

**IRP and CEIP Rulemaking Dockets UE-190698 and UE-191023**  
**Notice of Opportunity to File Written Comments on the Second Discussion Draft**  
**by September 11, 2020**

*Summary of Comments*

- Avista
- Pacific Power and Light (PP&L)
- Puget Sound Energy (PSE)
- Public Counsel (PC)
- Adcock, James
- Alliance of Washington Energy Consumers (AWEC)
- Bonneville Power Administration (BPA)
- Coalition of Eastside Neighborhoods for Sensible Energy (CENSE)
- Climate Solutions (CS)
- The Energy Project (TEP)
- Front and Centered (FC)
- Invenergy
- Jordan, Jeff
- London, Angela
- Newcomb, Anne
- Northwest Energy Coalition (NVEC)
- Northwest & Intermountain Power Producers Coalition (NIPPC)
- Olson, Court
- Puget Sound Sage (PSS)
- Renewable Northwest (RN)
- Sierra Club (SC)
- Snell, Ronald
- Washington Environmental Council (WEC)
- Western Power Trading Forum (WPTF)
- Vashon Climate Action Group (VCAG)
- Steven Bergman, Lisa Chambers, Liz Illg and Janna Gingras, and John Stot. (Vashon citizens)

The citations mentioned below in the comment matrix refer to the draft rules published on August 14, 2020.

WAC 480-100-600 Purpose

Party	Draft WAC	Summary of Comment	Staff Response
PSE	-600	Strike “utilities must ensure that all planning and investment activities are consistent with the clean energy transformation act.” PSE writes that it is not a requirement of Clean Energy Transformation Act (CETA), is regulatory overreach, and is not reasonable or realistic.	Staff disagrees that the sentence represents regulatory overreach as the intent of CETA is to transform Washington’s energy supply, modernize its electricity system, and ensure that the benefits are this transition and broadly shared throughout the state. However, the sentence is not necessary to implement the rules and the CR-102 will not include it.

WAC 480-100-605 Definitions

Party	Draft Definition	Summary of Comment	Staff Response
Avista	Nonemitting electricity generation	Requests clarification regarding whether definition enables storage resources fueled by non-renewable resources to be classified as non-emitting.	Issues related to storage will most likely be the subject of future rulemakings or policy statements. Storage devices will not have a classification as emitting or nonemitting. The characterization of emitting or nonemitting will change for storage devices based on the energy source used to charge the device. If a storage device is charged with energy from emitting resources, then the energy from the device is counted as if it is from an emitting resource.

PP&L	Lowest reasonable cost	<p>Recommends deleting two clauses: “and related delivery system infrastructure,” and “including demonstration that the mix of resources will be clean, affordable, and reliable, and equitably distributed.” PP&amp;L argues lowest reasonable cost (LRC) is a component of the Clean Energy Implementation Plan (CEIP) Baseline Portfolio, which intends to measure the costs of a portfolio that would have been adopted absent passage of CETA. These costs would not exist but for CETA.</p>	<p>Staff disagrees. Related delivery infrastructure, including demand response (DR), is planned at the integrated resource plan (IRP) level. Staff recognizes the company’s concern regarding the baseline portfolio for calculating incremental cost. Staff proposes a definition of the ‘alternative lowest reasonable cost and reasonably available portfolio’ that clarifies the scenario does not include the equity mandate. However, the CR-102 rules will not include the phrase “including demonstration that the mix of resources will be clean, affordable, and reliable, and equitably distributed.”</p>
	Resource need	<p>Recommends clarifying resource need is a “change to system resources,” and resource required for “long-term” regulatory compliance. PP&amp;L asserts draft rules may prohibit renewable acquisition because there is no “projected deficit to meet demand,” when it could continue to serve load with coal resources.</p>	<p>Staff partially agrees. Staff proposes language to address concerns regarding changes to system resources resulting from regulatory compliance, including: “any current or projected deficit to reliably meet electricity demands created by changes in demand, changes to system resources, or their operation to comply with state or federal requirements.” Staff does not support additional examples or explanatory terms following “not limited to” along with the qualifying term, “long-term” regulatory compliance, because short-term also applies.</p>

