

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

PUGET SOUND ENERGY,

For Waiver of WAC 480-90-238(4) and
WAC 480-100-238(4)

DOCKETS UE-180607 and UG-180608

ORDER 01

ORDER GRANTING PETITION
SUBJECT TO CONDITION

BACKGROUND

- ¹ On February 1, 2019, Puget Sound Energy (PSE or Company) filed a petition with the Washington Utilities and Transportation Commission (Commission) requesting exemptions from WAC 480-90-238(4) and WAC 480-100-238(4) to extend the filing deadline for its 2019 Integrated Resource Plan (IRP) from July 15, 2019, to January 15, 2020.¹ As a result of its proposal to delay the 2019 IRP, PSE also states its intention to use the Company's 2017 IRP data for its 2020-2021 Biennial Conservation Plan (BCP) filing.²
- ² Under WAC 480-90-238(4), natural gas utilities must submit an IRP within two years after the date on which the previous IRP was filed with the Commission; WAC 480-100-238(4) contains a parallel requirement for electric utilities.
- ³ PSE requests a six-month extension to incorporate potential changes in relevant Washington State legislation into the Company's 2019 IRP,³ arguing that it would be in

¹ PSE requested that the scheduling change be made permanent, i.e., that IRPs become due on January 15 of even-numbered years beginning in 2020. PSE amended its petition on February 4, 2019, rescinding its initial request that the IRP timeline change be made permanent. Hereafter, references in this order made to PSE's petition are to the amended petition (Petition).

² Avista Corporation, d/b/a Avista Utilities, filed a similar petition on January 29, 2019. *In re Avista Corp.*, UE-180738, Petition of Avista Corporation (January 29, 2019).

³ *See, e.g.*, An Act Relating to supporting Washington's clean energy economy and transitioning to a clean, affordable, and reliable energy future, S. 5116, 66th Legislature (2019 Regular Sess.); An Act Relating to energy efficiency, S. 5293, 66th Legislature (2019 Regular Sess.).

the public interest to pause development of the 2019 IRP and resume once legislative outcomes are known.

- 4 Per WAC 480-109-120, utilities must file with the Commission a BCP on or before November 1 of every odd-numbered year. As part of the BCP, the utility must submit a description of any changes from the assumptions or methodologies used in the utility's most recent conservation potential assessment. PSE states in its Petition that its BCP is derived using data included in the Company's IRP modeling.⁴ If PSE's IRP deadline extension request is granted, then PSE's IRP modeling will not be completed in time for PSE's filing of its 2020-2021 BCP. Therefore PSE states its intention to use the Company's current 2017 IRP as the baseline for setting targets for its 2020-2021 BCP.
- 5 Commission staff (Staff) has reviewed the Company's Petition and recommends that the Commission grant it, subject to the condition that PSE file an update to its 2019 IRP work plans no later than February 28, 2019.

DISCUSSION AND DECISION

- 6 Under WAC 480-07-110(1), the Commission may "grant an exemption from, or modify the application of, any of its rules in individual circumstances if the exemption or modification is consistent with the public interest, the purposes underlying regulation, and applicable statutes."⁵
- 7 ***IRP Extension.*** IRP modeling in preparation for a July 15, 2019, deadline would be premature, given pending legislation in Washington State, which, if passed, could materially alter PSE's resource mix. If relevant proposed legislation is enacted, new assumptions and models would need to be developed and run in PSE's IRP to account for the actual impacts of the legislation.
- 8 It is neither in the public interest nor consistent with the purpose of WAC 480-100-238 or WAC 480-90-238 to have utilities file IRPs that are, upon filing or shortly thereafter, rendered obsolete by legislative action. Such a filing would be of limited value to the Commission and the public. We therefore grant PSE a one-time exemption from WAC 480-100-238(4) and WAC 480-90-238(4), extending PSE's next IRP filing deadline from

⁴ Petition at 4.

⁵ See also WAC 480-100-008, WAC 480-90-008.

