From: <u>Don Marsh</u>

To: UTC DL Records Center; Danner, Dave (UTC); Balasbas, Jay (UTC); Rendahl, Ann (UTC)

Cc: "IRP -- mail --"; "Energize Eastside -- mail --"; Gafken, Lisa (ATG); Council@bellevuewa.gov; council@redmond.gov; council@rentonwa.gov; EBCC@bellevuewa.gov; richc@ci.newcastle.wa.us;

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allend@ci.newcastle.wa.us; johndr@ci.newcastle.wa.us; johnd@ci.newcastle.wa.us; Slatter, Vandana; Kuderer,

Patty (LEG)

Subject: RE: Docket UE-160918: Energize Eastside in PSE"s 2017 IRP

Date: Tuesday, October 17, 2017 6:10:52 AM

Attachments: Comments on UTC Policy Statement on Energy Storage.pdf

Dear Commissioners,

Two weeks ago, CENSE submitted a document responding to the chapter on transmission planning in PSE's Draft 2017 IRP. Last week, the UTC issued a Policy Statement directing utilities to carefully study energy storage as part of a utility's transmission planning process. In light of this new policy, CENSE would like to augment our response with the attached document that seeks to relate the policy to two transmission projects that are included in PSE's IRP: "Energize Eastside" and the "Lake Hills-Phantom Lake 115 kV Transmission Line." Careful study of the potential of batteries to defer or replace these projects would be prudent to best serve PSE's ratepayers.

We also recommend that the UTC adjust the incentive structure for energy storage and other modern technology solutions to help incentivize utilities to pursue these solutions. Providing a higher rate of return could actually reduce overall costs for ratepayers and provide environmental benefits.

Please include this document under the UTC's **Docket No. UE-160918.**

Sincerely,

Don Marsh, President CENSE.org

From: Don Marsh [mailto:donmarsh@cense.org]

Sent: Monday, October 02, 2017 5:56 AM

To: 'records@utc.wa.gov' <records@utc.wa.gov>; 'ddanner@utc.wa.gov' <ddanner@utc.wa.gov>

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'council@rentonwa.gov' <council@rentonwa.gov>; 'EBCC@bellevuewa.gov'

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lindan@ci.newcastle.wa.us>; 'carols@ci.newcastle.wa.us' <carols@ci.newcastle.wa.us>;

'allend@ci.newcastle.wa.us' <allend@ci.newcastle.wa.us>; 'johndr@ci.newcastle.wa.us'

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<Kuderer.Patty@leg.wa.gov>

Subject: Docket UE-160918: Energize Eastside in PSE's 2017 IRP

Dear Commissioners,

Washington is blessed with relatively low electricity rates. This is partly due to abundant hydro power in our region, but we recognize the important role the Utilities and Transportation Commission plays in ensuring that investor-owned utilities like PSE make prudent and cost-effective investments on behalf of ratepayers. The Commission reviews plans for major infrastructure projects in an "Integrated Resource Plan" published by each regulated utility on a bi-annual basis. After a project is built, the UTC reviews these expenditures in public rate case hearings.

<u>Chapter 8 of PSE's Draft 2017 IRP</u> focuses on transmission planning. This chapter cites the company's \$300 million transmission project known as "Energize Eastside" as an example of its transmission planning process. We applaud this effort to document an important element of resource planning. However, the Draft IRP does not answer five fundamental questions that the community has been asking about this project for years. Our questions are detailed in the attached document.

We are submitting this document under the UTC's **Docket No. UE-160918**, to PSE's IRP Advisory Group, and to the Energize Eastside team.

In order to protect the financial interests of ratepayers and PSE (in future rate case hearings), we ask the UTC to require PSE to address these five questions with updated analysis and increased transparency in the IRP.

We thank the Commission for your vigilance in ensuring that ratepayer funds are invested wisely in the infrastructure that provides reliable and resilient electric service to our communities and local economy.

Sincerely,

Don Marsh, President CENSE.org