PSE	Alternative lowest reasonable cost and reasonably available portfolio	Recommends new definition because the CETA 19.405.040 requirements of “clean” and “equitably distributed” are now embedded in the definition of lowest reasonable cost. Recommends commission define, “the lowest cost mix of resources determined through a detailed and consistent analysis of a wide range of commercially available resources that represents what the utility mostly likely would have implemented absent RCW 19.405.040 and RCW 19.405.050, as outlined in their CEIP.” See redlines.	Staff agrees that this term should be defined. Staff proposes a definition based in part from PSE’s proposal. Staff’s definition should make it clear that this portfolio does not include the equity mandate in CETA.
	Equitable distribution	Recommends deleting “including legacy and cumulative conditions” as redundant with “current conditions.”	The CR-102 rules do not include this language. The adoption order is anticipated to clarify that current conditions include legacy and cumulative conditions.
		Recommends deleting “Current conditions are informed by the assessment described in RCW 19.280.030(1)(k) from the most recent integrated resource plan.” Believes this language places too much emphasis on this assessment.	Staff disagrees. “Informed by” is flexible language that allows for appropriate discretion. Additionally, this sentence clarifies the role of the assessment within utility planning and compliance. CR-102 rules clarify that other information may be considered.
	Indicator	Recommends deleting the definition as it is confusing and unhelpful.	Staff disagrees with deleting the definition. CR-102 rules include additional, clarifying language explicitly linking the definition to RCW 19.405.040(8).
Resource need	Recommends including to “reliably” meet “forecasted electricity” demands, also deleting the example of “equitable distribution of benefits or reduction of burdens” under regulatory compliance.	Staff agrees adding “reliably” but disagrees with the remainder of the edits. Regarding deleting the equitable distribution clause, it is no more redundant to include this requirement than the other examples listed under regulatory compliance. Note: please see related Staff response for PacifiCorp.	

	Lowest Reasonable Cost (LRC)	Recommends the last sentence of LRC be modified as “consistent” with statute, and delete the last clause, “demonstration that the mix of resources will be clean, affordable, reliable and equitably distributed.” Suggests the clause be incorporated into the purpose section in WAC 480-100-600 or the standards section in WAC 480-100-610. See redlines.	Staff agrees to add “show consistency” with statute(s). The definition of LRC in the CR-102 rules will not include the phrase, “including demonstration that the mix of resources will be clean, affordable, and reliable, and equitably distributed.”
	Distributed energy resource	Recommends deleting “as well as demand response” at the end of the definition because DERs are covered under the definition; it should remain consistent with statute.	Staff agrees as demand response is covered in the definition.
	Nonemitting electric generation	Recommends specifying this resource type “includes, but is not limited to: nuclear power and hydrogen.”	Staff disagrees. Without specifying an example of resource type, the statutory definition provides adequate explanation of what constitutes nonemitting generation. The statutory definitions of renewable hydrogen and nonemitting electric generation in RCW 19.405.020 make clear that not all hydrogen will fall under the definition of nonemitting electric generation.
PC	Resource	Supports Staff’s proposed definition.	No Staff response required.
	Indicator	Recommends clarifying the definition to avoid unintended consequences of using the term “resources” in the indicator definition.	Staff disagrees. No specific unintended consequences were provided by stakeholders nor contemplated by Staff. CR-102 rules include additional, clarifying language explicitly linking the definition to RCW 19.405.040(8).
CS	Equitable distribution	Appreciates the updated definition to include recognition of legacy conditions and their cumulative impacts on communities.	Staff agrees that current conditions include legacy and cumulative conditions. CR-102 rules do not include this language. Adoption order is anticipated to clarify that current conditions include legacy and cumulative conditions.
	Indicator	Recommends adding programs to definition.	Staff disagrees. Programs are included under the definition of resources.