July 15, 2019, to January 15, 2020. We agree with Staff's recommendation and require PSE to file an update to its 2019 IRP work plan no later than February 28, 2019, including an updated IRP stakeholder meeting schedule.⁶ PSE's existing IRP filing schedule will be otherwise maintained, and PSE's 2021 electric and gas IRPs will be due on or before July 15, 2021.

9 **BCP Target.** Given PSE's proposal to extend its IRP deadline, the Company's conservation potential assessment and IRP modeling will not be completed by November 2019. The Company's proposal to use its 2017 IRP in developing its 2020-2021 biennial conservation target is thus necessary to avoid additional deadline extensions for its BCP.

10 PSE should, however, consult with its conservation advisory group to determine if and when it would be appropriate to petition the Commission for a modification of the 2020-2021 biennial conservation target and ten-year conservation potential, were prospective state legislation to materially affect PSE's BCP target calculation.

FINDINGS AND CONCLUSIONS

- 11 (1) The Commission is an agency of the state of Washington, vested by statute with authority to regulate the rates, rules, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including electric companies and natural gas companies.
- 12 (2) PSE is an electric and natural gas company and a public service company subject to Commission jurisdiction.
- 13 (3) PSE is subject to WAC 480-100-238(4) and WAC 480-90-238(4), which require electric companies and natural gas companies, respectively, to file an IRP within two years after the date on which the previous plan was filed with the Commission.
- 14 (4) PSE requests an exemption from WAC 480-100-238(4) and WAC 480-90-238(4) to change the filing date of its next-due IRP from July 15, 2019 to January 15, 2020.

⁶ Under WAC 480-100-238(4) and WAC 480-90-238(4), utilities must provide IRP work plans for informal commission review no later than 12 months prior to the IRP due date.

- 15 (5) PSE is subject to WAC 480-109-120, which requires utilities to file with the Commission a BCP on or before November 1 of every odd-numbered year.
- 16 (6) PSE's BCP relies upon IRP modeling, which would not be available by November 1, 2019, were PSE's request for an extended IRP filing deadline granted.
- 17 (7) PSE intends to use the Company's 2017 IRP for setting the energy efficiency target for its 2020-2021 BCP.
- 18 (8) Under WAC 480-100-008 and WAC 480-90-008, the Commission may grant an exemption from the provisions of any rule in WAC 480-100 or WAC 480-90, respectively, if the exemption is consistent with the public interest, the purposes underlying the regulation, and applicable statutes. *See also* WAC 480-07-110(1).
- 19 (9) Currently proposed legislation in Washington State could materially alter the assumptions and modeling in PSE's next-due IRP.
- 20 (10) This matter came before the Commission at its regularly scheduled meeting on February 15, 2019.
- 21 (11) After review of the Petition filed in Dockets UE-180607 and UG-180608 by PSE on February 4, 2019, and giving due consideration, the Commission finds that the IRP deadline exemption is consistent with the public interest, the purposes underlying WAC 480-100-238(4) and WAC 480-90-238(4), and applicable statutes. The Commission grants PSE's Petition subject to the condition that PSE file an updated work plan for its next IRP by February 28, 2019.
- 22 (12) PSE may use the Company's 2017 IRP for setting the energy efficiency target for its 2020-2021 BCP.

ORDER

THE COMMISSION ORDERS:

- 23 (1) Puget Sound Energy is granted a temporary exemption from WAC 480-90-238(4) and WAC 480-100-238(4) and may file its next Integrated Resource Plan on or before January 15, 2020, subject to the condition that Puget Sound Energy files an updated work plan for its Integrated Resource Plan by February 28, 2019.

- 24 (2) Puget Sound Energy is authorized to use data from its 2017 Integrated Resource Plan to set the energy efficiency target for its 2020-2021 Biennial Conservation Plan.
- 25 (3) The Commission retains jurisdiction to enforce the terms of this Order and delegates to the Executive Director and Secretary the authority to confirm compliance with this Order.

DATED at Olympia, Washington, and effective February 15, 2019.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chairman

ANN E. RENDAHL, Commissioner

JAY M. BALASBAS, Commissioner