December 17, 2021

Amanda Maxwell Executive Director and Secretary Washington Utilities and Transportation Commission 621 Woodland Square Loop SE Lacey, WA 98503

Re: NW Energy Coalition's comments on NW Natural's 2022-2023 Biennial Conservation Plan, Docket UG-210831

Dear Ms. Maxwell:

The NW Energy Coalition ("NWEC") appreciates the opportunity to offer comments on the proposed biennial conservation plan (BCP) from NW Natural Gas for 2022-2023. NWEC is an alliance of more than 100 organizations united around energy efficiency, renewable energy, fish and wildlife preservation and restoration in the Columbia basin, low-income and consumer protections, and informed public involvement, all towards the mission of building a clean and affordable energy future. NWEC has been an active participant in NW Natural's Energy Efficiency Advisory Group throughout the development of this BCP.

We appreciate the Company's thorough filing and the meetings held throughout the year to incorporate advice and share information. We offer a few brief comments for consideration:

- 1. The new homes track program that the Company has developed will provide incentives to builders who achieve more credits than required by the 2018 Washington State Energy Code residential (WSEC-R) (page 9 of BCP). Due to the fuel normalization credits of the options table in the WSEC-R, I understand that building a home with an electric heat pump is generally more cost-effective than other heating options, though of course each home may be different depending on other options chosen and the unique circumstances of the home. NW Natural's new home track provides incentives for those homes building with gas heating. Given that solar is another option that can be selected in the options table to meet the requirements of the WSEC-R, it will be important to ensure that incentives are actually incentivizing efficiency. We appreciate the Company's acknowledgement of this challenge and commitment to close review.
- 2. There are a number of external pressures that may require the Company to adaptively manage its portfolio during the implementation period, including federal appliance standards, state building energy codes, implementation of the Climate Commitment Act, and further state legislation and policy direction to reduce greenhouse gas emissions. With those pressures in mind, we encourage the Company to explore ways to increase envelope measure offerings for customers, as we think that these measures will provide benefits to customers and less risk overall to both the Company and the customers.

We understand the proposed conditions for approval are still under review and discussion by Staff and stakeholders. We appreciate Staff's work to finalize these conditions and look forward to any further discussion on these conditions at the open meeting in January.

Thank you for the opportunity to provide comments.

Respectfully,

/s/ Amy Wheeless Senior Policy Associate NW Energy Coalition