76. This filing properly adjusts net power costs for the \$1.9 million decrease in natural gas fuel expense and results from partial reallocation of system-wide natural gas hedges to the benefit of Washington ratepayers. Commission Staff attests to the completeness of Pacific Power & Light Company's compliance with this element of Final Order 07 and that the tariff revisions may become effective by operation of law beginning November 1, 2024.

Commission Staff will monitor the remaining directives of Final Order 07, including:

The requirement that Pacific Power & Light Company during its next rate case provide justification for its continued reliance on the Washington Interjurisdictional Allocation Methodology as approved in 2020 and propose alternatives to ensure Washington ratepayers experience fair, just, and reasonable rates.¹

The requirement that Pacific Power & Light Company contract with a third-party consultant to conduct an independent audit of its dispatch of the Hermiston and Chehalis natural gas

¹ *Wash. Utils. & Transp. Comm'n v. Pac. Power & Light Co.*, Docket No. UE-230482, Final Order 07 at 29 ¶ 111 (October 30, 2024).

generating plants and that it develop a request for proposal, with assistance and input from Staff, for this consultant within ninety (90) days of the date of Final Order 07 with updates provided to the Commission every thirty (30) days.^{2,3}

The requirement that Pacific Power & Light Company continue to show it is improving the short position of Washington on a least-cost basis in accordance with Washington law and show analysis of the alternative of what rates for Washington customers would have been in the preceding ten (10) years if it had closed Washington's position with generation resources on its system rather than market positions and a cost-benefit analysis showing what rates will be ten (10) years into the future using Washington-based generation resources versus market position.⁴

Thank you for your attention to this matter.

Respectfully,

Kody McConnell
Regulatory Analyst, Energy Rates & Services

² *Wash. Utils. & Transp. Comm'n v. Pac. Power & Light Co.*, Docket No. UE-230482, Final Order 07 at 31 ¶ 118 (October 30, 2024).

³ *Wash. Utils. & Transp. Comm'n v. Pac. Power & Light Co.*, Docket No. UE-230482, Final Order 07 at 31 ¶ 119 (October 30, 2024).

⁴ *Wash. Utils. & Transp. Comm'n v. Pac. Power & Light Co.*, Docket No. UE-230482, Final Order 07 at 36 ¶ 137 (October 30, 2024).