

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

Rulemaking to consider adoption of rules to  
implement chapter 19.405 RCW and revisions  
to chapter 80.28 RCW

DOCKET UE-191023

In the Matter of Amending, Adopting, and  
Repealing WAC 480-100-238, Relating to  
Integrated Resource Planning

DOCKET UE-190698

**PUBLIC COUNSEL RESPONSE TO AUGUST 13TH  
NOTICE OF OPPORTUNITY TO FILE WRITTEN COMMENTS**

**September 11, 2020**

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## I. INTRODUCTION

1. Pursuant to the Washington Utilities and Transportation Commission's ("Commission") Notice of Opportunity to File Written Comments ("Notice") of August 13, 2020, Public Counsel submits the following comments in response to the questions posed in the Commission's Notice.

## II. COMMENTS AND ANSWERS TO NOTICE QUESTIONS

### A. General Comments on Draft Rules

2. Public Counsel appreciates the thoughtfully drafted rules included with the Commission's Notice that incorporate careful consideration of stakeholder input. Generally, the rules establish a clear framework for developing Clean Energy Implementation Plans (CEIP), in accordance with Clean Energy Transformation Act (CETA) mandates. In addition to responses to questions posed in the Notice, Public Counsel offers the following general comments on the draft rules.

#### 1. Definition of "Resource"

3. Public Counsel recommended defining "resource" in our comments dated June 2, 2020. Staff's definition included in the Draft Rules differs from what Public Counsel suggested, but Public Counsel supports the proposed definition nonetheless. Staff's proposed definition is comprehensive and meets the spirit of what is necessary for a fully inclusive definition of the term.

#### 2. Ambiguity of "Standard"

4. In our comments dated June 2, 2020, Public Counsel and other stakeholders noted that the use of the term "standard" as a reference to the "Clean Energy Standard" may be ambiguous if the standalone term "standard" is used to refer to something else. Public Counsel appreciates Staff's efforts to clarify the Draft Rules and ensure that references to the "Clean Energy

Standard” are clearly made.

### 3. Clarification regarding showing of equitable distribution

5. Public Counsel also recommended modifications to the previous Draft WAC 480-100-665(6) to clarify that each CEIP must include a showing regarding the equitable distribution of benefits.<sup>1</sup> Public Counsel’s concern was addressed by the current iteration of Draft WAC 480-100-640(6), which describes the requirements for the showing on equitable distribution of benefits in each CEIP.

### 4. Discovery process

6. Public Counsel previously requested the addition of a discovery period to the proposed plan approval process.<sup>2</sup> Staff disagreed with the need for a discovery period in the outlined CEIP process, and stated, “Staff envisions the proposed process occurring through the open meeting. If the plan is insufficient, parties should request the Commission set it for adjudication, which then allows formal discovery.”<sup>3</sup> If the Commission declines to provide for a discovery in the existing CEIP approval process, Public Counsel recommends that, at a minimum, the draft rules explicitly state that parties may request the Commission set the matter for adjudication in their comments on the CEIP. Public Counsel recommends the following language to be added to Draft WAC 480-100-645(1).

### WAC 480-100-645 Process for Review of CEIP and Updates

(1) **Public Commenting.** Interested persons may file written comments with the commission regarding a utility’s CEIP and CEIP update within sixty days of the utility’s filing unless the commission states otherwise. Parties that wish to challenge the sufficiency of the filed CEIP may request the matter be set for adjudication in their comments.

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<sup>1</sup> Public Counsel Response to May 5th Notice of Opportunity to File Written Comments at ¶ 25 (“Comments”).

<sup>2</sup> *Id.* at ¶ 10.

<sup>3</sup> Notice, Attachment E, UE-191023 Summary of Comments Matrix 1st Draft at 30.

**5. Definition of “Indicator”**

7. Staff’s proposed definition of “Indicator” in the Draft Rules, WAC 480-100-605, should be clarified. The proposed definition uses the term “resources,” which is also specifically defined in the Draft Rules. Using this term in the definition may have unintended consequences, as it relates to the use of “indicator” in reference to the equity requirements of the CEIP in the Draft Rules at WAC 480-100-655(2) and WAC 480-100-655(5)(i)-(ii). Public Counsel recommends clarifying the definition to avoid the unintentional conflict and looks forward to comments from other stakeholders on this issue.

