

August 13, 2021

Executive Director and Secretary

Washington Utilities and Transportation Commission

PO Box 47250

Olympia, WA 98504

RE: Association of Washington Business Comments on UTC Docket #U-210553

Dear Chair Danner and Commissioners:

Thank you for the opportunity to provide comment on the proposed decarbonization study as authorized by SB 5092. The Association of Washington Business (AWB) is a statewide trade association advocating for over 7,000 small, medium, and large businesses in the state. Our members care strongly about energy cost and grid reliability to help ensure that Washington remains a competitive location for the employer community. Our members also see the importance of responsibly reducing our statewide emissions and have made considerable investments to reduce the carbon emissions resulting from their operations.

The recent passage of SB 5126, the Climate Commitment Act (CCA), will have considerable impacts on the costs of energy in Washington. We therefore hope that this study will provide an in-depth examination of various decarbonization pathways to help inform state legislators as they craft future energy policy. The CCA represents a major policy shift and the impacts on the state have not yet begun to be felt. We offer the following comments to the commission which we hope will be considered as work on this budget proviso advances.

To start with, we strongly encourage the commission to provide to the legislature an evaluation of various decarbonization pathways with a fair description of the trade offs associated with each pathway. We do not believe that any single pathway should be singled out as a policy recommendation in the final report to the legislature but that all the recommendations be submitted equally. Various strategies for decarbonization incur different tradeoffs for different stakeholder groups and AWB believes the legislature is best forum for crafting a reasonable and responsible compromise.

We share the belief of several stakeholder groups that all information the commission uses to inform their position should be shared openly. This will help facilitate an open discussion with various groups and ensure that no information is presented in a vacuum.

Finally, we urge a conservative approach when forecasting the arrival of new technologies, infrastructure or policies which will help meet future load growth. Our state currently faces growing power adequacy concerns and overly optimistic assessments of future assets will only set the state up for failure as we try to balance population growth, increased EV usage, and decarbonization policies which push more load onto the grid. Ensuring that energy remains affordable and reliable is of critical importance for the business community.

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AWB members already face growing price pressures from increasing energy prices. The passage of the Low Carbon Fuel Standard and Climate Commitment Act will further add to the upwards pressure on energy prices. Low cost of energy has been a historic competitive advantage for Washington businesses which helped offset other, higher costs. Additional policies that further increase cost while also reducing reliability will further increase the burden on Washington businesses and consumers.

Thank you for the opportunity to provide early comment on this docket. AWB and our members will continue to be involved as this work progresses and we look forward to offering additional comment.

Thank you,

A handwritten signature in blue ink that reads "Peter Godlewski". The signature is written in a cursive style with a large initial "P" and "G".

Peter Godlewski

Government Affairs Director Energy Environment and Water

Association of Washington Business