		Recommends expanding the definition beyond attributes of utility resources to include real-world conditions that can be addressed by how the utility invests and manages its system.	Staff disagrees. The definition is specific to the customer benefits associated with resources need to transition to clean energy. Real-world conditions will be captured in utility IRP assessments pursuant to RCW 19.280.030(1)(k), among other sources.
Lowest reasonable cost		Appreciates the inclusion of equitable distribution of benefits within the updated definition.	No Staff response required.
		Recommends adding public health to the definition because the legislature as defined it as part of the public interest.	Staff disagrees. The last clause provides statutory references and sufficient direction from the legislature regarding public interest directives.
		Recommends changing the term “emissions of carbon dioxide” to “greenhouse gases” to be consistent with statute and the rest of the rule.	Staff disagrees. The last clause provides statutory references and sufficient direction from the legislature regarding public interest directives.
		Recommends adding programs rather than limiting the definition of resources.	Staff disagrees. DERs are defined as a resource or “program.” Adding programs to the definition of lowest reasonable cost is therefore unnecessary.
Retail sales		Recommends new definition of ‘retail sales’ that incorporates losses between the point of generation and electricity supplied to load. Utilities should ensure that each megawatt hour necessary to deliver electricity to load is from nonemitting or renewable resources.	Staff does not recommend the commission make any determination on this issue at this time. The commission should consider this request when it makes a determination on its interpretation of the word “use” in RCW 19.405.040.

	Social cost greenhouse gas emissions	Recommends confirming in rules that utilities must include all emissions that occur because of generation, including those from the extraction, production, and transportation of a fuel used to generate electricity.	In terms of current practice, utilities are applying upstream emissions in IRP modeling. Staff is hesitant to adopt this interpretation because it appears that it may conflict with the recent Washington state supreme court precedent. <i>See Ass'n of Wash. Bus. v. Dep't of Ecology</i> , 195 Wn.2d 1, (2020).
	Resource adequacy	Recommends rules provide a level of consistency across the utilities, while retaining flexibility for continued evolution and development; it is important to coordinate with other markets WECC-wide to identify resource needs and solutions across the West. Further, recommends ELCC and a defined RA metric, such as LOLP.	Staff agrees that retaining flexibility for continued evolution and development is important; we also believe the rules provide adequate guideposts for resource adequacy.
FC	Equitable distribution	Recommends changing “mitigate disparities” to “reduce disparities.” Believes that “mitigate” is passive whereas “reduce” is active.	Staff disagrees that “mitigate” is passive. Staff recommends alternative, clarifying edits to the definition.
	Highly impacted community	Recommends amending definition to include confirmation of census tracts with “local residents directly impacted by high risk factors.”	Staff disagrees. The definition is from statute. This should not be specified in commission rule because it implicates the cumulative impact analysis conducted by the Department of Health (DOH). DOH may be able to address recommendation through the methodology of their Cumulative Impact Analysis.
	Indicator	Recommends extending definition to quantitative or qualitative attributes of “a condition” in addition to resources or related distribution investments. Believes that the definition must support changes from baseline conditions.	Staff disagrees. The definition is specific to the customer benefits associated with resources needed to transition to clean energy. Real-world conditions will be captured in utility IRP assessments pursuant to RCW 19.280.030(1)(k), among other sources.