**B. Answers to Notice Questions**

**1. Do you agree with Staff’s interpretation of RCW 19.405.060(1)(c) that Commission approval is contingent upon the utility justifying and supporting each specific action it takes or intends to take, including providing the business cases supporting each specific action identified in the CEIP? Please explain your response.**

8. Yes, Public Counsel supports Staff’s interpretation of RCW 19.405.060(1)(c). The intent of CEIPs is for utilities to clearly establish the actions they will take to meet the interim targets established to meet the mandates in RCW 19.405.040(1) and RCW 19.405.050(1).<sup>4</sup> Furthermore, given that the Commission “must by order approve, reject, or approve with conditions an investor-owned utility’s clean energy implementation plan and interim targets,”<sup>5</sup> it is critical that utilities provide evidence that actions taken to comply with the CETA mandates in RCW 19.405.040(1) and RCW 19.405.050(1). Unlike integrated resource plans, the Commission must actually signal approval (or denial) of CEIPs. As a result, utilities face a higher burden to prove the cost-effectiveness of their compliance efforts. Furthermore, the Commission is

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<sup>4</sup> RCW 19.405.060(1)(b)(iii).

<sup>5</sup> RCW 19.405.060(1)(c).

delegated rulemaking<sup>6</sup> and enforcement power<sup>7</sup> for the terms of CETA and requirements therein, including CEIPs. This provides the Commission with broad authority to establish compliance criteria, including the justifying and supporting each specific action intended to comply with the law.

**2. Several comments submitted in response to the first draft CEIP rules proposed that the Commission require some form of funding to support equity-related public engagement. Specific proposals ranged from requiring utilities to provide funding support for participation in a utility’s equity advisory group to utilities funding support for equity-focused intervenors.**

**a. Does the Commission have the authority to require utilities to provide funding to support equity participation such as intervenor funding or direct payments to advisory group members?**

9. Yes, as indicated in Public Counsel’s Second Comments in Docket UE-191023, dated June 2, 2020, compensating equity group members is simply a cost of compliance with CETA.<sup>8</sup> The Commission has broad statutory authority to regulate the “rates, services, facilities, and practices of all persons engaging . . . in the business of supplying any utility service” in the public interest<sup>9</sup> and to “make rules and regulations necessary to carry out its other powers and duties.”<sup>10</sup> CETA specifically requires the Commission to determine compliance with and enforce CETA,<sup>11</sup> which includes the mandate to ensure all customers benefit “[t]hrough the equitable distribution of energy and nonenergy benefits.”<sup>12</sup> Engaging impacted stakeholders representing vulnerable and highly impacted communities is a critical component to guiding utility decision-making to transition to clean electric generation and ensuring the equitable distribution of

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<sup>6</sup> RCW 19.405.060(5).

<sup>7</sup> RCW 19.405.090(9).

<sup>8</sup> Comments at 2.

<sup>9</sup> RCW 80.01.040(3).

<sup>10</sup> RCW 80.01.040(4).

<sup>11</sup> RCW 19.405.090(9) (“For an investor-owned utility, the commission must determine compliance with the requirements of this chapter.”).

<sup>12</sup> RCW 19.405.060(1)(c)(iii).

benefits. Not only does the Commission have the authority to require stakeholder funding for participation in equity advisory groups, but it is also in the public interest to do so.

- b. If so, what type(s) of funding should the Commission require, and how would utilities implement such funding? For example, if you advocate direct payments to advisory group members, how would the utilities structure those payments (e.g., based on an hourly rate, per diem, etc.)?**

10. Public Counsel did not propose a specific funding model for equity stakeholders in our comments dated June 2, 2020. After reviewing other stakeholder comments, Public Counsel recommends funding for both community-based organizations and individuals to participate in the equity advisory group process. Public Counsel proposes guiding principles to include in rule, and also recommends further discussion on implementation in another workshop focused on this topic.

11. The following requirements for stakeholder funding for equity group participants should be included in the rules. Below, the proposed language is underlined and followed by additional commentary. Additional details such as filing requirements, content of the filing, and deadlines should also be included, but the details need further development through workshops before rule language can be drafted. Public Counsel is also open to discussing which components of this funding program could be outlined in a policy statement rather than set in rules.

- Equity advisory group participants who are found eligible and provide proof of participation shall be compensated by the utility through rates. Utilities are required by law to equitably distribute the benefits of the transition to clean energy. It is a fair and reasonable use of ratepayer funds to compensate critical advisors in this process as a cost of compliance with CETA.
- The Commission shall determine the eligibility of participants to receive funding for participation in equity advisory groups. The utility cannot be responsible for determining eligibility for stakeholder funding. The availability of funding may dictate whether some groups could participate at all in equity advisory groups, and, if the utility is allowed to determine eligibility for funding, it would become the de facto gatekeeper for membership in the advisory group. As the independent regulator, the Commission must



determine whether individuals or community-based organizations are eligible for participation in equity advisory groups. This is discussed in more detail, below.

