

MINUTES

Thursday, March 14, 2024

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, March 14, 2024 by Chairman Danner. Neiri Carrasco, Director, Regulatory Services, indicated there are no changes to the agenda.

E)1. Consent
00:00 mp4

Disposition: Commissioner Rendahl moved to approve the consent agenda 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. 1:57 mp4 Docket Number U-210151; Utilities General; Proposed Staff amendments to select utility filing requirements as part of the Commission's Inquiry into Reducing the Administrative Burden in Support of the Commission's Ongoing Inquiry Into the Adequacy of the Current Regulatory Framework. Staff Investigation

Appearances: Chris McGuire, staff;

Disposition: Commissioner Rendahl moved to issue an order in Docket U-210151 to:

1. Eliminate the requirement, established in the 8th Supplemental Order of Docket UE-001734 (approving the Modified Tariff Proposal in that docket), that PacifiCorp file annually a Report of Permanent Disconnections and Removals of Facilities;
2. Eliminate the requirement, established in Order 03 of Docket UE-031658, that PacifiCorp file annually a Report of Environmental Remediation Cost Deferrals;

3. Modify the requirement that natural gas utilities must file a pipe replacement program plan every two years, established in the Commission Policy on Accelerated Replacement of Pipeline Facilities with Elevated Risk in Docket UG-120715, to pertain only to natural gas utilities that own pipeline identified as having an elevated risk of failure.

4. Eliminate the requirement, established in the Commission Policy on Accelerated Replacement of Pipeline Facilities with Elevated Risk in Docket UG-120715, that utilities filing an annual cost recovery mechanism tariff filing must update projected costs twice between the initial filing and the rate-effective date;

5. Modify the requirement that Puget Sound Energy file quarterly a PCA Report, established in Order 11 of Docket UE-130617 (approving the Settlement Stipulation in that docket), from a quarterly filing frequency to an annual filing frequency;

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.6. Modify the requirement that Avista file a monthly ERM Deferral Report, established in the 5th Supplemental Order of Docket UE-011595 (approving the Settlement Stipulation in that docket), from a monthly filing frequency to an annual filing frequency; and

7. Modify the requirement that Avista file a Decoupling Mechanism Quarterly Report, established in Order 05 of Dockets UE-140188 and UG-140189 (approving the Settlement Stipulation in that docket), from a quarterly filing frequency to an annual filing frequency.

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

TRANSPORTATION:

B)1. 14:14 mp4 Docket Number TG-230969; Stericycle of Washington Inc.; General rate increase request that generates approximately \$2.9 million (25 percent) additional annual revenue for the collection of medical waste services. The Company provides regulated solid waste collection service to approximately 15,000 medical waste customers in Washington State. This is the first general rate increase since the Company's rates became effective on December 1, 2001. Tariff Revision

Appearances: Benjamin Sharbono, staff; David Steele, Jeremy Tartack, Stericycle of Washington, Inc.

Disposition: Commissioner Rendahl moved to issue an Order, in Docket No. TG-230969, allowing tariff revisions filed by Stericycle of Washington, Inc. d/b/a

Stericycle on November 17, 2023, as revised on March 11, 2024, to become effective on March 15, 2024, subject to the following conditions:

- 1) To file a general rate case with an effective date no later than October 1, 2025, allowing the Company to collect updated information, and Staff to ensure the revenues, expenses, and allocations are fair, just, reasonable, and sufficient;
- 2) To include an income statement that clearly separates regulated and non-regulated revenues and expenses by direct cost tracking or appropriate, non-revenue-based allocation factors. WAC 480-07-520(4)(d) and (e);
- 3) To provide information about every transaction with an affiliated interest or subsidiary that directly or indirectly affects, modifies, or deviates from the proposed rates, including a full description of the relationship, the terms and amount of the transaction, the length of time the relationship has been ongoing, and an income statement and balance sheet for every affiliated entity. WAC 480-07-520(4)(j);
- 4) To provide a regulated income statement that clearly separates regulated costs of collection/transportation, processing/disposal, and ancillary charges by direct cost tracking or appropriate, non-revenue-based allocation factors;
- 5) To provide a list of regulated service rates and ancillary service rates, and the number of times each rate was charged so that when multiplied the regulated revenues for each service is calculated. WAC 480-07-520(4)(b) and (f);
- 6) To provide a general ledger with clearly identified transactions, aligned with the Uniform System of Accounts for Class A and B Solid Waste Collection Companies. WAC 480-07-520(4)(c).