	Vulnerable population	Recommends adding “limited education and literacy, membership in a marginalized race or ethnic group, insecure residency status” to list on non-exclusive adverse socioeconomic factors in definition.	Staff disagrees. The definition is from statute. The specific adverse socioeconomic factors and sensitivity factors used to determine vulnerable populations will occur through the CEIP process.
		Recommends adding additional sentence that reads: “Vulnerable populations and the impacts on [ <i>sic</i> ] may be considered from within the context of highly-impacted communities.”	Staff disagrees. The definition is from statute. Furthermore, the interaction between highly impacted communities and vulnerable populations is ambiguous in statute. Staff recommends determining the appropriate interaction will occur through the CEIP process.
Invenergy	Cost-effective	Recommends revising the definitions of cost-effective, integrated resource plan and lowest reasonable cost to clearly spell out that in the context of IRPs and CEIPs “costs” include internal costs to the utility and its retail electric customers, as well as external costs of GHG emissions valued at the social cost of greenhouse gases (SCGHG). Revise IRP and LRC to make more internally consistent (e.g., in the definition of “cost-effective”, delete the reference to ‘least-cost’ and replace it with ‘lowest reasonable cost’).	Staff disagrees. These draft rule definitions properly reflect the statutory requirements regarding the SCGHG and its relationship to the CEIP and IRP. Explicitly articulating the relationships between each definition in agency rule would reduce their clarity. The definition of cost-effective is consistent in rule with RCW 80.52.030 and 19.285.030. To the extent that additional clarity is needed, stakeholders can request technical assistance from Staff during relevant filings.
	Integrated resource plan		
	Lowest reasonable cost		
	Resource need	Recommends revising to specifically identify “flexibility and dispatchability” as key elements to be identified in each utility’s determination of its resource needs.	Staff added language to address concerns resulting from CETA compliance: “current or projected deficit to reliably meet electricity demands created by changes in demand, changes to system resources, or their <i>operation</i> to comply with state or federal requirements,” which addresses flexibility and dispatchability.



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NWEAC	Energy assistance need	Repeats previous comments that “equal to” is too restrictive and recommend that the definition be changed to “no higher than six percent.”	Staff disagrees. The definition does not interact with program design.
	Energy security	Appreciates the commitment to revisit this concept soon in another docket.	Staff continues to recommend addressing energy security in the adoption order. Alternatively, a working definition could be developed through IRP and CEIP development.
	Indicator	Recommends redlines to expand the definition of indicator beyond attributes of resources or distribution investment. Believes appropriate indicators will include process elements.	Staff disagrees. Definition is specific to the customer benefits associated with resources needed to transition to clean energy. Procedural metrics can be developed and included in the public participation plan or established through commission order.
	Integrated resource plan	Recommends specifying, “including demand-side resources” such as conservation and efficiency and demand response methods, technologies, and resources needed for system operation and deleting addressing overgeneration events. See redline.	Staff disagrees that this provides additional clarification. The proposed deletion “address overgeneration events” alters meaning of statutory definition.
	Lowest reasonable cost	Recommends clarifying LRC applies to demand-side resources, deleting “generating” and “conservation and efficiency resources.” See redline.	Staff disagrees. The addition and deletion deviate from statute.
	New retail electric sales	Recommends adding new definition of “retail electric sales,” which means sales of electricity in megawatt hours delivered to retail customers, inclusive of all the electricity generated associated with energy delivered to customers, including transmission and distribution line losses that occur between the point of generation and the final delivery of the electricity, round-trip efficiency losses associated with storage, and other related generation.	Staff does not recommend the commission make any determination on this issue at this time. The commission should consider this request when it makes a determination on its interpretation of the word “use” in RCW 19.405.040.
	PSS	Equitable distribution	Recommends reinforcing principles of restorative justice in the definition. Supports and seconds FC’s comments.
SC	Equitable distribution	Adopts FC’s position.	No additional Staff response required.

