

Affiliated Tribes of Northwest Indians  
 AirWorks, Inc.  
 Alaska Housing Finance Corporation  
 Alliance to Save Energy  
 Allumia  
 Alternative Energy Resources Organization  
 Ameresco  
 American Rivers  
 Backbone Campaign  
 Beneficial State Bank  
 BlueGreen Alliance  
 Bonneville Environmental Foundation  
 Byrd Barr Place  
 Citizens' Utility Board of Oregon  
 City of Ashland  
 City of Seattle Office of Sustainability & Environment  
 CleanTech Alliance  
 Climate Smart Missoula  
 Climate Solutions  
 Community Action Center of Whitman County  
 Community Action Partnership Assoc. of Idaho  
 Community Action Partnership of Oregon  
 Earth and Spirit Council  
 Earth Ministry  
 Ecova  
 eFormative Options  
 Energy350  
 EnergySavvy  
 Energy Trust of Oregon  
 Environment Oregon  
 Environment Washington  
 EQL Energy  
 Forth  
 Global Ocean Health  
 Home Performance Guild of Oregon  
 Housing and Comm. Services Agency of Lane Co.  
 Human Resources Council, District XI  
 Idaho Clean Energy Association  
 Idaho Conservation League  
 Idaho Rivers United  
 Interfaith Network for Earth Concerns  
 League of Women Voters Idaho  
 League of Women Voters Oregon  
 League of Women Voters Washington  
 Montana Audubon  
 Montana Environmental Information Center  
 Montana Renewable Energy Association  
 Montana River Action  
 National Center for Appropriate Technology  
 National Grid  
 Natural Resources Defense Council  
 New Buildings Institute  
 Northern Plains Resource Council  
 Northwest EcoBuilding Guild  
 Northwest Energy Efficiency Council  
 NW Natural  
 OneEnergy Renewables  
 Opower  
 Opportunities Industrialization Center of WA  
 Opportunity Council  
 Oregon Energy Fund  
 Oregon Environmental Council  
 Oregon Physicians for Social Responsibility  
 OSEIA  
 Pacific Energy Innovation Association  
 Pacific NW Regional Council of Carpenters  
 Portland Energy Conservation Inc.  
 Portland General Electric  
 Puget Sound Advocates for Retired Action  
 Puget Sound Cooperative Credit Union  
 Puget Sound Energy  
 Renewable Northwest  
 Save Our wild Salmon  
 Seattle City Light  
 Seinerger  
 Sierra Club  
 Sierra Club, Idaho Chapter  
 Sierra Club, Montana Chapter  
 Sierra Club, Washington Chapter  
 Small Business Utility Advocates  
 Smart Grid Northwest  
 Snake River Alliance  
 Solar Installers of Washington  
 Solar Oregon  
 Solar Washington  
 South Central Community Action Partnership  
 Southeast Idaho Community Action Partners  
 Spark Northwest  
 Spokane Neighborhood Action Partners  
 Sustainable Connections  
 The Climate Trust  
 The Energy Project  
 Transition Missoula  
 UCONS, LLC  
 Union Of Concerned Scientists  
 United Steelworkers of America, District 12  
 US Green Building Council, Idaho Chapter  
 Washington Environmental Council  
 Washington Local Energy Alliance  
 Washington Physicians for Social Responsibility  
 Washington State Department of Commerce  
 Washington State University Energy Program  
 YMCA Earth Service Corps  
 Zero Waste Vashon



**NW Energy Coalition**  
 for a clean and affordable energy future

May 29, 2018

Mark L. Johnson, Executive Director  
 Washington Utilities and Transportation Commission  
 1300 S. Evergreen Park Drive SW  
 Olympia, WA 98504-7250

*Re: UE-180272, Puget Sound Energy – Draft Request for Proposals for Demand Response Programs*

Mr. Johnson:

The NW Energy Coalition (NWECC or the Coalition) appreciates the opportunity to comment on the draft Request for Proposals (RFP) submitted by Puget Sound Energy (PSE or the Company) soliciting demand response (DR) programs.

