

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

| | |
|---|--|
| In the Matter of the Request of PUGET SOUND ENERGY Petitioner, For an Order Approving Its Recommended Independent Evaluator | DOCKET UE-230283 ORDER 01 APPROVING RECOMMENDED INDEPENDENT EVALUATOR |
|---|--|

BACKGROUND

- 1 On April 25, 2023, Puget Sound Energy (PSE or Company) filed with the Washington Utilities and Transportation Commission (Commission) a Petition for approval of its recommended independent evaluator (IE) under WAC 480-107-023(2) (Petition). PSE submits that it developed a proposed scope of work for an IE and, after receiving proposals from three companies, PSE selected PA Consulting Group Inc. (PA Consulting) to provide IE services. PSE provides the request for proposals (RFP) used to solicit IE services as Exhibit A to the Petition.
- 2 PSE originally filed an RFP in search of independent evaluators on November 24, 2020, in anticipation of a 2021 All-Source RFP. After reviewing proposals from 12 firms, PSE selected Bates & White as the IE for the 2021 All-Source RFP as well as the Company's 2022 Distributed Energy Resources RFP, and an ongoing 2023 Distributed Solar and Storage RFP. While Bates & White have been the sole IE for PSE's most recent and ongoing RFPs, the Company has decided to hire a dedicated IE for the upcoming Kitsap Non-Wires Alternatives RFP due to the growing portfolio of ongoing PSE solicitations as well as the unique geographic nature and focus on electric transmission system planning involved with the Kitsap RFP. PSE leveraged its independent evaluator proposal framework used to solicit the 12 firm proposals in 2020, reevaluating these candidates and identifying a short-list of three firms, from which they received two written proposals, and finally selected PA Consulting.
- 3 While PSE has been studying solutions to capacity needs in Kitsap County since 2006, the Company identified the need for the Kitsap Non-Wires RFP in late 2022 during its solutions development process. PSE discussed the need for this RFP and the associated independent evaluator with Commission Staff on March 28, 2023.

4 Commission staff (Staff) recommends that the Commission grant the Petition. Staff
submits that PSE’s choice of IE is reasonable and should be approved.

DISCUSSION

5 Pursuant to WAC 480-107-023(1), a utility must engage the services of an IE to assess
and report on the solicitation process when the utility is considering repowering existing
resources to meet its resource need or when the utility “intends to retain the option to
procure resources that will result in the utility owning or having a purchase option in the
resource over its expected useful life.” The utility must then recommend the IE for
approval by the Commission. Here, PSE anticipates soliciting and considering a variety
of non-wires alternative proposals for distributed energy resources (DERs), including,
but not limited to, power purchase agreements and other transactions that may result in
PSE owning or having a purchase option in the DER resource over its expected useful
life. As a result, PSE must secure the services of an IE. We agree with the Company and
Staff that PSE’s choice of an IE is reasonable and should be approved.

FINDINGS AND CONCLUSIONS

- 6 (1) The Commission is an agency of the State of Washington vested by statute with
the authority to regulate the rates, rules, regulations, practices, accounts,
securities, transfers of property and affiliated interests of public service
companies, including electric companies.
- 7 (2) PSE is a public service company subject to Commission jurisdiction.
- 8 (3) WAC 480-107-023(2), requires companies to petition the Commission for
approval of a recommended IE.
- 9 (4) This matter came before the Commission at its regularly scheduled meeting on
May 25, 2023.
- 10 (5) After reviewing PSE’s Petition and giving due consideration to all relevant
matters and for good cause shown, the Commission concludes that PSE’s Petition
should be granted.

ORDER

THE COMMISSION ORDERS:

- 11* (1) Puget Sound Energy's Petition for approval of its recommended Independent Evaluator is granted.
- 12* (2) This Order shall not affect the Commission's authority over rates, services, accounts, valuations, estimates, or determination of costs, on any matters that may come before it.
- 13* The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Lacey, Washington, and effective May 25, 2023.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

AMANDA MAXWELL
Executive Director and Secretary