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	Highly impacted community	Adopts FC’s position.	No additional Staff response required.
	Indicator	Adopts FC’s position.	No additional Staff response required.
	Vulnerable population	Adopts FC’s position.	No additional Staff response required.
TEP	Energy assistance need	Recommends changing the definition from “equal to six percent” to “no greater than six percent.”	Staff disagrees. The definition does not interact with program design.
	Equitable distribution	Supports the modifications to the definition, especially the addition of “burdens and benefits” and the reference to “legacy and cumulative conditions.”	Staff agrees that current conditions include legacy and cumulative conditions. The CR-102 rules do not include this language. Staff anticipates the adoption order will clarify that current conditions include legacy and cumulative conditions.
	Resource need	Supports the addition of “equitable distribution” to the examples of requirements in the definition.	No Staff response required.
VCAG	Integrated resource plan	Recommends including demand response and transmission in the definition of an integrated resource plan. See redlines.	Staff disagrees. Demand response is addressed in the definition of distributed energy resources (DER). Transmission is addressed through the utility’s combination of planned resources and related delivery system infrastructure, as referenced in the LRC definition for IRPs.
WEC	Equitable distribution	Supports updated definition to incorporate legacy and cumulative conditions.	Staff agrees that current conditions include legacy and cumulative conditions. CR-102 rules do not include this language. Adoption order is anticipated to clarify that current conditions include legacy and cumulative conditions.

	Indicator	Recommends definition be expanded beyond resources and distribution investments to allows for measuring and tracking more equitable utility decision-making processes and public engagement.	Staff disagrees. Definition is specific to the customer benefits associated with resources needed to transition to clean energy. Procedural metrics can be developed and included in the public participation plan or established through commission order.
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WAC 480-100-610 Clean Energy Transformation Standards

Party	Draft WAC	Summary of Comment	Staff Response
Avista	-610(5)	More clarity is needed, as the requirements to “demonstrate progress towards” and “has met the standards” conflict with one another.	Staff disagrees. Meeting a standard is distinct from making progress toward meeting that standard. Demonstrating progress toward meeting -.040/-.050 is itself a standard per RCW 19.405.060(1)(b)(iii) and, therefore, appropriate include in Sec -610.
PSE	-610	Section 610 restates the two major compliance obligations of CETA, but it should also reference the exceptions (a) unable to achieve standard while maintaining and protecting the safety, reliable operation and balancing, and (b) already in compliance with greenhouse gas neutral standard under the alternative compliance mechanism)	Staff disagrees. Sec -610 should identify statutory standards. Exceptions to standards are not standards. Adding exceptions to the standards section adds unnecessary bulk to the rules.
	-610(5)	Should not be in the standards section. If necessary, it belongs in the WAC chapter describing the CEIP content.	Staff disagrees. Lowest reasonable cost and demonstrating progress toward meeting -.040/-.050 are each statutory standards identified in Chapter 19.405 RCW and, therefore, appropriate to include in Sec -610.

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FC	-610(4)(c)	Recommends revising standards in -610(c)(ii)-(iii) to reference highly impacted communities and vulnerable populations. Believes the framing of the rule must support the law’s intent to center the most impacted and vulnerable.	Staff disagrees. Recommendation conflicts with the commission’s interpretation of the statute. Public health, environment, energy security, and resilience are examples of benefits and burdens and are therefore covered by -610(1)(c)(i).
TEP	-610(4)(c)	Supports the modifications, which will strengthen the incorporation of the customer benefit and equitable distribution requirements.	No Staff response required.
	-610	New draft rules link the standards to the key requirements of the rule ( <i>i.e.</i> , IRP portfolio analysis requirements, Clean Energy Action Plan (CEAP) and CEIP).	
Invenenergy	-610(5)	If “lowest reasonable cost” is defined to include the SCGHG as an incremental dispatch cost adder for planning and evaluation GHG-emitting resources, then this is reasonable.	Staff disagrees. LRC is a statutory standard irrespective of its definition. Comment more appropriate for definitions section.
NWEC	-610(3)(a)	Redline addition to pursue all demand response as required by CETA.	Staff agrees. Redline edit is consistent with standard in -050(3).
SC	-610(4)(c)	Adopts FC’s position.	No additional Staff response required.
WEC	-610	This section is necessary to turn the law into practice and ensure consistency across utilities in implementation.	No Staff response required.
		Agrees with Staff’s interpretation that the utility must explain in its CEIP how each specific action is consistent with the terms of the law.	

