

Service Date: October 11, 2021



STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

621 Woodland Square Loop S.E. • Lacey, Washington 98503

P.O. Box 47250 • Olympia, Washington 98504-7250

(360) 664-1160 • TTY 1-800-833-6384 or 711

October 11, 2021

NOTICE OF OPPORTUNITY TO FILE WRITTEN COMMENTS

(By 5 p.m. on Tuesday, November 16, 2021)

RE: Relating 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:

Beginning January 1, 2022, Revised Code of Washington (RCW) 80.28.425 requires electric and natural gas companies regulated by the Washington Utilities and Transportation Commission (Commission) to include in each general rate case filing a multiyear rate plan (MYRP). The statute further requires the Commission to determine a set of performance measures that will be used to assess a utility operating under a MYRP.

To that end, the Legislature directed the Commission, in Section 1 of Engrossed Substitute Senate Bill 5295,¹ to conduct a proceeding to develop a policy statement addressing alternatives to traditional cost of service rate making, including performance-based measures or goals, targets, performance incentives, and penalty mechanisms. The Legislature further directed the Commission to consider a number of factors as part of such a proceeding, including, but not limited to, lowest reasonable cost planning, affordability, increases in energy burden, cost of service, customer satisfaction and engagement, service reliability, clean energy or renewable procurement, conservation acquisition, demand side management expansion, rate stability, timely execution of competitive procurement practices, attainment of state energy and emissions reduction policies, rapid integration of renewable energy resources, and fair compensation of utility employees.

By January 1, 2022, the Commission must report to the Legislature on the progress of this

¹ Chapter 188, Laws of 2021. Section 1 of the bill was not codified in Chapter 80.28 RCW.

proceeding to date, as well as its expected duration. The Commission must also provide the work plan associated with this proceeding.

The Commission is seeking public comments on its proposed Work Plan for this proceeding (Work Plan), attached to this Notice as Appendix A. As outlined in Appendix A, the Commission anticipates it will conduct this proceeding in multiple phases over several years. In Phase 1 of this proceeding, which the Commission anticipates will conclude in early 2023, the Commission intends to gather stakeholder input on the development of utility performance metrics.

The Work Plan provides a high-level overview of Phases 1 through 4, as well as a more detailed work plan for Phase 1. The Commission seeks comment on the specific scope and timing of the proposed Phase 1 work plan as well as the scope, timing, and overall phasing the Commission is proposing for this proceeding. The Commission expects significant discussion on the Work Plan and recognizes that the complexity of the issues raised in the statute may require it to revise the Work Plan during the process.

In addition to any general feedback stakeholders wish to offer on the attached Work Plan, the Commission is also seeking Stakeholder responses to the following questions:

1. Do you have any thoughts, concerns, or suggestions on the proposed scope or timing of Phase 1?
2. What are the most important issues for the Commission to address in Phase 1?
3. Do you have any thoughts, concerns, or suggestions on the overall Work Plan, including on the proposed scope or timing of Phases 1 through 4?
4. Are there additional topics the Commission should consider addressing, or any additional phases the commission should consider including in this Work Plan?
5. Do you have any other comments you would like to offer on the proposed Work Plan or on the development of policy under RCW 80.28.425 more generally?

WRITTEN COMMENTS

The Commission provides notice that interested persons may file comments in this Docket by 5 p.m. on Tuesday, November 16, 2021.

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 includes 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 translated materials, please contact records@utc.wa.gov or call (360) 664-1234.

STAY INFORMED OF THIS PROCEEDING

Information related to this proceeding, including stakeholder comments, will be posted on the Commission's website as it becomes available. Persons filing comments in response to this Notice 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 included 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:

Executive Director and Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
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If you have questions regarding the workshop or opportunity to comment, you may contact staff lead Melissa Cheesman at (360) 489-5270, or by email at melissa.cheesman@utc.wa.gov.

AMANDA MAXWELL
Executive Director and Secretary