

WAC 480-100-238 Draft Rules for Distribution System Planning
(Apr.2018)

WAC 480-100-238 Integrated resource planning. (1) **Purpose.** Each electric utility regulated by the commission has the responsibility to meet its system demand with a least cost mix of energy supply resources and conservation. In furtherance of that responsibility, each electric utility must develop an "integrated resource plan." Each electric utility must develop and include as input to its "integrated resource plan" the energy supply resource benefits gained by electric delivery system plans that integrate alternatives to traditional utility infrastructure that address an identified system energy need including new distributed energy resources, additional conservation potential and customer-owned distributed energy resources to further enable a grid to be ready to effectively operate in this new environment. This rule provides greater transparency of the planning process and opportunity for stakeholder engagement in developing the resources available, including on the distribution system, to provide the lowest reasonable cost mix of energy supply resources and conservation.

(2) **Draft Distribution Definitions. (Expected changes and additions to other definitions will be available for public comment in Summer 2018.)**

"Advisory group" means a public group composed of commission staff and other interested parties that is consulted in meetings convened by the utility at regular intervals during the planning process. A utility may convene separate advisory groups for integrated resource planning and electric delivery system planning, where the electric delivery system planning advisory group is composed of a subset of members of the integrated resource planning advisory group who have demonstrated subject matter expertise in electric delivery system planning or distributed energy resources. A utility must consider data security, critical infrastructure information and other information protection requirements along with other considerations for group membership to ensure successful progress through the planning process discussion and compliance with laws, regulations, and other requirements of the utilities. The advisory group may consider distributed energy resources on the electric delivery system and how these may affect the utility's least cost mix of energy supply resources and conservation in the Integrated Resource Plan. Specific infrastructure locations, routing, or permitting requirements are considered implementation issues beyond the planning process. Implementation issues are not part of the advisory group responsibilities due to local jurisdictional control over permitting issues and community considerations that the utility must consider in making alternative decisions.

"Distributed energy resource" means any device that is connected to the distribution delivery system or is hosted by a retail customer that can generate electricity, reduce electric demand, or manage the level or timing of electricity consumption, or including but not limited to conservation, demand response, distributed generation, and energy storage.

"Delivery system" means the infrastructure needed to manage electric voltage and deliver power to retail customers, including but not limited to substations, power lines, and control systems. For the purposes of this section, it also includes system infrastructure that is not directly interconnected to another utility and has not been identified for regional cost allocation.

"Delivery system plan" means a plan identifying necessary investments to reliably meet customer's energy delivery needs. This plan may include evaluating potential cost-effective opportunities to defer or displace traditional major capital investments on the distribution system, developing and refining the analytical tools to improve distribution system modeling, and enabling the integration of distributed energy resources.

"Integrated resource plan" means a plan describing the mix of energy supply resources and conservation, that considers distribution system plan benefits and infrastructure investments that will meet current and future needs at the lowest reasonable cost to the utility and its ratepayers.

"Major energy delivery need" means a delivery system infrastructure need that could be significant enough for there to be opportunities for a combination of one or more distributed energy resources to meet the same need, performance, and timing requirements that the infrastructure investment is designed to meet.

(3) **Delivery system plans.** As part of its integrated resource plan, an electric utility must develop a delivery system plan that consists of a short term plan identifying preliminary solutions, a planning process improvement plan identifying how the utility is improving the planning process tools and data, and a plan for enabling distributed energy resource integration. The delivery system plan must serve as an input to the integrated resource plan by identifying solutions that may be leveraged to meet customer's energy needs, and by identifying where deploying distributed energy resources will benefit system energy needs identified in the integrated resource plan.

(a) **Short term plan.** A delivery system plan must present a ten year plan by:

(i) Identifying areas on the delivery system that have an anticipated major energy delivery need within the next ten years

with consideration given to load growth and areas with high present or expected penetration of distributed energy resources;

(ii) Analyzing technically viable options that have been proven to meet the needs identified including infrastructure upgrades and distributed energy resources with value methodology and cost assumptions transparently presented;

(iii) Identifying the type and timing of the resource(s) that may meet the needs identified at the lowest reasonable cost; and

(iv) Explaining how identified solutions will be reflected in the utility's integrated resource plan as it relates to impact on energy supply resources.

(b) **Planning process improvement plan.** A delivery system plan must discuss the utility's efforts to improve planning process tools and analytics by:

(i) Identifying operational data needed to define needs and solution performance potential;

(ii) Proposing monitoring and control upgrades needed to obtain the required operational data, manage and operate the system utilizing the operational data;

(iii) Proposing metering and related upgrades that will enable customers to modify their energy usage in response to signals from the utility through programs such as time of use rates and demand response;

(iv) Describing advisory group participation in developing the planning process that will be used in the development of short term plan; and

(v) Identifying planning and procedural improvements that the utility will implement in future planning cycles.

(c) **Enabling distributed energy resource integration.** A plan must enable the integration of distributed energy resources by:

(i) Studying the customer-owned distributed energy resources adoption potential on the utility's system in order to evaluate enabling infrastructure needed;

(ii) Identifying pilot programs that will enable the utility to define benefits and costs, determine scalability and applicability, and leverage developing technologies for input to the planning process improvement plan;

(iii) Discussing the utility's efforts to address cybersecurity and data privacy issues and costs posed by the expansion of

distributed energy resources which may include requirements on distributed energy resource owners and customer engagement requirements; and,

(iv) Proposing delivery system improvements and operating upgrades needed to enable effective operation of distributed energy resources when they arrive.

(4) Draft rules for procedural changes in subsections 4 through 6 will be available for public comment in Summer 2018