- Participants seeking funding must make a showing of eligibility that describes their particular interest in the equity advisory group process. In order to be eligible for funding, equity advisory group participants, either as individuals or as an organization, must show clear, relevant interest in the groups. Public Counsel does not seek to impose an overly burdensome process on stakeholders seeking funding for their contributions, but demonstrating interest (based on locality, area of expertise, work in relevant issues, etc.) is critical to maintaining the independence of participants and the prudent use of ratepayer dollars. Specific details of this requirement such as the timing, frequency, and form of this showing should be further discussed in a workshop.
- Participants seeking funding must provide a demonstration of their actual participation in the equity advisory groups prior to receiving funding. In order to actually receive funding, equity advisory group participants must demonstrate their participation in advisory group meetings. Specific details of this showing would depend, in part, upon the basis for determining fair and adequate compensation for participation and should be discussed further in a workshop. Additional details that should be discussed in the workshop include the frequency of this filing (i.e., after each meeting, quarterly, yearly, or other), deadlines for sending payments to participants, potential flexibility for organizations with a consistent record of participation, and how these filings should be handled by the Commission (i.e., acknowledgement, specific authorization of payment, or other avenue).

12. Public Counsel believes that independence must be maintained between the utilities and their equity stakeholders. As a result, utilities should not be responsible for determining eligibility for funding. It is necessary to establish distance between the utility and stakeholders in order to avoid capture, receive unbiased consultation from equity stakeholders, and maintain public trust. Public Counsel proposes that the Commission act in its role as an independent regulator to determine whether equity group participants are eligible for funding. This process would be conducted in public filings that demonstrate interest and participation. The Commission would not be responsible for administering funding, but would be responsible in maintaining transparency and public trust in the process. Though it is an imperfect analog to eligibility for equity group funding, the Commission determines party eligibility in adjudicative

proceedings. Similarly, the Commission would exercise its independent determination in determining eligibility for funding based on participation and relevant interest in equity-related funding.

13. Public Counsel acknowledges that ratepayer-funded stakeholder participation in equity advisory groups is a new idea that will require additional workshops and draft rules but recommends that the Commission look to the intervenor funding programs in Oregon and California for ideas on how to construct a smaller, more limited program in Washington for equity advisory group participation. Although these programs, particularly California's intervenor compensation program, are more expansive in scope than Public Counsel is suggesting for the equity advisory groups, the programs may provide insight into potential pitfalls and best practices to guide our process in Washington.<sup>13</sup>

14. **Additional Workshops** — Public Counsel recommends that the Commission host workshops to discuss this issue in greater detail with stakeholders to this proceeding. Public Counsel recommends the above principles to be established in rule, but understands that the details of funding administration warrant discussion on the following issues and may be better suited to a policy statement given the timing of this rulemaking process.

- *Determining Eligibility:* The logistics of filings and the precise information that participants would need to provide to demonstrate interest are still ripe for discussion. It is Public Counsel's intent to minimize administrative burden while ensuring prudent use of ratepayer funds.
- *Compensation Framework:* Determining whether it is reasonable to compensate individual participants on a per diem basis (or some other approach) or provide year-end

lump-sum payments to community-based organizations (or some other approach) should be part of a larger stakeholder workshop. Additionally, the workshop should address how participants can demonstrate participation in the equity advisory groups such as the use of sign-in sheets, signed affidavit, or other approach.

- *Frequency of Meetings:* Draft Rules indicate that a “utility must meet regularly with its equity advisory group during CEIP development and implementation.”<sup>14</sup> Public Counsel believes there should be a more specific minimum requirement for number meetings convened on an annual basis, which can be further discussed at a workshop. Setting the number of meetings required per year will help determine the appropriate method and amount to compensate participants and would provide some certainty for participants.

**c. What other issues arise if the Commission were to require utilities to provide funding or direct payments to support equity advisory group members?**

15. In addition to the issues raised, above, Public Counsel has identified potential payroll and tax issues that could arise if utilities provide direct payments, either an hourly rate or stipends, to organizations or individual stakeholders. Payments to stakeholders, either as individuals or organizations, would have tax implications for the recipient. Additionally, although the stakeholder funding framework is not intended to create an employer obligations on the part of the utility, payments to stakeholder by the utilities should set up to avoid creating the appearance or obligations of an employment situation (such as payroll tax or benefits).

