



NW Energy Coalition

February 21, 2024

Jeff Killip
Executive Director and Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7250

RE: Comments on Behalf of the NW Energy Coalition on Puget Sound Energy’s Proposed Net Energy Metering Tariff Revision (Docket UE-231031)

Dear Mr. Killip,

The NW Energy Coalition (“NVEC” or “Coalition”) appreciates the opportunity to provide written comments regarding Puget Sound Energy’s (PSE) proposal to continue its current net energy metering (NEM) tariff, Schedule 150.

The Coalition is an alliance of over 100 environmental, civic, and human service organizations, progressive utilities, and clean energy businesses. Our mission is to advance clean, equitable, and affordable energy policies in Washington, Oregon, Idaho, and Montana. We envision the Northwest comprised of communities that benefit from a carbon-free energy system that equitably meets the needs of people and preserves the region’s natural resources.

Our organization has many years of experience working together with utilities to advance solar across our communities. In recent years, we have engaged in statewide efforts that aim to determine what’s next for solar policy in Washington state, including net metering.

We recognize that several utilities— including PSE— are approaching or have surpassed their “cumulative generating capacity of net metering systems equal[ing] four percent of the utility’s peak demand during 1996” as described in RCW 80.60.020(1)(a).¹ NVEC agrees with UTC Staff that “the statute could be interpreted to require utilities to make net metering available to customer-generators *at least* until the cap is reached, *but does not prohibit enrollment beyond the cap.*”² (emphasis added).

¹ <https://apps.leg.wa.gov/rcw/default.aspx?cite=80.60&full=true#80.60.030>

² UE-230172, Testimony of Chris R. McGuire, pg. 68, lines 1-4.

As our state begins to consider what comes next, a uniform and statewide approach to compensating customers for distributed generation is preferable to each of the utilities having their own unique programs because it supports equitable access to rooftop solar and other clean energy technologies around the state, and it further supports market development for installers and distributors. We see this work being pushed for inside and outside of the Legislature.

NWEC believes that a comprehensive value of solar (VOS) study is an appropriate next step to determine how our state can most equitably compensate customers for their generation, and we urge caution against a utility-by-utility approach to valuing solar. Some questions that we anticipate a VOS study shedding light on is whether the current retail rate NEM structure is equitable and how it compares with other compensation structures.

We do not yet know the answers to these questions. However, we do have existing guidance through the Clean Energy Transformation Act (CETA) that directs all electric utilities to equitably distribute energy benefits and reduction of burdens across Named Communities when providing service and transitioning to a modernized and clean energy grid.³ Additionally, upon the conditioned approval of its 2021 Clean Energy Implementation Plan (CEIP), PSE agreed to several conditions that expand its designation of “vulnerable populations” (conditions 9-11) and to designate a minimum of 30% of the energy benefits from distributed solar, distributed storage, demand response, and energy efficiency to customers with deepest need within their Named Communities (conditions 20-21).⁴

According to the company’s recent supplemental filing in UE-231031, approximately 26% of its customer generators under Schedule 150 live within Highly Impacted Communities.⁵ We are pleased with this participation and look forward to seeing this number grow and how the energy benefits are felt by these communities.

NWEC believes that CETA’s equity mandate and the ongoing work between the company and its advisory groups on the aforementioned conditions will further ensure that the benefits of net metered solar will be accessible to and experienced by more customers and communities than was felt when residential rooftop solar was nascent.

In line with this, NWEC supports PSE’s proposal to continue its current NEM tariff under Schedule 150. In the long run, we support a tariff informed by a value of solar study that includes the costs and benefits of distributed solar. For now, we believe that keeping retail rate net metering available to new customers who will represent a broader array of communities than ever before is the most equitable option.

³ RCW 19.405.010(6), <https://app.leg.wa.gov/RCW/default.aspx?cite=19.405.010>

⁴ UE-210795. Appendix A to Final Order 08 Approving Clean Energy Implementation Plan Subject to Conditions. Filed June 6, 2023.

⁵ UE-231031, Supplemental Document regarding Active Schedule 150 Customer Generator systems, on behalf of Puget Sound Energy, from Birud Jhaveri, page 1. Filed February 13, 2024.

We recommend that the Commission approve PSE’s temporary extension of Schedule 150 until a comprehensive value of solar study can be conducted through a third party or by the Commission itself.⁶

Respectfully submitted,

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⁶ If the Commission were to conduct its own value of solar study, we point the Commission to similar work conducted at the Oregon Public Utility Commission in docket UM 1716:
<https://apps.puc.state.or.us/edockets/docket.asp?DocketID=19362>.