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

Chairman Danner recessed the open meeting at 9:59 a.m.

Chairman Danner reconvened the meeting on March 22, 2024, at 9:00 a.m.

OTHER: No Other items for this agenda.

RECESSED:

- D)1. 5:05 mp4 Docket Number UE-210628; Avista Corporation; NOTE: This item will be heard on Friday, March 22, 2024, at 9:00 a.m. Avista's 2023 Biennial Clean Energy Implementation Plan Update, pursuant to WAC 480-100-640 (11). Staff Investigation

Appearances: Molly Brewer, staff; Shawn Bonfield, James Gall Avista Corporation; Yochi Zakai, The Energy Project; Lauren McCloy, NW Energy Coalition

Disposition: Commissioner Rendahl moved to issue an order in Docket UE-210628 approving Avista Corporation d/b/a Avista Utilities' Biennial Update to its Clean Energy Implementation Plan (CEIP), subject to one revised condition and one additional condition in Attachment A to staff's memo. Commissioner Doumit seconded the motion. The motion carried (3:0)

D)2. 36:02 mp4 Docket Number UE-210795; Puget Sound Energy; NOTE: This item will be heard on Friday, March 22, 2024, at 9:00 a.m. Puget Sound Energy's 2023 Biennial Clean Energy Implementation Plan Update, pursuant to WAC 480-100-640 (11). Staff Investigation

Appearances: Joel Nightingale, Liam Weiland, Nash Callaghan staff; Kara Durbin, Wendy Gerlitz, Puget Sound Energy; Yochi Zakai, The Energy Project; Lauren McCloy, NW Energy Coalition

Chairman Danner recessed the meeting at 10:48 a.m.

Chairman Danner reconvened the meeting at 11:01 a.m.

Disposition: Commissioner Rendahl moved to enter an order approving Puget Sound Energy's 2023 Biennial Clean Energy Implementation Plan Update subject to the following conditions:

1. Interim Targets:

a. PSE will maintain the Interim Targets approved by the Commission in Order 08 of Docket UE-210795 for the remainder of this compliance period (i.e., 2022 – 43 percent of retail load served by renewable and nonemitting electric generation; 2023 – 53 percent; 2024 – 59 percent; 2025 – 63 percent).

b. PSE will maintain the methodology of an annual series of interim targets for the current CEIP compliance period (i.e., one interim target for each of the four years of the compliance period).

c. If PSE would need to purchase unreasonably costly energy to meet the 2025 Interim Targets, the Commission will consider this in determining whether the Company has complied with the Interim Targets for the first compliance period.

2. Deepest Need: PSE will set a minimum designation of energy benefits to customers in deepest need that is at least equal to that subset's proportion of electric customers in the Company's 2025 CEIP. PSE will continue to work with its advisory groups and other interested persons as appropriate to refine the definition of deepest need. If the Company finds that investments to meet this standard are not reasonable given costs or other considerations, the Commission will consider this as a factor when considering compliance at the end of the first compliance period.

3. Renewable Energy Specific Target: PSE will work with Staff to ensure that its expression of the Renewable Energy Specific Target in future CEIP filings aligns with the intent of

Condition 5 for Order 08. This target should be cumulative (not incremental) and should reflect renewable energy (not all clean energy).

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

D)3. 2:22:08 mp4 Docket Number UE-210829; PacifiCorp; NOTE: This item will be heard on Friday, March 22, 2024, at 9:00 a.m. PacifiCorp's 2023 Biennial Clean Energy Implementation Plan Update, pursuant to WAC 480-100-640 (11). Plan

Appearances: Jaclynn Simmons, Nash Callaghan, Jeff Roberson, Josephine Strauss, staff; Matthew McVee, Randy Baker, Tom Burns, Zack Rogala, PacifiCorp; Yochi Zakai, The Energy Project; Sommer Moser, Alliance of Western Energy Consumers; Stephanie Chase, Public Counsel; Rose Monahan, Sierra Club; Katie Ware, Renewable Northwest;

Disposition: Commissioner Rendahl moved to issue an order initiating an adjudication of PacifiCorp's Biennial Clean Energy Implementation Plan update. Commissioner Doumit seconded the motion. The motion carried (3:0)

The meeting adjourned at 1:25 p.m.

Attested by _____
Jeff Killip, Executive Director