16. The other issue Public Counsel identifies is related to the equity advisory group membership generally. This is a distinct issue from the question of eligibility for funding, which

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<sup>13</sup> See e.g. Public Advisor’s Office, *California Intervenor Compensation Program*, CAL. PUB. UTILS. COMM’N, available at <https://www.cpuc.ca.gov/icompl/> (last visited Sept. 11, 2020).

should be determined by the Commission. Public Counsel understands that the process to invite stakeholders to participate in the equity advisory group must be broad enough to avoid gatekeeping that would harm the outcomes from the work conducted by the group. As such, the process to form the equity advisory groups should be done in an independent and transparent way to ensure that utilities do not have sole discretion in determining membership.

3. **The Commission appreciates the value stakeholders have said they see in having commissioners and the agency participate in broad conversations about equity needs. Due to restrictions on commissioners taking part in ex parte conversations concerning items that are before the Commission to decide, the commissioners cannot engage in such conversations or otherwise participate in utility advisory groups to discuss issues related to particular CEIPs. However, the Commission will be involved in the process through workshops, special open-meetings, and other available proceedings with stakeholders to discuss important issues. The Commission additionally awaits guidance from the state Environmental Justice Task Force on agency engagement with equity issues and looks forward to addressing recommendations internally and throughout agency divisions as needed. The Commission is further committed to addressing agency awareness of equity issues and needs through continued agency-wide learning. The concerns stakeholders raised through their comments are beyond what this single rulemaking can address and may be better addressed outside of this docket. In preparation for future process and discussions, please provide a list of CETA-related topics the Commission should address immediately following or concurrent with this rulemaking.**

17. Public Counsel recommends the following issues to be addressed outside of this docket, but does not consider this an exhaustive list:

- *Resiliency*: The Commission should address utility and customer resiliency as it relates to an evolving policy environment, climate change, and economic changes. As policy, climate, and the economy are all in a constant state of flux, it is critical that the Commission work with stakeholders to discuss how utilities can respond to these changes in order to keep providing safe, affordable, and reliable service, while meeting emissions

and equity requirements. To an extent, adaptive management requirements account for utility resiliency. This, however, does not account for the need to ensure that utility customers are able to adapt to changes in utility practices, public policy, the climate, or the economy, to the extent that these issue intersect with their utility service.

Furthermore, the increasing threat of wildfires and the necessity for utilities to build safe, resilient infrastructure in the face of this threat underscores the need for continued action on utility and customer resiliency.

- *Measuring Equity Compliance:* CETA requires utilities to provide for the equitable distribution of energy and non-energy benefits. However, in order to determine compliance with the component of the law, the Commission must establish clear metrics, based on data reporting requirements, to measure changes as it relates to progress in equitable distribution of benefits. Public Counsel requested metrics to be incorporated into rule in our June 2, 2020 comments. Staff rejected this recommendation. If the Commission does not incorporate equity metrics into rule, then it is necessary to receive policy guidance outside the rulemaking process on data and metrics.
- *Engagement Strategies:* Public engagement in compliance with CETA extends beyond the formation of the equity advisory groups. Though the equity advisory groups are a critical component of reaching marginalized and vulnerable communities, the Commission must provide more guidance on specific engagement strategies to reach the general public and, in particular, utility customers that do not typically engage with WUTC processes.

4. **Draft WAC 480-100-610(6) requires each utility to adaptively manage its portfolio of activities to achieve the requirements in the section. Some commenters recommended that this section belongs in the section that describes the CEIP. Staff proposes to place this provision in section 610 because adaptive management is an expectation of all the utility's investments and operations for achieving the requirements of CETA. Please state whether you agree that this adaptive management requirement is appropriately placed in section 610 and explain your response.**

18. Proposed WAC 480-100-610(6) requires each utility to adaptively manage its portfolio of activities and requires utilities to continuously review and update its planning and investment activities and research emerging technologies. Public Counsel agrees with Staff's placement of the adaptive management requirement in section 610, which contains the more general Clean Energy Transformation Standards rather than specific requirements for the CEIP. This proposed rule applies to and impacts utility activities beyond what is simply required in the CEIP and is more appropriate in this more general section.

