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Mark L. Johnson
Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

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RE: Docket No. UE-190698; Comments by Invenergy LLC

Dear Mr. Johnson,

Invenergy LLC (“Invenergy”) appreciates the opportunity to respond to the Washington Utilities and Transportation Commission (“Commission”) Notice of Opportunity to File Written Comments (“Notice”) issued in Docket No. UE-190698 on November 7, 2019, relating to rulemaking for integrated resource planning (“IRP”).

Invenergy supports the Commission’s efforts to update its IRP rules in WAC 480-100-238 to recognize changes occurring in the overall electric utility industry and to reflect requirements under the Clean Energy Transformation Act (“CETA”). While Invenergy is offering limited comments at this time, we anticipate providing further input as the rulemaking proceeds.

The following comments address several Questions for Consideration set forth in the Notice.

Procedural Questions

Four-Year IRP Cycle: In certain instances - particularly during periods of relative stability - a four-year IRP cycle with interim progress reports every two years may make sense. However, it is important to recognize that the electric utility industry is currently undergoing major transformation, including CETA implementation, technological advances and regional energy market restructuring. As a result, the electric utilities that the Commission regulates are planning and making major changes to their electric resource portfolios. In this context, it seems unlikely that requiring IRPs only every four years will be adequate. Therefore, Invenergy suggests the Commission continue to require IRPs on a biennial basis while allowing utilities to request occasional waivers if they can demonstrate that there are not major issues meriting development of a full IRP.

Public Hearing on Utility IRP: Invenergy supports changing the rules to require a public hearing on utility draft IRPs, rather than their final IRPs. This will allow more meaningful public engagement in the IRP process, including an opportunity to make specific revisions if needed. To enable meaningful public input, the draft IRPs should meet all requirements for a completed IRP.

Content of the IRP

Criteria for Utility Narrative on its Long-Range Integrated Resource Plan Solution: As drafted, criterion (a) requires the utility to describe how its solution “Achieves requirements in RCW 19.405.030, RCW 19.405.040, and RCW 19.405.050 at the lowest reasonable costs, considering risk”. This definition does not give adequate priority to risk as a key criterion. Invenenergy suggests that risk be included as a distinct criterion (i.e., in addition to lowest reasonable costs) and be specified to include both management of reliability risks and cost risks to utility customers.

Invenenergy also submits the following recommendations for additional topics to be addressed in the Commission’s IRP rulemaking:

1. The IRP rules for evaluation of new resource alternatives should also apply on the same basis to repowering and major refurbishments of existing resources. This is necessary to ensure that electric utility planning and decision-making that significantly affects the useful life and other attributes of a utility’s existing resources is done on a consistent basis with planning and decision-making for new resources.
2. The IRP rules should be clarified to specify that firm transmission rights alone are not a resource capable of serving consumers’ needs for firm electricity. When evaluating electric power supply resources, utilities should be required to identify the specific types of resources being considered. An exception to this may be short-term purchases from the wholesale power market. However, before including short-term market power purchases in its long-term resource strategy, a utility should be required to carefully assess the extent to which it can prudently rely on such purchases, and identify the resource adequacy, cost and risk implications to its customers.
3. The Commission’s IRP rulemaking process should explore potential changes to improve the functioning of the stakeholder involvement process for IRPs. This includes providing meaningful mechanisms to encourage more open and active collaboration between utilities and stakeholders.

Invenenergy looks forward to participating in the Commission’s IRP rulemaking activities, including upcoming stakeholder workshops.

Sincerely,/s/ Orijit Ghoshal

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