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SENT VIA WEB PORTAL

Mark L. Johnson Executive Director and Secretary Washington Utilities and Transportation Commission 621 Woodland Square Loop S.E. P. O. Box 47250 Olympia, Washington 98504-7250 State Of WASH. UTIL. AND TRANSP. COMMISSION

Records Management

RE: Relating to the Second Discussion Draft of Rules for Integrated Resource Planning, Clean Energy Implementation Planning and Compliance with the Clean Energy Transformation Act, Docket UE-191023

Comments by Washington Environmental Council

Dear Mr. Johnson:

Thank you for issuing an improved and strengthened second discussion draft of rules for Integrated Resource Planning, Clean Energy Implementation Planning and compliance with the Clean Energy Transformation Act (Combined Docket UE-191023).

Washington Environmental Council is a statewide not-for-profit environmental advocacy organization that works to protect and restore the environment for all Washingtonians. We work in collaboration and coordination with other environmental organizations, environmental justice organizations, tribal nations, labor unions, businesses and more, to effect change.

This rulemaking is a foundational part of Washington's efforts to plan for and respond to the risks and consequences of climate change for vulnerable populations and communities disproportionately impacted. The Clean Energy Transformation Act called for the Utilities and Transportation Commission to chart a new course for utilities in Washington to achieve 100% clean energy by 2045 by investing in workers and building a more equitable energy system (Findings and Intent, Section 1(1)). We appreciate that the second discussion draft of rules translates the intent and directives of the Clean Energy Transformation Act into rules in more incisive and actionable ways than previous drafts, setting up clear processes, reasonable requirements, and a deeper role for public input as utilities transform the electricity system to clean energy resources.

## Setting Clean Energy Transformation Standards

At draft WAC 480-100-610, the UTC articulates the Clean Energy Transformation Standards: utilities must eliminate coal-fired generation by 2026, attain greenhouse gas neutrality by 2030, sell only clean electricity to customers by 2045, and do so in a way that advances equity, keeps the system safe and reliable, and maximizes conservation and efficiency resources. This clear articulation translates the statute's text into a regulatory standard. We find this section is necessary and appropriate for the UTC to turn the law into practice, and ensure consistency across utilities in implementation. We also find that adaptive management of utility investments and operations is necessary to achieve the Clean Energy Transformation Standards.

Furthermore, we support the updates to the definition of 'equitable distribution' to incorporate legacy and cumulative conditions add the specificity needed in rules to implement the Clean Energy Transformation Standards.

Utility Planning to meet the Clean Energy Transformation Standards

The second discussion draft of rules require meaningful utility planning processes toward the Clean Energy Transformation Standards that set consistent targets and identify specific actions towards 100% clean energy. Importantly, this draft adds new ways for utilities, stakeholders and the UTC to measure progress so that vulnerable populations and highly impacted communities receive environmental and non-environmental benefits in the transition. However, this draft's definition of "indicator" precludes measuring or tracking more equitable utility decision-making processes and public engagement opportunities, and should be expanded beyond resources and distribution investments.

We agree with Staff's interpretation of the law that in order for the UTC to approve, reject, or approve with conditions a utility's Clean Energy Implementation Plan (CEIP), the utility must clearly explain in its CEIP how each specific action is consistent with the terms of the law.

We appreciate that the IRP progress report now includes information about changes in resource cost uncovered in intervening utility action as well as significant changes to economic or market forces. The IRP progress report and Clean Energy Progress Report should also include updated indicators and indicator values.

Utility Reporting on Targets, Indicators and Actions toward the Clean Energy Transformation Standards

Achieving the law also requires meaningful and regular reporting by utilities on targets, indicators and actions toward the Clean Energy Transformation Standards. This draft creates clarity around utility development of and regular reporting of measurable indicators for vulnerable populations and highly-impacted communities, including the indicators of public health, environment, economics, energy security and resiliency. This draft also provides more robust accounting of how utility actions are expected to contribute to meeting the Clean Energy Transformation Standards, and whether in practice targets and specific actions achieve what was expected.

The elimination of coal-fired electricity from a utility's allocation of energy is the first step in achieving the Clean Energy Transformation Standards, and rules must be established by the UTC to implement and verify compliance with the law by January 1, 2021. The UTC should not wait for recommendations from the markets workgroup before setting these initial rules that may be revised as needed to carry out the intent and purposes of CETA.

Public Engagement towards meeting the Clean Energy Transformation Standards
Reflecting the great public interest in planning for a clean and equitable energy future, this draft rule sets up clear processes for public participation that will help ensure utilities engage and involve customers and stakeholders, especially from highly impacted and vulnerable communities in achieving the law. However, a public hearing and comment period is needed for each final IRP. Furthermore, at this hearing, utilities should identify why it did not incorporate public input. It is important that the IRP process does not confine the ambition of Clean Energy Action Plans and Clean Energy Implementation Plans.

We appreciate that this draft requires utilities to identify barriers to engagement and develop strategies to overcome those barriers. We find that it is within the authority of the UTC to require utilities to provide the support and resources to stand up advisory groups and other public engagement

opportunities needed to implement the law. We suggest that the next version of the rule advise on model funding/administrative approaches to advisory group resourcing.

We also support and encourage the UTC to host additional workshops around utility implementation of equity-related provisions, and provide a concurrent policy statement on implementation around these topics.

The rules the UTC writes now are charting the course to clean, safe, fair and resilient electricity for Washington. Working together, we will confront the challenge of addressing climate change in a way that invests in people and builds a better life for everyone in our state. Thank you for your efforts.

Sincerely,

Eleanor Bastian Climate and Clean Energy Policy Manager