

January 15, 2021

Chair David Danner
Commissioner Ann Rendahl
Commissioner Jay Balasbas
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE,
Lacey, WA 98503

Stakeholder letter on PSE draft IRP, Docket #200304 and #200305

Dear UTC Commissioners:

We are writing to express deep concern about Puget Sound Energy's (PSE) 2021 draft Integrated Resource Plan (IRP). We acknowledge and embrace the improvements PSE made between the December draft and this January draft but we find the new draft falls far short of what is necessary and prudent.

This state has passed an ambitious Clean Energy Transformation Act (CETA). Yet PSE's IRP is not aligned with the intent of CETA. As our state ramps down the use of fossil fuels, we must prioritize avoiding new gas acquisition. Greater investments in demand response, energy efficiency, renewable energy, storage capacity and non-wire alternatives can provide the flexibility needed to reliably meet load demands. It is critical that this IRP reflect aggressive investments in clean energy because the IRP will become the framework upon which CETA's Clean Energy Implementation Plan will be developed.

We also note that the analysis that PSE has so far provided is incomplete. We cannot adequately respond to an incomplete draft. We still have two more stakeholder meetings, one of which happens after the UTC public hearing on February 26th. To give us time to adequately respond to a more complete IRP, we recommend that the UTC extend the public comment period until shortly after the last stakeholder meeting on March 5.

PSE is one of the largest climate polluters in Washington with its gas and electric resources. It is also the most important company for delivering climate protection through measures such as clean electricity, deep energy efficiency and electrification of our buildings and vehicles. Because of PSE's vital role in reducing climate impacts, it is crucial for PSE to have an open, transparent and actively engaged public participation process. PSE agreed to meaningful engagement with stakeholders; however, most of the meetings were simply to inform meeting participants. Further, documents were not made available in a timely manner and not all questions asked during the webinars were answered.

In the near future, we will provide the UTC greater detail on a number of substantive issues on the electricity IRP including demand forecast, energy efficiency, demand response, storage, renewable

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energy, application of the social cost of carbon (greenhouse gases), upstream methane emissions and lack of an updated Colstrip analysis.

We are also deeply disappointed in PSE's IRP for gas. PSE shows virtually no change in demand for the next 20 years, yet our new climate law (HB 2311) requires a 45 percent reduction in carbon by 2030. The gas plan fails to reflect recommendations that were being developed for the recently released WA State Energy Strategy, which identifies building electrification as a necessary pathway in meeting emission targets. We are also concerned that PSE did not account for city and county climate plans as part of its IRP analysis, many of which are beginning to acknowledge the damaging impacts of gas in buildings. Further, PSE's gas plan does not appear to incorporate the impacts of the State building performance standards requirement for existing commercial buildings, which will likely result in fuel switching of mechanical systems.

In the three short weeks between the December draft and the January draft, PSE made progress in addressing a number of our concerns. We now expect even greater improvements between the January draft and the final IRP.

We look forward to further engagement on this plan, which is so critical to our success in dealing with the climate crisis.

Sincerely,

Sierra Club, Doug Howell

Vashon Climate Action Group, Kevin Jones

CENSE (Coalition of Eastside Neighborhoods for Sensible Energy), Don Marsh

Climate Action Bainbridge, Fran Korten

350 Seattle, David Perk

CC: Mary Kipp, CEO, Puget Sound Energy
Governor Jay Inslee
Attorney General Bob Ferguson
King County Executive Dow Constantine
State Rep. Joe Fitzgibbon
State Sen. Reuven Carlyle