



February 6, 2025

TO: Kyle Siefering, OFM Budget Advisor
Office of Financial Management

FROM: Jeff Killip, UTC Executive Director & Secretary

RE: **UTC 2025-27 BUDGET REDUCTION PROPOSAL**

On behalf of the Utilities and Transportation Commission (UTC), please accept the attached worksheet as our response to the budget savings options exercise distributed January 24, 2025.

In preparing the attached worksheet, the Commission analyzed its existing statutory requirements and the programs performing that critical work, with a focus on protecting the people in the state by ensuring investor-owned utility and transportation services are safe, equitable, available, reliable, and fairly-priced.

While the work performed by the Commission is resource intensive and offers little opportunity for broad reductions, staff was able to identify areas in the budget that allowed us to meet the directed 6% savings. Examples of the complex, statutorily required work performed by the Commission include:

- Full docket of rate proceedings across all regulatory portfolios;
- Proceedings to review utility clean energy implementation plans;
- Examinations of costs related to wildfire planning;
- Energy markets, storage, and double counting;
- Consumer protection for household goods movers, telecommunication companies and utilities;
- Inspections and investigations for motor carriers, pipeline operators and railroads; and
- A leadership role in regional discussions regarding transmission planning, resource adequacy, and developing regional electricity markets

As Governor Ferguson stated recently in his appointment announcement for our new Chair, Brian Rybarik, “Washingtonians are impacted every day by the availability and safety of electricity, telecommunications, natural gas, water and transportation...as Washington advances forward on a clean energy transition.”

cc: Evan Gaffey, UTC Operations Director
Kim Anderson, UTC CFO
Jason Lewis, UTC Legislative Program Director & Tribal Liaison

Budget Savings Options 2025

Dollars in Thousands

Agency: Utilities and Transportation Commission

Agency Priority H, M, L	Impact 1-5	Program/Activity	GF-S					Other Funds					FTE Change					Brief Description and Rationale	Effective Date (MM/YY)	Impacts of Reductions and Other Considerations	Law/Reg. Change Required (cite)
			FY 25	FY 26	FY 27	FY28	FY 29	FY 25	FY 26	FY 27	FY28	FY 29	FY 25	FY 26	FY 27	FY28	FY 29				
L	1	Identified savings							967	967	967	967						Previous identified savings not included in Governor Inslee's budget proposal	7/25		
H	2	WMS positions							937	937	937	937		7	7	7	7	Aligns with OFM criteria of 10-25% reduction in management positions	7/25	A reduction in the FTE available for the UTC's programs will impact the commission's ability to provide meaningful assessments of the regulatory landscape, analyze impact to consumers, and advance key initiatives.	
M	1	Travel							66	66	66	66						Aligns with OFM criteria of 50% reduction in out-of-state travel and 25% reduction of in-state travel	7/25	Travel facilitates agency staff in staying abreast of professional development opportunities, networking with national peers, and connecting with national and international opportunities to learn and develop the state's capabilities.	
M	1	Professional Development							98	98	98	98						Reducing discretionary PD for staff	7/25	Professional development is key to ensuring staff are equipped with the up-to-date knowledge about best practices, industry trends, and subject matter expertise to make critical decisions in cases, hearings, and critical safety functions.	
H	2	Contracts							99	99	99	99						Reducing non-essential software & technology	7/25		

Priority:

L = Low priority agency activity or program
M = Medium priority agency activity or program
H = High priority agency activity or program

Impact:

1 = Allows continuation of the program/activity at a reduced level
2 = Eliminates the ability to perform program objectives
3 = Eliminates agency function
4 = Long term implications (moves the problem to next biennium)
5 = Short term (reduction to one time increase)