

3TIER Environmental Forecast Group  
 Advocates for the West  
 AirWorks, Inc.  
 Alaska Housing Finance Corporation  
 Alliance to Save Energy  
 Alternative Energy Resources Organization  
 American Rivers  
 A World Institute for a Sustainable Humanity  
 BlueGreen Alliance  
 Bonneville Environmental Foundation  
 Centerstone  
 Citizens' Utility Board of Oregon  
 City of Ashland  
 City of Seattle Office of Sustainability & Environment  
 Clackamas County Weatherization  
 Climate Solutions  
 Community Action Partnership Assoc. of Idaho  
 Community Action Partnership of Oregon  
 Conservation Services Group  
 David Suzuki Foundation  
 Earth and Spirit Council  
 Earth Ministry  
 Ecova  
 eFormative Options  
 Emerald People's Utility District  
 Energy Trust of Oregon  
 Environment Oregon  
 Environment Washington  
 Friends of the Earth  
 Grasslands Renewable Energy  
 Home Performance Guild of Oregon  
 Home Performance Washington  
 Housing and Comm. Services Agency of Lane Co.  
 Human Resources Council, District XI  
 Iberdrola Renewables  
 Idaho Clean Energy Association  
 Idaho Conservation League  
 Idaho Rivers United  
 Idaho Rural Council  
 Interfaith Network for Earth Concerns  
 Laborers International Union of North America, NW Region  
 League of Women Voters – ID, OR & WA  
 Metrocenter YMCA  
 Montana Audubon  
 Montana Environmental Information Center  
 Montana Renewable Energy Association  
 Montana River Action  
 Montana Trout Unlimited  
 National Center for Appropriate Technology  
 Natural Resources Defense Council  
 New Buildings Institute  
 Northern Plains Resource Council  
 Northwest Energy Efficiency Council  
 Northwest Renewable Energy Institute  
 Northwest Solar Center  
 NW Natural  
 NW SEED  
 Olympic Community Action Programs  
 One PacificCoast Bank  
 Opower  
 Opportunities Industrialization Center of WA  
 Opportunity Council  
 Oregon Energy Coordinators Association  
 Oregon Environmental Council  
 Oregon HEAT  
 Oregonians for Renewable Energy Policy  
 Pacific Energy Innovation Association  
 Pacific NW Regional Council of Carpenters  
 Pacific Rivers Council  
 Portland Energy Conservation Inc.  
 Portland General Electric  
 Puget Sound Advocates for Retired Action  
 Puget Sound Cooperative Credit Union  
 Puget Sound Energy  
 Renewable Northwest Project  
 River Network  
 Salmon for All  
 Save Our wild Salmon  
 Sea Breeze Power Corp.  
 Seattle Audubon Society  
 Seattle City Light  
 Sierra Club  
 Sierra Club, Idaho Chapter  
 Sierra Club, Montana Chapter  
 Sierra Club, Washington Chapter  
 Silicon Energy  
 Smart Grid Oregon  
 Snake River Alliance  
 Solar Oregon  
 Solar Washington  
 South Central Community Action Partnership  
 Southeast Idaho Community Action Partners  
 Southern Alliance for Clean Energy  
 Spokane Neighborhood Action Partners  
 Student Advocates for Valuing the Environment  
 Sunergy Systems  
 Sustainable Bainbridge  
 Sustainable Connections  
 SustainableWorks  
 The Climate Trust  
 The Energy Project  
 The Mountaineers  
 The Policy Institute  
 Trout Unlimited  
 US Green Building Council, Idaho Chapter  
 Union Of Concerned Scientists  
 United Steelworkers of America, District 12  
 Washington Environmental Council  
 Washington Local Energy Alliance  
 Washington State Department of Commerce  
 Washington State University Energy Program  
 World Steward



October 6, 2014

Steven King  
 Executive Director and Secretary  
 Utilities and Transportation Commission  
 1300 S. Evergreen Park Drive S.W.  
 P.O. Box 47250  
 Olympia, WA 98504-7250

Re: Docket UE-131723, Rulemaking for Energy Independence Act, WAC 480-109

Dear Mr. King,

The NW Energy Coalition submits the following comments in response to the Notice of Proposed Rulemaking (CR-102) regarding the modification of the rules governing implementation of the Energy Independence Act, Initiative-937, WAC 480-109. The Coalition appreciates the thoughtful dialogue between Commission staff and stakeholders during this rulemaking process. Our comments focus on adding additional clarity and changes to ensure consistency with the statute.

