



STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

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August 14, 2020

**NOTICE OF OPPORTUNITY TO FILE WRITTEN COMMENTS ON THE SECOND
DRAFT PURCHASES OF ELECTRICITY RULE
(By 5 p.m. on September 14, 2020)**

Re: In the Matter of Amending, Adopting, and Repealing WAC 480-107, Relating to Purchases of Electricity, Docket UE-190837

TO ALL INTERESTED PERSONS:

On February 5, 2020, the Washington Utilities and Transportation Commission (Commission) filed with the Code Reviser a Preproposal Statement of Inquiry (CR-101) in Docket UE-190837 to update its purchases of electricity (PoE) rules in WAC 480-107.

Along with the CR-101, the Commission issued a Notice of Opportunity to File Written Comments for stakeholders to answer questions related to the Purchases of Electricity (PoE) chapter and reference rules. Those rules were developed in the prior rulemaking docket, UE-161024, and provided for reference in this docket, UE-190837. The Commission received comments from 11 stakeholders.

On June 1, 2020, the Commission issued its 1st draft PoE rules and received comments on those rules on June 29, 2020. The Commission held a workshop on July 16, 2020 to hear from interested persons and discuss the 1st draft PoE rule.

With this notice the Commission issues its 2nd draft PoE rules for comment and the Staff Comment Matrix with Staff's responses to comments received in this docket. In addition, the Commission requests that interested persons respond to the specific questions below.

The CR-101, as filed with the Code Reviser, is available for inspection on the Commission's website at <http://www.utc.wa.gov/190837>. If you are unable to access the Commission's website

and would like a copy of the CR-101 emailed to you, please contact the Records Center at (360) 664-1234.

ISSUE DISCUSSION

The 2nd draft rules are structured differently than the 1st draft rules. The conditions under which a utility must issue a request for proposal (RFP) are stated in draft WAC 480-107-010, and the application of the rules to different RFPs are identified in draft WAC 480-107-011.

The 2nd draft rules expand the requirement to issue an RFP and place certain requirements on the RFP process and content. This reflects Staff's belief that RFPs are the best vehicle for discovering the lowest reasonable cost resources available in the market from a number of providers, including competitive independent power developers.

The 2nd draft rules limit the requirement for a utility to retain an IE to where the utility has a financial self-interest.

The 2nd draft rules include a definition of "repowering" to reflect the decisions a utility makes concerning resources it owns and requires that repowering utility-owned generation facilities to be evaluated in the utility's RFP with the use of an independent evaluator.

The Commission requests comments on both of these topics.

QUESTIONS FOR CONSIDERATION

The Commission requests feedback on the entirety of the 2nd draft rules, but it specifically requests comments in response to the following questions. Stakeholders are encouraged to submit proposed edits to the draft rules as an attachment to their comments.

1. Draft rule WAC 480-107-007 defines repowering. Is the definition clear and do the rules succeed in assuring that a utility's decision to rebuild generation it owns is evaluated on an equal basis with other alternatives available in the market?
2. Draft rule WAC 480-107-010(1)(b) requires a utility to issue an RFP if "the utility's two-year IRP update demonstrates a new or unfilled resource need of 80 MW compared to the utility's most recently filed IRP." Please provide comments on whether you support or oppose this provision and why?

WRITTEN COMMENTS

The Commission gives notice of the opportunity to submit written comments no later than **5 p.m., September 14, 2020**.

Pursuant to WAC 480-07-250(3), written comments must be submitted in electronic form, specifically in searchable .pdf format (Adobe Acrobat or comparable software). As provided in WAC 480-07-140(5), those comments must be submitted via the Commission's web portal at www.utc.wa.gov/e-filing. If you are unable to submit documents via the portal, you may submit your comments by email to the Commission's Records Center at records@utc.wa.gov or by mailing an electronic copy to the Commission's Records Center on a flash drive, DVD, or compact disc that includes the filed document(s). Comment submissions should include:

- The docket number of this proceeding (Docket UE-190837).
- The commenting party's name.
- The title and date of the comment or comments.

The Commission will post on its web site all comments that are provided in electronic format. The web site is located at <http://www.utc.wa.gov/190837>.

The CR-101, as filed with the Code Reviser, is available for inspection on the Commission's website at <http://www.utc.wa.gov/190837>. If you are unable to access the Commission's website and would like a copy of the CR-101 emailed to you, please contact the Records Center at (360) 664-1234.

To receive future information about this rulemaking, please email records@utc.wa.gov and ask to be included on the email distribution list for Docket UE-190837. You may also receive further information on this rulemaking by:

- Calling the Commission's Records Center at (360) 664-1139
- Emailing the Commission at records@utc.wa.gov
- Mailing written comments to the address below

When contacting the Commission, please refer to Docket UE-190837 to ensure that you are placed on the appropriate service list. The Commission's mailing address is:

Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE, Lacey, WA 98503.
P.O. Box 47250
Olympia, WA 98504-7250

If you have questions regarding this rulemaking, you may contact the staff lead Steve Johnson at 360.481.1573, or by email at steven.johnson@utc.wa.gov.

NOTICE

If you do not want to comment now, but would like to receive information about this rulemaking in the future, please notify the Executive Director and Secretary in one of the ways described above and ask to be included on the email distribution list for Docket UE-190837. If you do not do this, you might not receive further information about this rulemaking.

MARK L. JOHNSON
Executive Director and Secretary