



NW Energy Coalition

December 17, 2021

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

Re: NW Energy Coalition's comments on Puget Sound Energy's 2022-2023 Biennial Conservation Plan, Docket UE-210822 and Docket UG-210823

Dear Ms. Maxwell:

The NW Energy Coalition ("NWECC") appreciates the opportunity to offer comments on the proposed biennial conservation plan (BCP) from Puget Sound Energy for 2022-2023. NWECC is an alliance of more than 100 organizations united around energy efficiency, renewable energy, fish and wildlife preservation and restoration in the Columbia basin, low-income and consumer protections, and informed public involvement, all towards the mission of building a clean and affordable energy future. NWECC has been an active participant in Puget Sound Energy's Conservation Resources Advisory Group (CRAG) throughout the development of this BCP, and is also active in the integrated resource plan (IRP) process.

We appreciate the Company's thorough filing and the meetings held throughout the year to incorporate advice and share information, as well as provide updates on the impacts of the COVID-19 pandemic on conservation offerings and operations. We also appreciate the work to reorganize the BCP to be more concise. We offer a few brief comments for consideration.

Interaction between BCP and CEIP: The passage and implementation of Clean Energy Transformation Act (CETA) underlines the continued importance of conservation and customer-side programs: one of the core requirements of CETA is that every utility must reduce or manage their overall load through cost effective, reliable and feasible conservation, energy efficiency and demand response measures, and this requirement in CETA is specifically prior to the requirement to acquire 100% clean energy to meet demand. The Company is scheduled today to submit its final Clean Energy Implementation Plan (CEIP) in Docket UE-210795; we have submitted comments into that docket about the overall direction that the Company is headed in meeting the intention of CETA in reviewing its draft, and we look forward to reviewing the final CEIP. A very clear conservation target and a strong efficiency plan is key to ensuring that the Company meets the intention of CETA, and thus the BCP will continue to be a critical planning document.

NEIs: We appreciate that the Company has undertaken work with DNV to assess non-energy impacts (NEI). We think however, that this work is not done, but only the start of the work. The study itself has resulted in what we think are relatively conservative values for NEIs, and we think there is still more work to do to continue developing robust NEIs. Continuation of this work may make sense in a joint venue, amongst all the stakeholders and companies, in a collaborative and transparent way; we would encourage the Companies to engage stakeholders early in the process.

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Hybrid Heat Pump Pilot: The company has proposed a pilot to install hybrid (also known as “dual fuel”) heat pumps into homes with current gas furnaces: “This pilot is designed to quantify the carbon emissions benefit of using heat pumps in conjunction with gas heating furnaces. In parallel, this pilot aims to quantify the electric peakload benefit, or reduction, when continuing to use gas heating only on the coldest days and an electric heat pump for the remainder of the season.” (page 25). NWECC recommends that any assessment also include an evaluation of the differences in carbon emissions, peak load changes, and energy costs when installing an all-electric heat pump.

Financing: Past BCPs and CRAG discussions had focused on how to provide customers access to financing, either through a Company offering or through increasing access to other third-party offerings (e.g., through a Company webpage, increased marketing, trade ally engagement). However, this BCP does not seem to mention this idea, and we think that continued discussions are warranted with the CRAG.

Pay for Performance Program: We appreciate the work the Company has done over the last two years to amend its Pay for Performance program to dovetail into the state’s Clean Buildings program for building performance standards, as well as to target further assistance to “underresourced” buildings. We hope that the program can provide valuable lessons learned to the state and to other utilities with a substantial number of commercial buildings.

Gas programming: There are a number of external pressures that may require the Company to adaptively manage its portfolio during the implementation period, including federal appliance standards, state building energy codes, implementation of the Climate Commitment Act, and further state legislation and policy direction to reduce greenhouse gas emissions. With those pressures in mind, we encourage the Company to explore ways to increase envelope measure offerings for customers, as we think that these measures will provide benefits to customers and less risk overall to both the Company and the customers. For example, the Company previously offered air sealing incentives, but does not currently due to low customer uptake; we recommend doing some outreach and analysis in coordination with trade allies to understand the barriers for adopting some of these measures.

Conditions: We understand the proposed conditions for approval are still under review and discussion by Staff and stakeholders. We appreciate Staff’s work to finalize these conditions and look forward to any further discussion on these conditions at the open meeting in January.

Thank you for the opportunity to provide comments.

Respectfully,

/s/
Amy Wheelless
Senior Policy Associate
NW Energy Coalition