

Sanger Law PC

1041 SE 58th Place Portland, OR 97215

tel (503) 756-7533

fax (503) 334-2235

irion@sanger-law.com

December 3, 2020

Via E-filing

Mr. Mark L. Johnson
Executive Director
Washington Utilities & Transportation Commission
621 Woodland Square Loop SE
P. O. Box 47250
Lacey, WA 98503

Attn: Filing Center

RE: In the matter of Amending, Adopting, and Repealing WAC 480-107, Relating to
Purchases of Electricity Docket No. UE-190837

Dear Mr. Johnson:

Please find the Comments of the Northwest & Intermountain Power Producers Coalition
in the above-referenced docket.

Thank you for your assistance. Please do not hesitate to contact me with any questions.

Sincerely,



Irion A. Sanger

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UTIL. AND TRANSP.
COMMISSION

**BEFORE THE WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

In the matter of Amending, Adopting,
and Repealing WAC 480-107, Relating
to Purchases of Electricity

DOCKET NO. UE-190837

NORTHWEST & INTERMOUNTAIN
POWER PRODUCERS COALITION
COMMENTS

I. INTRODUCTION

The Northwest & Intermountain Power Producers Coalition (“NIPPC”) appreciates this opportunity to submit comments on the Washington Utilities and Transportation Commission (the “Commission”) rulemaking regarding updating its purchases of electricity rules in WAC 480-107. NIPPC has significant concerns with the abbreviated process for voluntary Requests for Proposals (“RFPs”), and it recommends that voluntary RFPs instead undergo the same robust process as required and targeted RFPs. NIPPC is not commenting on any other provisions at this time, although it maintains its earlier recommendations and reserves the right to offer further comments in this proceeding.

II. COMMENTS ON VOLUNTARY RFPs

The proposed rules promote a robust process for Commission and stakeholder review of utility RFPs, except for voluntary RFPs. For required and targeted RFPs, stakeholders have a specified opportunity to submit written comments, and the

Commission has an opportunity to approve, approve with conditions, or suspend the proposed RFP.¹

By contrast, for voluntary RFPs, there are two approaches, neither of which provides sufficient process. First, under certain conditions, the utility must retain an independent evaluator (“IE”).² The Commission proposed a process detailing how the utility must retain an IE;³ however, there will be no substantive review by the Commission or stakeholders, and the Commission will not approve the voluntary RFP itself. The only process regarding the actual voluntary RFP is that the utility need only file a voluntary RFP with the Commission thirty days before accepting bids.

Second, where no IE is required, there is no process at all. The utility need only file a voluntary RFP with the Commission thirty days before accepting bids.⁴ In such a circumstance, the draft rules appear to authorize utilities to issue voluntary RFPs and accept bids without notifying stakeholders, accepting comments, or seeking Commission approval.

Under both approaches, the proposed rules reserve the Commission’s right to examine bids, but there is no reservation of the Commission’s right to examine an RFP or accompanying documentation.⁵ This abbreviated process is inadequate and will likely to lead to uncompetitive procurements.

¹ Draft Rule WAC 480-107-017(3)-(4).
² Draft Rule WAC 480-107-023(1)(a)-(c).
³ Draft Rule WAC 480-107-023(2)-(4).
⁴ Draft Rule WAC 480-107-020(1).
⁵ Draft Rule WAC 480-107-145.

Without a robust process, voluntary RFPs could become an exception that swallows the rule by inappropriately enabling utilities to avoid scrutiny of inadequately designed and issued voluntary RFPs. The risk of voluntary RFPs without Commission approval being the norm is exacerbated by Washington's unique approach to RFPs. In other states NIPPC is familiar with, there is a robust RFP process when the utility decides that it wants to move forward with an RFP. By contrast, the process laid out in Washington's draft rules requires a utility to issue an RFP after the Commission acknowledges the utility's Integrated Resource Plan with a particular resource need. This increases the possibility that the post-IRP RFP process may not be the main RFP in which the utility actually wishes to acquire resources, and the voluntary RFP becomes the manner in which the utility actually selects its resources.

To avoid this result, NIPPC recommends that voluntary RFPs undergo the same process as required and targeted RFPs, as specified in WAC 480-107-017.

III. CONCLUSION

NIPPC continues to appreciate the Commission's efforts to increase the competitiveness of RFPs through reforming these rules, and NIPPC looks forward to any further engagement on these issues.

Dated this 3rd day of December 2020.

Respectfully submitted,

Sanger Law, PC



Irion A. Sanger
Joni Sliger
Sanger Law, PC
1041 SE 58th Place
Portland, OR 97215
Telephone: 503-756-7533
Fax: 503-334-2235
irion@sanger-law.com

Of Attorneys for Northwest &
Intermountain Power Producers Coalition