



U-210553

STATE OF WASHINGTON
DEPARTMENT OF COMMERCE

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VIA ELECTRONIC FILING

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

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State Of WASH.
UTIL. AND TRANSP.
COMMISSION

RE: Washington Energy Decarbonization Examination, Docket U-210553

Dear Ms. Maxwell,

The Washington State Energy Office (“Energy Office” or “Office”) appreciates the opportunity to comment on the Commission’s energy decarbonization examination.

The Energy Office, within the Washington State Department of Commerce, offers these comments as the state agency responsible for developing and monitoring energy policy. These comments are based in part on the analysis and recommendations of the [2021 Washington State Energy Strategy](#), a comprehensive, economy-wide roadmap to meeting the state’s energy and climate goals.

The Energy Office recommends that the Commission continue to examine its scenarios to avoid confusion with ongoing legislative discussions about decarbonization. These legislative discussions have focused on the electrification scenario modeled in the 2021 State Energy Strategy, which analyzed aggressive electrification of buildings and light-duty vehicles, coupled with a mixture of electrification and alternative fuels for medium-and-heavy duty transportation and industry. It will be important for the Commission to make sure to note any deviations from key assumptions that guide legislative discussions about the electrification. In addition, the Commission should use clear terms and categories in its visualizations to improve the Legislature’s understanding of the Commission’s findings.

Comparison of low-carbon scenarios and those modeled in 2021 State Energy Strategy

Commerce appreciates the low-carbon scenarios and encourages the Commission to clarify how the assumptions of these models compare to scenarios modeled in the 2021 State Energy Strategy. This would help legislators understand how these scenarios and their findings should be interpreted relative to the 2021 State Energy Strategy. This may be particularly important for the scenario that shares the same name in both reports, e.g. the electrification scenario.

Clarification of “the natural gas grid” and other terms used in the low-carbon scenario assumptions

The Commission should continue to hone its language around its key assumptions. For instance, the last row uses the term “the natural gas grid,” which conjures images of pipeline infrastructure serving residential and commercial buildings. This does not appear to be what the assumption is actually describing, and the Commission could improve the clarity about this assumption through clearer terms.

“Adoption of hydrogen into residential homes” is another assumption that should be clarified, especially since it is not highlighted on the “Energy Use by Sector and Fuel” slide for the Alternative Fuels Scenario, which should also be considered.

Miscategorization of the Clean Energy Transformation Act (CETA) emissions reduction wedges

The Commission should include CETA in its business as planned (BAP) emissions reduction wedge. The emissions reduction wedges do not include CETA in the BAP category, when in fact the laws and rules governing CETA are final and should be included in the BAP wedge.

Stacked line charts instead of bar charts for possible policies in the emission reduction wedges

The Commission should consider using horizontal bar charts to show the combination of possible policies for the different decarbonization scenarios. The scenarios could be organized left to right and the bars for each sector could be ordered by total emissions. This would allow folks to compare differences between the different combinations of policies across the scenarios.

Consider providing a higher level analysis of energy use by sector and fuel

The Commission should consider providing its energy use by sector and fuel visualizations by four fuel types: electricity, natural gas, RNG, and hydrogen. This would make it easier to draw high-level understandings of the differences in fuel uses by sector across the low-carbon scenarios.

Use clear terms and groups across sector and fuel types charts

The Commission should use consistent terms and groups across its analyses. Terms like “local electricity” and “grid electricity” are incomprehensible next to fuel types, such as coal, wind, and solar. The term “water” is also undefined. It is presumably hydroelectric generation, but it is unclear.

Reconvene discussion around the hourly supply and demand analysis

Commerce understands the hourly supply and demand data is preliminary and looks forward to evaluating the results of the data once it is more complete.

In-state production vs out-of-state production

Commerce offers the 2021 State Energy Strategy as a guide for understanding constraints and opportunities for in-state and out-of-state production. This data is included in [Appendix B: Data Accompanying Deep Modeling Technical Report](#) and supplemental data on [Hydrogen End Uses in In-State and Out-of-State Production](#).

Conclusion

The Commission’s examination is an opportunity to inform the Legislature about future low-carbon scenarios. It is important this examination takes into account current discussions about decarbonization to ensure it provides further insights to the Legislature. To this end, Commerce appreciates the Commission taking time to clarify its findings and hone its data as it continues its examination.

Sincerely,

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