WAC 480-100-615 Purpose of integrated resource planning

Party	Draft WAC	Summary of Comment	Staff Response
PSE	-615	This section reads like intent language and should be moved to the first subsection of -620.	Staff agrees and proposes deleting this section.

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Invenenergy	-615	615 should be based on a definition of lowest reasonable cost that includes the SCGHG as an incremental dispatch cost adder.	Staff offers rule edits to clarify that SCGHG is a cost adder which must be applied in modeling stages that determine utility resource selection. At this time, Staff does not recommend limiting utility modeling of SCGHG to hourly dispatch scenarios only. Utilities may model the SCGHG both in and out of dispatch to inform the CEAP and CEIP.
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WAC 480-100-620 Content of an Integrated Resource Plan

Party	Draft WAC	Summary of Comment	Staff Response
Avista	-620(3)(c)	Recommends deleting as this requirement seems no longer applicable to IRP as most CHP require natural gas or other heating source; also, these are not projects utilities can effectively plan for in an IRP setting.	Staff deleted this requirement as it does not need to be explicitly stated in rule. CHP can be included as part of the overall requirement in (3) and is also addressed in RCW 19.280.070(2).
	-620(9)(b)	Recommends deleting as climate change scenarios should not be prescriptive; instead, it should be between the utility and advisory group. Staff may request at an advisory group meeting.	Staff disagrees. Climate change projections and specific impacts should be modeled in each IRP. Climate change is specifically noted in RCW 19.405.010(1) as one of the issues the legislature intended CETA to address, therefore requiring a climate change scenario is not unduly prescriptive.

-620(12)	<p>Recommends publishing avoided costs in the CEAP and disagrees with performing this calculation for all supply and demand side resources and listing nonenergy costs/benefits as part of the avoided cost. The Company agrees with listing avoided costs for energy and capacity, considering transmission/distribution costs and GHG costs.</p>	<p>Staff partially disagrees. Subsection (12) addresses avoided costs <u>and</u> nonenergy impact analysis requirements. Staff agrees that requiring estimates for avoided cost for each, individual supply and demand-side resource could be potentially overly burdensome and offers streamlining edits. On the point of listed nonenergy costs and benefits, Staff notes the CETA mandate is to ensure all customers benefit “through the equitable distribution of energy <i>and nonenergy benefits.</i>”</p>
-620(13)	<p>Recommends aligning with WAC 480-100-630(5); data should only be provided where they do not violate confidentiality or is applicable the planning process.</p>	<p>Staff agrees data disclosure should be clearer and has referenced statutory language, including confidentiality provisions. Please see the revised data availability language in the CR-102 rules, -620(14).</p>
-620(16)	<p>Recommends utility publish notes during advisory group meetings and believes a required summary of public comments is burdensome and duplicative.</p>	<p>Staff believes advisory group input should be documented, including the scenarios and sensitivities accepted/rejected by the company—a key part of IRP analyses. As Avista notes, companies do listen to concerns and often incorporate sound input, and this requirement is simply a documentation of that communication back to stakeholders. Staff suggests edits drafted to resolve Avista concerns that this responsibility should only pertain to comments on a plan or its development.</p>