In recent years, the Coalition has encouraged PSE to move aggressively in acquiring DR. The recently released PSE Integrated Resource Plan (IRP) shows that DR will be key in meeting projected needs over the twenty-year planning horizon. The 2015 IRP showed that PSE had similar needs, and we are disappointed that there has not been more movement on developing these programs in the past two years. In Docket UE-160808, NWECC commented that PSE's draft RFPs for DR programs could be too prescriptive and thus limit responses from vendors. Subsequently, none of the responses that PSE received were deemed sufficient by the Company.

We are pleased that this draft RFP seems to leave more room for innovation and creativity from responses and that it seems to be technology neutral. We offer the following questions and suggestions for consideration before final release.

**Policy Barriers:** In the Action Plan for the 2017 PSE IRP, PSE indicates that there are some policy questions and barriers related to prudence and cost recovery for demand response, and that PSE would release this DR RFP "once there is a line of sight on resolving policy barriers..."<sup>1</sup> Have these policy barriers been resolved or been discussed, or could these unresolved questions be a potential impediment to selecting a DR vendor and DR program implementation?

<sup>1</sup> Puget Sound Energy. 2017 PSE Integrated Resource Plan. Page 1-8.

Received  
 Records Management  
 05/29/18 13:51  
 State of WASH.  
 UTIL. AND TRANSP.  
 COMMISSION

**Timing:** On the cover page and repeated on page 27 of the draft RFP, PSE indicates that offers will be due to PSE on August 17, 2018 and that PSE will then select a final “short list” in “late Q1 2019.” Having more than six months for PSE to review responses seems unnecessarily lengthy. Will those on the short list be required to provide more details or responses to PSE in early 2019 or does PSE plan to move forward with potentially more than one vendor? This timeline should provide more clarity and NWECC encourages an earlier selection date so that a DR program can get off the ground in 2019.

**Review Process:** Following the 2016 RFP release, NWECC and other stakeholders heard only that the responses did not meet PSE’s needs and that no proposed programs were moving forward. Some more documentation of the kinds of responses that were received and how they did not meet PSE’s needs would have been appreciated, or at least an understanding that there is some oversight to this process. With this RFP, we hope that there is more clarity in the process from PSE. Given that much of the customer interaction would happen through PSE’s Energy Efficiency program staff, having a report and review of DR programs within the PSE Conservation Resource Advisory Group (CRAG) seems to make the most sense.

**Notification Time:** This RFP only calls for hour-ahead DR, which seems unnecessarily limiting to PSE’s possible acquisition of DR, particularly from larger industrial loads. During cold weather events, PSE should have a good forecast of the weather a few days ahead, so there is no reason to not allow vendors to propose day-ahead programs. A day-ahead program would garner more customer participation and could allow the company to acquire more cost-effective DR.

**Geographic Targeting:** The RFP does not mention that proposals can target a specific geographic area, though it also does not seem to preclude it. Given that PSE has areas with very high growth that could have higher value peak capacity needs, this RFP could encourage proposals that focus on specific distribution areas of PSE’s system where deferring additional transmission and distribution investment would provide additional value.

**Data Access and Ownership:** NWECC appreciates that the RFP prompts discussion of data security, data integrity, and data sharing. However, it is not clear who will own the data and what access to customer data vendors may have. Though it may not be feasible to answer the questions within the RFP, at least some acknowledgement that this will be an issue to determine during selection and contracting should be included.

We look forward to seeing the final RFP and the kinds of DR programs PSE brings forward.

Cordially,

Amy Wheelless and Joni Bosh  
NW Energy Coalition  
811 1<sup>st</sup> Ave, Suite 305  
Seattle, WA 98104  
(206) 621-0094  
[amy@nwenergy.org](mailto:amy@nwenergy.org)