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State Of WASH.
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COMMISSION

September 26, 2022

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

Re: Docket U-210590, Notice of Opportunity to Comment on Commission proceeding to develop a policy statement addressing alternatives to traditional cost of service ratemaking (Phase 1 – Performance Metrics), Comments in Response to Suggested Performance Metrics

Dear Ms. Maxwell:

The NW Energy Coalition (NWECC) appreciates the opportunity to respond to suggested performance metrics provided by other parties in this proceeding, Phase 1 of the Utilities and Transportation Commission's (UTC or Commission) proceeding to develop a policy statement addressing alternatives to traditional cost of service rulemaking. The NW Energy Coalition is a public interest organization focused on ensuring clean and affordable energy for all customers, working across the Pacific Northwest.

In reviewing suggested metrics, there appears to be significant overlap in the themes of many of these metrics, which is encouraging and we think that these common areas of interest will help the UTC develop a robust set of metrics. Other overarching notes:

1. The UTC has drafted a strong list of goals and regulatory outcomes, and should assess what information is needed to report on these goals and outcomes adequately, rather than be limited by any arbitrary number of metrics per outcome.
2. The use of a metric that reports on a number of something (e.g., total dollars, number of participants) is unlikely to be very interesting or understandable to broader stakeholders without more context, such as a percentage (e.g., of customers, of eligible participants, of dollars spent).

Specific to some suggested metrics, there are some that may need more scrutiny, caution, or explanation:

- **Number of public electric vehicle charging stations located in highly impacted communities and/or serving vulnerable populations** (as suggested by multiple stakeholders): We would only prioritize reporting on this metric if it is paired with other metrics that better detail the impact of transportation electrification investments on these communities. For further discussion, see UE-220066 et al, testimony of Amy E. Wheelless, page 20-21.

- **Percentage of new customers [who] have dual fuel** (as suggested by NW Natural): Based on other Washington policies, which would incentivize new homes away from being connected to the natural gas system (e.g., the Climate Commitment Act does not provide free allowances to new natural gas customers), a metric would implicitly encourage more dual fuel new customers does not seem appropriate to include as part of this process. Further, many modern gas appliances need electricity to operate, so the connection to system resiliency seems tenuous.
- **Number of pilot projects proposed to provide reduction in throughput or cost avoidance** (as suggested by NW Natural): While we are supportive of pilot projects, we would prefer to track outcomes associated with these goals, rather than the input. If this metric is retained, it should include an assessment of dollars saved or therms (or kWh) saved as a result of pilot projects.
- **Percentage of suppliers that are women, minority, or veteran-owned** (as suggested by multiple stakeholders, including NWECA): We are supportive of this metric, but suggest also adding percentage of total supplier dollars as a corresponding metric to make the supplier diversity and impact more clear.
- **DSM Portfolio Cost Effectiveness** (as suggested by PacifiCorp): While we agree that this is an important metric to track as part of the conservation planning process, we are not certain that this would be a metric to track as part of a more public-facing scorecard (if that is one of outcome of this process), unless it or other reported metrics were more broadly inclusive of other distributed energy resources.

Finally, we do appreciate the inclusion of a number of metrics from different parties regarding active engagement with stakeholders. We particularly like the one from Public Counsel, “Percentage of recommendations from stakeholders (particularly named communities) addressed via a written response” as it is further along the IAP2 Spectrum of Public Participation than others’ ideas¹.

We look forward to reviewing others’ response comments.

Best,

/s/

Amy Wheelless
Senior Policy Associate
NW Energy Coalition

¹ https://cdn.ymaws.com/www.iap2.org/resource/resmgr/pillars/Spectrum_8.5x11_Print.pdf