PP&L	-620(10)(f)	Notes that subsection appears to duplicate a similar requirement in -620(11)(c). States that it may be appropriate to delete -620(10)(f) unless there is a clear reason to retain both.	Staff disagrees that these subsections are duplicative. RCW 19.280.030(1)(j) requires CETA standards to be addressed in the IRP. RCW 19.280.030(1)(l) requires CETA standards be address in the CEAP. Similarly, -620(10)(f) pertains to the IRP with its longer-term planning horizon, while -620(11)(c) pertains to the CEAP with its 10-year planning horizon and additional granularity.
PSE	-620(1)	Recommends deleting the requirement in its entirety.	Staff disagrees. Specifying that IRP assessments, evaluations, and forecasts should span over an appropriate planning horizon is necessary.
	-620(3)	Recommends deleting “not fully valued elsewhere within any integrated resource plan model,” replacing with “to the extent known.”	Staff disagrees. Nonenergy costs and benefits must be assessed in the IRP, as required by CETA provisions set forth in RCW 19.280.030.
	-620(3)(b)	Recommends adding that new policies and programs “in development that may be” needed to obtain all cost-effective demand response.	Staff disagrees. The utilities are required to set targets that capture all cost-effective DR. New policies and programs do not need to be in development to be included.
	-620(3)(d)	Recommends deleting the requirement to include DER programs identified pursuant to RCW 19.405.120 in the IRP. Believes that inclusion of the requirement is an overreach since the statutes do not explicitly link RCW 19.405.120 and the IRP statute.	Staff disagrees. DER pursued under RCW 19.405.120 will affect load and other relevant components of the utility’s resources planning and should therefore be considered in the IRP. The commission has broad rulemaking authority to incorporate CETA requirements, including those in RCW 19.405.120.

-620(5)(a) and (b)	Recommends deleting (a) and (b) regarding assessing utility’s existing transmission and future needs as well as the transfer capabilities that may affect siting future resources. PSE asserts it is covered under (5), generally.	Staff disagrees. As renewable penetration increases, it will be more important than ever to assess transmission capabilities at a more granular level to determine the lowest reasonable cost preferred portfolio. This type of modeling will inform the utility’s resource adequacy assessment, and inform the utility, stakeholders, and independent power producers on which locations will best be suited for additional clean generation.
-620(9)	Due to its prescriptive nature, PSE recommends deleting, “the IRP must also provide a narrative description of scenarios, sensitivities the utility used, including those informed by the public participation process.”	Staff disagrees. A narrative description of utility’s decision making is helpful to the commission and Staff in reviewing the merits of an IRP and whether it meets the requirements of the law. One of the most helpful components of the public participation process is input provided regarding ‘future cases or states,’ testing the robustness of parameters.
-620(9)(a)	Regarding the alternative lowest reasonable cost and reasonably available portfolio, recommends adding “most likely” would have implemented absent the enactment of... and changing the name from preferred portfolio to “resource plan portfolio.”	Staff proposed definition for alternative lowest reasonable cost and reasonably available portfolio does not use the phrase “most likely.” The portfolio is a counterfactual. Staff does not think adding “most likely” makes a significant impact one way or another. Regarding changing the name from preferred portfolio to resource plan portfolio, Staff disagrees with incorporating this suggestion as it does not identify the particular long-range integrated resource plan preferred portfolio leading to the CEAP.



