

Aug. 6, 2021

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COMMISSION

Mark L. Johnson
Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, Washington 98503

RE: Comments regarding Puget Sound Energy's Petition for an Exemption from WAC 480-100-640(1), Docket No. UE-210571, from NW Energy Coalition, Renewable Northwest, Climate Solutions, and Washington Clean Energy Coalition members.

The undersigned organizations and members of PSE's Integrated Resource Plan Advisory Group appreciate the opportunity to provide comments on PSE's Petition for an Exemption from WAC 480-100-640(1). PSE has requested additional time to consult with its advisory groups on the development of its Draft Clean Energy Implementation Plan (CEIP). While we agree that additional time will be helpful to garner stakeholder input, and address issues raised by Advisory Group members in previous meetings and comments, we recommend that the Commission require PSE to take specific actions to ensure that this consultation occurs, and that stakeholder and advisory group input is properly and transparently considered and addressed during this time.

We also note that, as part of its 2021 All-Source RFP process, PSE has committed to the Commission that it will host workshops in the August-September timeframe relating to PSE's modeling of market purchases and its methodology for determining of resource capacity contributions. These workshops are intended in part to address stakeholder concerns stemming from the IRP process that, if unaddressed, could undermine confidence in the sufficiency of the company's CEIP. PSE's requested October 15 and December 17 CEIP filing dates allow sufficient time for PSE to incorporate methodological improvements, if any, that may be identified in the two workshops on market purchases and its capacity contribution methodology. In addition, responses to the RFI phase of PSE's 2021 Targeted DER RFP were due June 30, and bids for PSE's 2021 All-Source RFP are due September 1. PSE's requested CEIP filing dates also allow sufficient time for the company to incorporate relevant information from those processes into the CEIP.

Therefore, we support approval of the Petition, subject to the following conditions:

1. Joint Advisory Group workshop:
 - a. PSE must host a workshop with stakeholders to request input on any proposed changes to targets and actions, and to review the content of the CEIP. PSE should invite members of its IRP Advisory Group, Conservation Resources Advisory Group, and Equity Advisory Group. The workshop should cover, at a minimum:
 - i. The CEIP content required by WAC 480-100-640;

- ii. Any proposed updates to the summer and winter load forecasts, and any impacts to proposed targets and actions;
- iii. An updated forecast of the utility's ability to comply with CETA within the cost of compliance limits in WAC 480-100-660, and a description of any changes from the 2021 IRP,
- iv. Any proposed updates to targets and actions generated from the RFP process;
- v. Any proposed updates to targets and actions generated from the CEIP process to date, including the results of applying Customer Benefit Indicators (CBIs) to all proposed actions and resources; and
- vi. The results of a survey in which advisory group members are asked to prioritize the CBIs.

The agenda for the workshop must allow for sufficient time and appropriate staffing to address stakeholder requests and questions during the workshop. PSE is encouraged to work with Advisory Group members to develop the agenda. Materials must be provided to the IRP Advisory Group, Conservation Resources Advisory Group, and Equity Advisory Group members 10 days in advance of the workshop. The Commission shall notice the workshop, and accept written comments in this docket. PSE shall respond to any written comments in writing in this docket.

2. Updates to Load Forecast and Proposed Targets and Actions:

- a. Updates to the load forecast and associated proposed targets and actions must incorporate reasonable consideration of the costs and risks of climate change (an environmental effect of carbon dioxide emissions) consistent with the definition of "lowest reasonable cost" in RCW 19.280.020.¹

3. Incorporation of information from RFP process:

- a. PSE must incorporate information and methods from the RFP workshops on market purchases and capacity contribution methodology into the CEIP as appropriate, or otherwise explain why it could not reasonably do so.
- b. PSE must incorporate relevant information and anonymized data from the RFI responses and RFP bids into, at a minimum, the specific targets and specific actions sections of the company's CEIP, or explain why it could not reasonably do so.

¹ "Lowest reasonable cost" means the lowest cost mix of generating resources and conservation and efficiency resources determined through a detailed and consistent analysis of a wide range of commercially available resources. At a minimum, this analysis must consider resource cost, market-volatility risks, demand-side resource uncertainties, resource dispatchability, resource effect on system operation, *the risks imposed on the utility and its ratepayers*, public policies regarding resource preference adopted by Washington state or the federal government, *and the cost of risks associated with environmental effects including emissions of carbon dioxide.* (emphasis added)

4. Other issues raised in the CEIP process:

- a. In addition, we urge the Commission to require PSE to respond to the following outstanding issues raised by advisory committee members about its Final Clean Energy Action Plan, which is the basis for its CEIP. This will require additional communications with stakeholders outside of the workshop format. PSE should document its engagement with stakeholders on these topics, as they pertain to the resources selected in PSE's Clean Energy Action Plan. Further, PSE should submit a summary of the outcomes of its discussions with stakeholders on the following issues to the Commission in this docket:
 - i. SCGHG methodology and associated assumptions, including renewables pricing assumptions;
 - ii. Assumptions associated with upstream leakage of methane; and
 - iii. Assumptions associated with the cost and availability of biodiesel.

Thank you for the opportunity provide comments.

Sincerely,

/s/ Lauren McCloy & Joni Bosh, NW Energy Coalition

/s/ Max Greene, Renewable Northwest

/s/ Kelly Hall, Climate Solutions

/s/ Kevin Jones, Vashon Climate Action Group

/s/ R. Court Olson, People for Climate Action Board, Member of Shift Zero

/s/ Don Marsh, Sierra Club Washington State Energy Committee

/s/ Kate Maracas, Western Grid Group

/s/ Michael Laurie, Sustainability Consultant Watershed LLC

/s/ David Perk, 350 Seattle

/s/ Anne Newcomb, Washington Clean Energy Coalition

/s/ Elyette Weinstein, Washington Clean Energy Coalition

/s/ Steve Erickson, Litigation Coordinator Whidbey Environmental Action Network

/s/ Fran Korten, Climate Action Bainbridge

/s/ Willard Westre, Union of Concerned Scientists

/s/ Virginia Lohr, Vashon Climate Action Group

/s/ Joel Carlson, Washington Clean Energy Coalition

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