

MINUTES

Thursday, December 21, 2023

9:30 A.M.

PRESENT: David Danner, Chairman
Milt Doumit, Commissioner
Ann Rendahl, Commissioner

The regular meeting of the Washington Utilities and Transportation Commission was called to order on Thursday, December 21, 2023, by Chairman Danner. Neiri Carrasco, Director, Regulatory Services, indicated the description for item E40, Docket No. TG-230966, Puget Sound Energy, was revised.

E)1. Consent **00:00 mp4**

Disposition: Commissioner Rendahl moved to approve the consent agenda, except for E14, and directs the Secretary to sign orders and/or letters necessary to affect each action. Commissioner Doumit seconded the motion. The motion carried (3:0)

UTILITIES:

- A)1. 20:16 mp4 Docket Number UE-230805; Puget Sound Energy; Compliance Filing and request to revise Tariff WN U-60 electric Schedule 95, Power Cost Adjustment Clause, in accordance with the Settlement approved by Final Order 24/10 in PSE's last General Rate Case. The Company is requesting a revenue increase of \$185.6 million or 7.05 percent, effective January 1, 2024. A typical residential customer using 800 kWh would see a \$7.25 increase on their bill each month. Tariff Revision

Appearances: Crystal Oliver, staff; Jon Piliaris, Brennan Mueller, Puget Sound Energy; Sommer Moser, Alliance of Western Energy Consumers; Lauren McCloy, Northwest Energy Coalition

Disposition: Commissioner Rendahl moved to issue an order rejecting in part Puget Sound Energy's tariff and compliance filing, requiring PSE to exclude \$22.7 million in estimated costs associated with the indirect impact of Climate Commitment Act compliance from the Power Cost baseline update and require an updated Compliance and Tariff Revision be filed, subject to the condition that the company reflect the cost of CCA compliance in its dispatch that the issue of when the wind integration methodology is ripe for discussion in the general rate case, this is not a final decision on that and that the company include any benefit from

the transition adjustment that BPA might approve between now and when the company files its compliance filing. Commissioner Doumit seconded the motion. The motion carried (3:0)

- A)2. 1:37:57 mp4 Docket Number UE-230877; PacifiCorp; Revises Tariff WN U-76 to: (1) limit damages arising out of the Company's provision of electric services to actual damages; (2) exclude atypical damages (including special, non-economic, punitive, incidental, indirect, or consequential; (3) only apply prospectively, and for actions arising out of the provision of electric service; and (4) would not apply where state law otherwise disallows the limitation. Tariff Revision

Appearances: David Panco, Josephine Strauss, staff; Zack Rogala, PacifiCorp

Disposition: Commissioner Rendahl moved in Docket UE-230877, that the commission issue an order suspending the tariff sheets filed by PacifiCorp d/b/a Pacific Power & Light Company, on October 24, 2023, and set the matter for hearing. Commissioner Doumit seconded the motion. The motion carried (3:0)

- A)3. 1:47:58 mp4 Docket Number UG-230739; Northwest Natural Gas Company; Revises Tariff WN U-6, adding Schedule L - Bill Discount Rate. Also adds Schedule 231 for the recovery of costs for the program. An average residential customer using 58 therms per month will see a bill increase of 1.00 percent, or \$0.83 per month. Tariff Revision

Appearances: Corey Cook, staff; Yochi Zakai, Shaylee Stokes, The Energy Project; Natasha Siores, Northwest Natural Gas Company; Charlee Thompson, NW Energy Coalition;

Disposition: Commissioner Rendahl moved, in Docket UG-230739, that the commission issue an Order allowing the tariff pages filed by Northwest Natural Gas Company to become effective by operation of law, with the condition that:

1. Northwest Natural will continue to work with its Advisory Group to develop and implement an Arrearage Management Plan (AMP).
2. Northwest Natural must file a tariff revision with the Commission by December 31, 2024, to implement the arrearage management plan.
3. Northwest Natural must provide an opportunity for the Advisory Group to review the arrearage management plan prior to making the filing with the Commission.

Commissioner Doumit seconded the motion. The motion carried (3:0)

E)14. 2:41:45 mp4 Disposition: Commissioner Rendahl moved that Item E14, on the Consent Agenda, be approved as proposed and that the secretary be directed to sign the order implementing the commission's action, related to this item, consistent with this decision. Commissioner Doumit seconded the motion. The motion carried (3:0)

Chairman Danner stopped the meeting at 12:12 p.m.

Chairman Danner re-started the meeting at 12:30 p.m.

A)4. 2:42:56 mp4 Docket Number UG-230783; Northwest Natural Gas Company; Petition for Exemption from WAC 480-90-238(4). The purpose of this temporary exemption is to extend the filing due date of the Company's next Integrated Resource Plan by one year. Petition for Exemption

Appearances: Byron Harmon, staff; Natasha Siores, Matthew Doyle, Zach Kravitz, Northwest Natural Gas Company

Disposition: Commissioner Rendahl moved to issue an order in Docket UG-230783 granting NW Natural's petition for exemption from WAC 480-90-238(4), subject to the conditions that:

1. The company meet with its equity advisory group in late February to discuss its work plan related to equity and engagement.
2. The company also work with staff on the technical recommendations on the 2022 IRP between now and the time it files its work plan on May 01, 2024
3. The company also commits to work with staff and other members of the technical advisory committee on the issues related to the equity issues.