5. **Incremental Costs – Updating the Variable Inputs: When a utility files its CEIP, it will include an estimate of its incremental cost of compliance, which is the difference between the portfolio of actions it will take to comply with RCW 19.405.040 and RCW 19.405.050 and the portfolio of the alternative lowest reasonable cost and reasonably available actions (the baseline portfolio). At this stage, both portfolios will estimate inputs, such as natural gas prices, over the four-year period. When the utility files its CEIP compliance report and calculates the actual incremental cost at the end of the four years, the utility will use the actual costs for the portfolio of actions it took. However, for purposes of determining if the utility may rely on the incremental cost provision, the Commission must determine whether the utility should update the inputs to the baseline portfolio as well. If the utility does not update the inputs to the baseline portfolio, then it is not measuring the true incremental cost between the two portfolios because they use different input assumptions. However, updating the assumptions may leave the utilities exposed to unknowable changes in circumstances for which they could not reasonably plan, such as a rapid increase or decrease to natural gas prices.**

**In draft WAC 480-100-660(4)(c), Staff proposes to require the utility to update the verifiable inputs of the alternative lowest reasonable cost and reasonably available portfolio (baseline portfolio). Please respond if the**

**utility should be required to update the assumptions in its baseline portfolio when reporting its actual incremental costs, or if it should not.**

19. Public Counsel agrees with Staff's proposal to require the utility to update the verifiable inputs of the baseline portfolio. As stated by Staff, if the inputs are not updated, a utility will not be measuring the true incremental cost between the two portfolios because they use different input assumptions. Determining incremental costs will already be a difficult enterprise because the baseline portfolio is a counterfactual estimate. Public Counsel believes that any known, actual variables should be used where possible to create as accurate of an incremental cost estimate as possible, given the circumstances.

**6. Incremental Costs - Calculation: The Commission is considering two alternative interpretations of the incremental cost of compliance option in RCW 19.405.060. First, both interpretations find the Directly Attributable Costs of compliance by finding the difference between the RCW 19.405.040 and RCW 19.405.050 Compliant Portfolio and the Baseline Portfolio.**

*.040 & .050 Compliant Portfolio–Baseline portfolio  
=Directly Attributable Costs*

**To determine whether the utility can exercise the incremental cost compliance option, the Commission is considering two alternative interpretations. One interpretation calculates incremental cost as the directly attributable cost in any given year, and the other interpretation calculates incremental cost as the year-over-year change in directly attributable cost. The Department of Commerce's draft rule, WAC 194-40-230(1)(b) – Compliance using 2% incremental cost of compliance, takes the second approach.**

**Interpretation 1: Directly Attributable Costs  
*Weather Adjusted Sales Revenue***

**Interpretation 2: Change in Directly Attributable Costs from Previous Year  
*Weather Adjusted Sales Revenue.***

**Please respond with a recommendation for the appropriate calculation. See attachment C to the Notice for sample calculations of these two interpretations.**

20. RCW 19.405.060(3)(a) states:

An investor-owned utility must be considered to be in compliance with the standards under RCW 19.405.040(1) and 19.405.050(1) if, over the four-year compliance period, the average annual incremental cost of meeting the standards or the interim targets established under subsection (1) of this section equals a two percent increase of the investor-owned utility's weather-adjusted sales revenue to customers for electric operations above the previous year, as reported by the investor-owned utility in its most recent commission basis report. All costs included in the determination of cost impact must be directly attributable to actions necessary to comply with the requirements of RCW 19.405.040 and 19.405.050.

The components of this law are:

- the four-year period,
- the annual incremental cost,
- the average of the annual incremental costs,
- percent increase of the weather adjusted sales revenue,
- the increase above the previous year, and
- most recent commission basis report.

Public Counsel interprets this statute by grouping these components into two sections: 1) the average incremental cost over four years and 2) the percent increase of sales revenue over the previous year. The statute is not clear how these components are to be calculated and leaves significant room for interpretation. Staff provided two potential interpretations of the statute and requested stakeholder input on the options. Public Counsel offers the following observations and discussion about these two interpretations.

21. **Interpretation 1** — In this interpretation, the annual incremental cost is the cost directly attributable to CETA compliance actions for a given year. The average annual incremental cost is the average of those directly attributable costs. This method calculates the average annual incremental cost over the four-year implementation period, and the example appears to show that, from 2022 to 2025, the utility spent an average of \$20 more per year than it would have



absent CETA. This interpretation also calculates the incremental cost each year as a percentage of the previous year's weather adjusted sales revenue and then averages these percentages.

