May 22, 2009

NOTICE OF OPPORTUNITY TO FILE WRITTEN COMMENTS (By Monday, June 1, 2009)

Re: Review of PURPA Standards – Rulemaking Docket U-090222

TO ALL INTERESTED PERSONS:

On March 10, 2009, the Washington Utilities and Transportation Commission (Commission) filed with the Office of the Code Reviser a Preproposal Statement of Inquiry (CR-101) to examine whether new regulations are needed to govern six aspects of investor-owned electric and natural gas utility operations for which new federal standards are included in the Energy Independence and Security Act of 2007, Public Law 110-140 (EISA). For electrical companies, these new federal standards address: 1) integrated resource planning; 2) rate design to promote energy efficiency investment; 3) consideration of smart grid investments; and 4) smart grid information. For natural gas companies, these new federal standards address: 1) rate design to promote energy efficiency investment; and 2) energy efficiency.

The Commission solicited comments from all interested persons, and, by April 24, 2009, a number of written comments had been filed in response to the CR-101. On May 21, 2009, the Commission held a stakeholder workshop to discuss the proposed federal standards and the written comments the Commission has received. During the workshop, several interested persons requested that the Commission allow post-workshop comments to be filed to address questions raised during the workshop that could not be readily answered at that time.

Therefore, the Commission asks that any interested person wishing to provide additional comments on subjects discussed during the workshop do so by filing those comments with the Commission no later than Monday, June 1, 2009. The Commission requests that the commenters specifically focus on the questions raised by the rulemaking team at the workshop. These questions are identified below:

- 1) Please provide statutory authority for the Commission's ability to consider a conservation priority criteria, e.g., 10 percent.
- 2) How are the utilities currently evaluating smart grid technology and opportunities internally? Is this evaluation coordinated with or otherwise a part of processes used to develop the Integrated Resource Plan? If so, how? If not, please elaborate?
- 3) Would a planning requirement, analogous to an IRP, for assessment of smart grid technology and opportunities, be practical? Why or why not?
- 4) For Avista and PacifiCorp, how is smart grid assessment or planning addressed in the other states you serve?

The Commission requests that comments be provided in electronic format to enhance public access, for ease of providing comments, to reduce the need for paper copies, and to facilitate quotations from the comments. Comments may be submitted via the Commission's Web portal (<u>www.utc.wa.gov/e-filing</u>) or by electronic mail to the Commission's Records Center at <<u>records@utc.wa.gov></u>. Please include:

- The docket number of this proceeding: U-090222.
- The commenting party's name.
- The title and date of the comment or comments.

An alternative method for submitting comments is to mail/deliver an electronic copy to the Commission's Records Center on a 3 ½ inch, IBM-formatted, high-density disk, in .pdf Adobe Acrobat format or in Word 97 or later format. Include all of the information requested above. The Commission will post on its web site all comments that are provided in electronic format. The web site is located at http://www.utc.wa.gov/090222>.

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If you are unable to file your comments electronically or to submit them on a disk, the Commission will always accept a paper document. Questions may be addressed to Steve Johnson at (360) 664-1346 or e-mail at <<u>sjohnson@utc.wa.gov</u> >.

Sincerely,

DAVID W. DANNER Executive Director and Secretary