Commissioner Doumit seconded the motion. The motion carried (3:0)

A)5. 3:26:22 mp4 Docket Number UG-230819; Northwest Natural Gas Company; Request to revise Tariff WN U-6 by establishing Schedule 308, Washington Climate Commitment Act Recovery Mechanism, to incorporate into rates the Climate Commitment Act allowance costs and auction proceeds deferred between January 1, 2023, and September 30, 2023, and the costs and proceeds forecast from October 1, 2023 through December 31, 2024. A typical residential customer connected to the system as of July 25, 2021, using 55 therms would see an increase of \$7.99 per month. A typical residential customer connected to the system after July 25, 2021, using 55 therms would see an increase of \$27.35 per month. Known low-income customers would receive a credit that fully offsets the rate increase. Tariff Revision

Appearances: David Panco, staff; Kyle Walker, Northwest Natural Gas Company; Will Gehrke, NW Energy Coalition; Noelia Gravotta, Earthjustice; Chad Stokes, Alliance of Western Energy Consumers;

Disposition: Commissioner Rendahl moved to issue an order approving the tariff sheets filed by NW Natural on October 4, 2023, and as revised on November 16, 2023, and November 28, 2023, in Docket UG-230819, subject to the following conditions:

1. The costs recovered through these tariffs are subject to review and refund in a future rate setting proceeding.
2. NW Natural shall continue to work with its low-income advisory group to identify additional known low-income customers or automatically enroll low-income customers in a bill discount or bill assistance program.
3. The Company shall continue to work with interested parties and with continuing Commission processes to discuss a risk-sharing mechanism rather than a cost-sharing mechanism.
4. The approval of these tariffs is not precedential and continues to be subject to discussion.

Commissioner Doumit seconded the motion. The motion carried (3:0)

- A)6. 3:45:58 mp4 Docket Number UG-230968; Puget Sound Energy; Revises Tariff WN U-2, Schedule 111, to incorporate into rates Climate Commitment Act allowance costs and auction proceeds forecasted for calendar year 2024. The proposed tariff revisions represent an overall increase in revenues of \$45.3 million. A typical residential customer using 64 therms per month would see an increase of \$1.91 per month, or 2.43 percent. Tariff Revision

Appearances: Chris McGuire, staff; Wendy Gerlitz, Puget Sound Energy; Lauren McCloy, NW Energy Coalition; Noelia Gravotta, Earthjustice; Sommer Moser, Alliance of Western Energy Consumers; Yochi Zakai, The Energy Project

Disposition: Commissioner Rendahl moved to suspend the tariff sheets filed by Puget Sound Energy on November 22, 2023, as revised December 19, 2023, in Docket UG-230968, but allow the proposed rates to become effective January 1, 2024 on an interim basis, subject to refund, pending the commission's final determination in this docket. Subject to two conditions:

1. The company file annual status reports on the decarbonization projects proposed in this filing and that the company file updated plans with the commission based on the agreements with the stakeholder discussions.
2. That the company return capped, residual revenues to customers by rate schedule and keep a very clear accounting of the revenues from the sales and consignment of no-cost allowances and any other revenues, such as the residual revenue under the Climate Commitment Act so that all parties and the commission can review this accounting over time.

Commissioner Doumit seconded the motion. The motion carried (3:0)

A)7. 5:18 mp4 Docket Number DG-230993; General; Staff investigation for alleged violation of RCW 19.122. Staff Investigation (hidden)

Appearances: Scott Rukke, staff;

Disposition: Commissioner Rendahl moved in Docket No. DG-230993, to approve staff recommendation for referral of violation of RCW 19.122.090 to the Whitman County Prosecutor's Office for criminal prosecution. Commissioner Doumit seconded the motion. The motion carried (3:0)

TRANSPORTATION:

B)1. 4:01 mp4 Docket Number TG-230778; Murrey's Disposal Company, Inc. ; General rate increase request for Olympic Disposal that, as originally filed, would have generated approximately \$1,885,000 (15.94 percent) additional annual revenue for the collection of garbage, recycling, and yard waste services. The Company provides regulated solid waste collection service to approximately 15,500 residential; 1,900 commercial; 117 roll-off; and 6,040 residential recycling in Clallam and Jefferson Counties. The Company's last general rate increase became effective on June 1, 2011. Tariff Revision

Appearances: Benjamin Sharbono, staff; Mark Genrich, Murrey's Disposal Company, Inc.

Disposition: Commissioner Rendahl moved to issue a Complaint and Order suspending the Tariff Revisions filed by Murrey's Disposal Company, Inc. d/b/a Olympic Disposal on September 15, 2023, and set Docket TG-230778 for hearing. Commissioner Doumit seconded the motion. The motion carried (3:0)

Chairman Danner recessed the meeting at 2:36 p.m.

Chairman Danner reconvened the meeting on December 28, 2023, at 9:30 a.m.

OTHER: No Other items for this agenda.

RECESSED:

D)1. 0:26 mp4 Docket Number TV-210535 and TV-210812 consolidated; Clutter, Inc.; NOTE: This item will be heard virtually on Thursday, December 28, at 9:30 a.m. Petition to extend the temporary revisions to Tariff 15-C granted in Order 06 of this docket until March 31, 2024, or until the Commission completes its

rulemaking related to Tariff 15-C, whichever occurs sooner. Petition

Appearances: Andrew Roberts, staff;

Disposition: Commissioner Rendahl moved in Dockets TV-210535 and TV-210812, to amend order 06/04 extending the temporary amendment to rate increase supplement number 22-1 to expire July 1, 2024, or when staff's rulemaking is completed, whichever occurs sooner. Commissioner Doumit seconded the motion. The motion carried (3:0)

The meeting adjourned at 9:36 a.m.

Attested by _____
Kathy Hunter, Acting Executive Director