22. It is unclear, however, if the average percentage increase is intended to be the final answer this methodology is solving for (e.g., if the average percentage is greater than or equal to two percent, the utility is in compliance) or if the average percent increase will be used in further calculations. This method also incorrectly determines the average percentage over the four years by simply adding the discrete percentage impact of the directly attributable costs per year and then dividing by four. This method technically creates an average of the four numbers but does not account for the fact the underlying denominator (e.g., the sales revenue) changes in each year. The average percentage would be more accurately calculated by taking the total annual incremental costs (\$80) and dividing that by the sum of the yearly weather adjusted sales revenue (\$4200). For this example, the result would be 1.9 percent (80/4200).

23. **Interpretation 2** — This interpretation defines the annual incremental cost as the change in directly attributable costs from year to year. The average of that annual incremental cost appears to show that, from 2022 to 2025, the utility's directly attributable costs changed an average of \$5 from year to year. While the annual incremental cost in this interpretation is technically an incremental cost, it is not an incremental cost that shows how CETA costs for this utility compare to business as usual in the absence of CETA. It simply measures how the costs attributable to CETA changed from year to year, which is only usable as a compliance standard if the concern is simply minimizing swings in revenue rather than limiting the actual, ultimate dollar impact on ratepayers. Additionally, this method incorrectly calculates the average percentage in the same way as Interpretation 1. In this case, the average incremental cost percentage should be calculated by taking the total annual incremental cost (\$20) and dividing

that by the sum of the yearly weather adjusted sales revenue (\$4200). For this example, the result would be 0.48 percent (20/4200).

24. **Discussion and Recommendation** — Public Counsel cannot support the use of either of these interpretations. Both methods incorrectly calculate average percentages, and Interpretation 2 incorrectly defines incremental cost. Public Counsel interprets RCW 19.405.060(3)(a) as a two percent cost cap and compliance threshold. As explained above, the incremental costs under Interpretation 2 show the change in costs from year to year and the average change cannot be applied as a cost cap or compliance threshold. The average percentage change in this version of incremental costs could only be used if the compliance standard in RCW 19.405.060(3)(a) is interpreted to merely limit how much the directly attributable costs can change from year to year.

25. At a minimum, Public Counsel recommends that the incremental cost methodology start with Interpretation 1, adjusted for the correct average percentage calculation. Through discussions with other parties, Public Counsel is aware that Climate Solutions intends to propose an alternative calculation which addresses some of these issues but with additional adjustments that may be appropriate. Other parties may also propose alternatives that would benefit from further discussion. Public Counsel therefore recommends an additional workshop to discuss the incremental cost methodology before finalizing the draft rules.

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7. **Commenters have raised additional concerns about how utilities should demonstrate the elimination of coal from the allocation of electricity. Current draft rule language relies on attestations or audits and e-tags. Some commenters suggest waiting for the work of the markets workgroup to finish before developing rules for compliance with RCW 19.405.030(1)(a). Do stakeholders have concerns about whether e-tags are capable of tracking all electricity generated from coal-fired resources? Should the commission wait for recommendations or comments from the markets workgroup before addressing this issue in rule?**

26. Public Counsel does not believe that the Commission should wait until the markets workgroup effort is completed to address how utilities can demonstrate the elimination of coal from the allocation of electricity in Washington. Draft WAC 480-100-650(3)(a) sets out a reasonable process to include an attestation with a review of the underlying data. We support PSE's suggestion that a third party audit of the data is appropriate. Though we share the concerns of other parties that e-tag data may have limited utility, Public Counsel believes that this rulemaking should address this issue by at least requiring an attestation and supporting documentation of market purchases. The markets workgroup may be able to offer additional clarity on this topic in the future, in which case it may be appropriate to revise the rules. However, as the markets workgroup is expected to complete its work by the end of this year, followed by a rulemaking that is expected to conclude by the end of 2021, we believe that the topic should be addressed in this rulemaking.

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### III. CONCLUSION

27. Public Counsel appreciates the opportunity to provide comments on these Notice questions. We look forward to reviewing other parties' comments and participating in further discussions on these topics. If there are any questions regarding these comments, please contact Nina Suetake at [nina.suetake@atg.wa.gov](mailto:nina.suetake@atg.wa.gov), Corey Dahl at [corey.dahl@atg.wa.gov](mailto:corey.dahl@atg.wa.gov), or Stephanie Chase at [stephanie.chase@atg.wa.gov](mailto:stephanie.chase@atg.wa.gov).

Dated this 11th day of September, 2020.

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