

**Exh. JES-4
Docket UG-170929
Witness: Jennifer Snyder**

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

**CASCADE NATURAL GAS
CORPORATION,**

Respondent.

DOCKET UG-170929

**EXHIBIT TO
TESTIMONY OF**

Jennifer Snyder

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

The Energy Project's Response to UTC Staff Data Request No. 4

March 23, 2018

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

Docket UG-170929

WUTC v. CASCADE NATURAL GAS CORPORATION

**RESPONSE OF THE ENERGY PROJECT TO UTC STAFF
DATA REQUEST NO. 4**

Request No: 4
Directed to: Shawn Collins
Date Received: March 12, 2018
Date Produced: March 21, 2018
Prepared by: Shawn Collins
Witnesses: Shawn Collins

UTC STAFF DATA REQUEST NO. 4:

Please provide comprehensive definitions of “project coordination expenses” and “agency indirect rate expenses.” If possible, provide references to where these terms are defined and used in the public domain. Include lists detailing what expenditures are allowed for each type of administrative cost.

RESPONSE:

Project Coordination Expenses – The Energy Project uses the term ‘project coordination expenses’ to refer to direct program costs associated with operating the Weatherization program. Costs includes labor associated with program management, program administrative support, and project coordination. Space costs associated with the time charged against weatherization, as well as other direct program overhead costs such as vehicle mileage, phone charges, postage, copies, supplies, etc.

The Washington State Department of Commerce refers to these types of costs as Program Support Costs. The Department of Commerce Weatherization Specification Manual (July 2017 edition) states:

Program Support Costs -- Costs directly associated with the Weatherization program, but not directly associated with a specific Weatherization building, including Audit and Inspection costs, Consumer Conservation Education costs, and the cost to carry out Low Cost/No Cost Weatherization activities.

<http://www.commerce.wa.gov/wp-content/uploads/2017/08/Wx-Manual-2017.docx>

Agency Indirect Rate Expenses – These are costs associated with operating the agency such as the costs of the Executive Director, HR, and Fiscal. Costs benefit all programs of the agency. Also included in the indirect cost rate is a portion of departmental administration costs associated with overall departmental administration.

Per Code of Federal Regulations Appendix IV to Part 200—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Nonprofit Organizations:

“Indirect costs are those that have been incurred for common or joint objectives and cannot be readily identified with a particular final cost objective.”

https://www.ecfr.gov/cgi-bin/text-idx?SID=ef2b96d6575d50626f6749f617a84872&mc=true&node=ap2.1.200_1521.iv&rgn=div9