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Washington Utility and Transportation Commission PO Box 47250 Olympia, WA 98504-7250

Re: Relating to Decarbonization Pathways, Docket U-210553

Dear UTC Commissioners,

January 6, 2023

The Building Industry Association of Washington (BIAW) gives a voice to 8,000 members including builders, remodelers, and skilled trades professionals. On behalf of our members, we thank you for the opportunity to discuss the decarbonization pathways currently identified in U-210553.

# Support energy choice

The building industry does not endorse a decarbonization plan that only relies on a single source of energy to power homes. Instead, the industry prefers adoption of the alternative fuel pathway. This pathway makes the most sense in the near-term because it allows for the renewable energy and energy storage sectors to evolve. Such an evolution may result in more products available at a lower cost to the consumer in the future.

# Provide targeted dual fuel options

While we prefer the alternative fuel pathway, we are deeply concerned about the incorporation of dual fuel options for all buildings. This would be a huge undertaking and extremely costly for homeowners. Instead, we recommend targeting specific areas that have a high probability of electrical outages due to extreme weather events and/or other catastrophes.

### Allow innovation to repurpose natural gas lines

We are also concerned about the lack of opportunity to repurpose natural gas lines, thereby reducing the possibility for innovation in Washington's energy sector. Whether it's hydrogen, renewable natural gas, or some other energy source not yet discovered, we believe it's too premature to retire the state's natural gas lines and abandon decades of investments in this infrastructure.

#### Recognize storage limitations

Any decarbonization plan must recognize energy storage systems remain in their infancy for utilities and their customers. In November 2021, the <u>Solar Energy Technologies Office</u> within the

Department of Energy cited the range of cost for a solar-plus-storage system in a home to be \$25,000–\$35,000, depending on the size of the battery and other factors. According to the National Renewable Energy Laboratory (2021), a utility-scale energy storage system is approximately \$446/kWh.

# An equitable path forward

The Legislature and the UTC must find an equitable path forward that meets the demand for energy at a cost all Washington families can afford. The alternative fuel pathway presents the most equitable path, minimizing the upfront investment costs for abandoning natural gas lines and allowing homeowners to use renewable natural gas as an energy source in existing infrastructure.

Fully decarbonizing Washington state is a worthwhile goal. However, the sheer volume of investments required by the electrification-only pathway will add significant costs to building and remodeling homes and apartments, further exacerbating our homelessness and housing affordability crises.

Sincerely,

Andrea Smith, MPA

Participant, UTC Decarbonization Advisory Group

Policy & Research Manager, Building Industry Association of Washington