- WAC 480-109-060(24)(i) - Modify the definition of renewable resource to remove co-firing. Co-firing is a process not a resource and does not make sense in the context of this definition. The co-firing provision should be moved to a stand-alone provision within WAC 480-109-200.
- WAC 480-109-100(1)(a)(ii) should add a sentence or a clause saying that the utility would need to provide supporting materials or documentation to demonstrate that no cost-effective, reliable and feasible conservation was available from one of the sources listed.
- WAC 480-109-100(3)(a) and (b) should reference cost-effective conservation.
- WAC 480-109-100(3)(c) should say “biennia” not “biennium”
- WAC 480-109-100(3)(c) – This language provides appropriate guidance as to the use of excess conservation. We believe that legislative intent is for excess conservation to be used to mitigate a shortfall in future biennial periods.
- WAC 480-109-100(3)(i) and (ii) should be written the same – (i) references “each of the subsequent two biennial targets” and (ii) references “each of the immediate two subsequent biennial conservation targets.”

- WAC 480-109-100(6) should include the language in the law stating that high efficiency cogeneration shall be “counted towards meeting the biennial conservation target in the same manner as other conservation savings.” (RCW 19.285.040(1)(d)(ii))
- WAC 480-109-100(8)(a) – The focus on portfolio cost effectiveness is an important aspect of the rules as it allows utilities to bundle measures. Many utility programs provide bundled measures and encourage customers to take advantage of the synergies found when installing multiple measures during one project. Applying cost-effectiveness at the portfolio level is consistent with this utility delivery strategy and provides appropriate benefits to customers.
- WAC 480-109-100(8)(b) – We applaud the recognition that low-income programs require special consideration given the important benefits of and costs to delivering these programs. The rules should clarify that the Weatherization Manual may be updated over time and that utilities should use the most current Manual available at the time a program is developed. The reference to the Weatherization Manual is appropriate as the savings-to-investment ratio provides a more robust cost-effectiveness determination by valuing non-energy benefits.
- WAC 480-109-100(9) – The Coalition supports the language allowing a utility to propose a conservation incentive in their biennial conservation plan, rather than only via a general rate case. Biennial conservation plan proceedings are comprehensive and an appropriate place for a discussion on the merits and impacts of a utility incentive.
- WAC 480-109-110(2), suggest clarifying that meetings can be in person or telephonic. PSE’s conditions list requires a minimum of two of those meetings in person, and the other two either in person or by phone.
- WAC 480-109-110(3) – the conservation conditions lists typically have provided utilities with an exemption from this requirement under certain circumstances, which seems warranted here. PSE’s 2012-2013 conditions allows, “When extraordinary circumstances dictate, Puget Sound Energy may provide the CRAG with a copy of a filing concurrent with the Commission filing.” This allows the utility to more quickly and effectively adaptively manage its programs when circumstances dictate that speed is essential.
- WAC 480-109-120(4)(b)(v) – The increased role for energy efficiency as a resource to serve load, reduce greenhouse gas emissions and support the most cost effective services to customers raises the need for an ongoing and comprehensive evaluation and verification effort. This language requiring an independent third party evaluation of portfolio level biennial conservation achievement every two years is appropriate.
- WAC 480-109-200(7)(b) (iv) should say “calculating...” and (v) should say “multiplying...”
- WAC 480-109-200(3) – the requirement for utilities to enter their hydro efficiency upgrades in WREGIS is appropriate and provides consistency with other renewable resources registered with WREGIS.
- WAC 480-109-210(2)(a) – The Coalition has reviewed the comments to be filed by Renewable NW regarding the incremental cost calculations. The Coalition supports the October 6 comments submitted by RNW concerning equal calculation of the benefits and costs when comparing the eligible renewable resource with the non-eligible comparator resources and in determining the capacity benefits of an eligible resource.
- WAC 480-109-210(2)(a)(i)(F) should include a sentence stating that the end result of this calculation may be a negative number.
- WAC 480-109-210(2)(b), the second sentence should explicitly reference the two cost cap alternative compliance provisions, i.e., “... other information in its report to demonstrate that it qualifies to use ~~that~~ the alternative compliance mechanism in WAC 480-109-220(1) or (3).”

- WAC 480-109-210 (2)(e) – This provision addresses the important issue of resource and cost allocation when an eligible resource is included in the ratebase of customers in more than one jurisdiction. Ideally the provision could also direct the utility to ensure that any fuel mix disclosure in the impacted states reflects the proper allocation of the eligible renewable resource based on cost allocation to each state.
- WAC 480-109-300(1) - for additional clarity the third sentence could read “... to customers of that utility in Washington...”
- WAC 480-109-300(2), recommend adding MWh per industrial customer
- WAC 480-109-300(2)(d) & (e) – should these say “million tons of CO2 emissions and CO2 equivalent emissions”? Same comment in (3)(a).

We appreciate the efforts of Commission staff in putting together well-defined and effective proposed rules to improve implementation of the Energy Independence Act. We look forward to continuing to work together to implement this clean energy policy.

Thank you for the opportunity to comment.

Sincerely,



Nancy Hirsh  
Policy Director  
NW Energy Coalition