



STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

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December 13, 2023

**NOTICE RESUMING PROCEEDING AND OPPORTUNITY TO FILE WRITTEN
COMMENTS**

(By 5 p.m. February 7, 2024)

Re: Related to the Commission's proceeding to develop a policy statement addressing alternatives to traditional cost of service rate making. Docket U-210590

TO ALL INTERESTED PERSONS:

The State Legislature directed the Commission, in Section 1 of Engrossed Substitute Senate Bill 5295, to conduct a proceeding to develop a policy statement addressing alternatives to traditional cost of service ratemaking, including performance-based measures or goals, targets, performance incentives, and penalty mechanisms.

Responding to the legislation, the Commission developed a work plan, sought participant feedback before reporting to the Legislature, and began Phase 1, Performance Metrics. In Phase 1, to date, the Commission has engaged in extensive public participation and incorporated comments from that engagement to define regulatory goals, desired outcomes, design principles, and identify related metrics.

On January 12, 2023, the Commission issued a notice temporarily postponing the proceeding given the press of business before the Commission, and the resources necessary to consider issues and fiscal impacts from proposals in the 2023 legislative session. Additionally, the Commission anticipated resuming its work on the Phase 1 policy statement in May 2023. In the notice issued on January 12, 2023, participants were encouraged to continue to provide comments in response to the Notice of Opportunity to File Written Comments on the Phase 2A work plan issued on January 5, 2023.

NOTICE RESUMING PROCEEDING

The Commission issues this notice resuming its activities in this Docket. However, in consideration of the comments received related to the Phase 2A work plan, the Commission agrees with commenters that Phase 1 is not yet complete and requires additional collaboration on the proposed regulatory goals, desired outcomes, design principles, and related metrics. Specifically, there is a need for further refinement of the metrics, calculations, and definitions.

The Commission intends to issue an interim Phase 1 policy statement following the feedback provided in response to this Notice but prior to engaging in additional Phase 1 collaborative efforts. Further, the Commission believes the policy statement will provide participants with additional context to assist in prioritizing the remaining scope of the Docket.

The Commission is seeking public comments on the following questions:

1. What connection should be made, if any, between the work in this docket and the performance measures in a Multi-Year Rate Plan (MYRP) as required under RCW 80.28.425(7)?
 - a. Connection: How do you see the metrics and direction from this docket working with metrics and performance measures identified in and approved in future MYRPs, Clean Energy Implementation Plans (CEIPs), or other existing reporting requirements?
 - b. No connection: How do you propose the various avenues for metric proposals be kept distinct from one another?
2. Please identify which of the proposed metrics for which Advanced Metering Infrastructure (AMI) can provide insight or relevant data?
3. Distributed Energy Resources (DERs) are the subject of multiple metrics (Proposed Metrics Nos. 14, 15, 25, 26, and 30). A least-cost requirement exists under the current regulatory framework. The Clean Energy Transformation Act (CETA) requires the equitable distribution of energy benefits and burdens. These two requirements are potentially at odds with one another. Where should the Commission focus its efforts in developing incentives and/or data collection at this time given that multiple iterations of the PBR process are likely necessary? Please provide the rationale for your proposed DER focus.
4. The Commission is interested in an alternative proposal for Metric 20 *Customers Who Participate in One or More Bill Assistance Programs*. Specifically, how should the recent approval of Bill Discount Program Tariffs be reflected in the performance metric?
5. The Commission is interested in proposals for an Electric Vehicle (EV) and/or Electric Vehicle Supply Equipment (EVSE) metric. Consideration should be given to the Interagency Electric Vehicle Coordinating Council's statewide Transportation Electrification Strategy, impacts for urban versus rural geographies, and low-income customers.

WRITTEN COMMENTS

The Commission provides notice that interested persons may file comments in this Docket by 5 p.m. on February 7, 2024.

Pursuant to WAC 480-07-250(3), written comments must be submitted in electronic form, specifically in searchable .pdf format (Adobe Acrobat or comparable software). As provided in WAC 480-07-140(5), those comments must be submitted via the Commission's web portal at www.utc.wa.gov/e-filing. If you are unable to submit documents via the portal, you may submit your comments by email to the Commission's Records Center at records@utc.wa.gov or by

mailing an electronic copy to the Commission's Records Center on a flash drive, DVD, or compact disc that including the filed document(s). Comment submissions should include:

- The docket number of this proceeding (Docket U-210590).
- The commenting party's name.
- The title and date of the comment or comments.

The Commission will post on its website all comments that are provided in electronic format. The website is located at <https://www.utc.wa.gov/casedocket/2021/210590>.

If you are unable to file your comments electronically the commission will accept a paper document by mail.

If you need translation materials, please contact records@utc.wa.gov or call (360) 664-1234.

STAY INFORMED OF THIS PROCEEDING

Information related to this proceeding, including comments filed by interested persons, will be posted on the Commission's website as it becomes available. Persons filing comments will receive future communications the Commission issues in this Docket. If you do not file comments but wish to receive such information you may contact the Commission's Records Center by telephone at (360) 664-1139 or by email at records@utc.wa.gov and ask to be including on the mailing list for Docket U-210590.

When contacting the Commission, please refer to Docket U-210590 to ensure that you are placed on the appropriate service list. The Commission's mailing address is:

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If you have questions regarding this proceeding or the information contained in this Notice, you may contact Amy Andrews, Accounting and Energy Policy Advisor at (360) 664-1228, or by email at amy.andrews@utc.wa.gov.

Kathy Hunter
Acting Executive Director and Secretary