	-620(9)(b)	Recommends deleting because the requirement is too prescriptive, is unnecessary, and the Company already analyses multiple scenarios as part of its IRP.	Staff disagrees. Climate change projections and specific impacts should be modeled in each IRP. Temperature changes over time reflect current science, and this requirement will test the robustness of the portfolio(s) in the future.
	-620 (10)	Recommends deleting preferred portfolio from introduction descriptor.	Staff disagrees. The analysis performed results in the utility’s preferred portfolio.
	-620(10)(a) and (d)	Recommends deleting “considering risk,” as it is embedded and explained in the definition of lowest reasonable cost.	Staff agrees.
	-620(10)(b)	Recommends deleting in its entirety. Forcing the portfolio model to optimize to an hourly renewable requirement could result in extremely long run times and potentially an infeasible solution.	Staff partially agrees. Staff proposes deleting “of nonemitting and renewable resources” to account for the 2030 and 2045 CETA standards. Staff notes current utility IRP modeling practice involves using data measured on an hourly interval basis.
	-620(10)(f)	Recommends changing “achieves” to “considers” in related to the requirements in WAC 480-100-610(4)(c) that enumerate the requirements in RCW 19.405.040(8).	Staff disagrees. RCW 19.405.040(8) is an affirmative mandate in CETA, not a planning standard. CR-102 rules include alternative, clarifying language.
		Recommends deleting requirements for the description to include the long-term strategy and interim steps and the estimate degree over the planning horizon. Believes the expectation is too far sweeping.	Staff disagrees. RCW 19.405.040(8) requires customer benefits from the transition to clean energy. Therefore, expected actions over the entire transition period are relevant.
	-620(10)(g)	Recommends deleting requirement to describe how the IRP assesses the environmental health impacts to highly impacted communities.	Staff disagrees. This assessment is based on the legislative intent language in RCW 19.405.010(6).
	-620(10)(h)	Recommends deleting in its entirety; it is unnecessary. DERs will be evaluated as part of the IRP along with other resources.	Staff disagrees. An explanation on how combinations of DERs will provide details on the operational characteristics and ancillary service benefits that are considered to meet system needs.

	-620(11)(c)	Recommends deleting subsection as CETA does not mention equity considerations as part of the CEAP. Believes it is not reasonable to expect the CEAP to describe the specific actions the utility may take to mitigate disparities.	Staff disagrees. RCW 19.280.030(1)(l) requires a CEAP “to implement RCW 19.405.030 through RCW 19.405.050 at the lowest reasonable cost, and at an acceptable resource adequacy standard, that identifies the specific actions to be taken by the utility consistent with the long-range integrated resource plan.” RCW 19.405.030 through RCW 19.405.050 includes RCW 19.405.040(8). The statute also explicitly mentions “specific actions.” Staff recommends some clarifying edits related to what the demonstration must include.
	-620(11)(f)	Recommends deleting goals in their entirety.	Staff deleted to streamline rule. Targeted energy efficiency, DR, and renewable energy specific actions are addressed in the CEIP.
	-620(12)	Recommends deleting the requirements for listed nonenergy costs and benefits to specify if they accrue to the utility, customers, participants, vulnerable population, highly impacted communities, or the general public.	Staff disagrees; this clarifies statute. It is not premature to require addressing and listing nonenergy benefits in the IRP, such as for DERs or energy efficiency.
	-620(13)	Recommends deleting data disclosure requirements, which PSE describes as overly burdensome throughout the rule.	Staff disagrees. Providing the workpapers that support a utility’s analysis is a basic requirement of utility regulation. Furthermore, CETA modified the IRP statute to encourage additional transparency. However, Staff believes data disclosure should be clearer and has referenced statutory language as well as confidentiality provisions.
	-620(16)	Recommends clarifying edits for tone and consistency with public participation provisions.	Staff disagrees with removing these requirements. Proposed streamlining edits improve readability.

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CENSE	-620(2)	Recommends requiring utilities to provide forecasts of both summer and winter peak demand.	Staff considered this request, but the utility must already include a range of forecasts of projected customer demand.
	-620(2)	Recommends utilities demonstrate and document any pockets of increasing demand that require infrastructure investments exceeding \$5 million (approximately \$5 per ratepayer).	Staff believes demonstration and documentation of projects requiring infrastructure investments is not appropriate to address in -620(2), Load forecast.
	-620(2)	Recommends establishing uniform standards regarding weather normalization for load forecasts and resource adequacy throughout the state of Washington	Staff disagrees. Statewide, uniform normalization standards and resource adequacy requirement are not appropriate topics to address under -620(2), Load forecast.
	-620(3)(b)	Recommends requiring utilities to address well-documented experiences from other utilities.	Staff believes this recommendation is generally captured under the DER assessment and specifically under the DR potential assessment requirement.
	-620(5)	Recommends the commission make transmission a first-class consideration in the IRP and CEIP planning and prevent the sale of any asset that is not in the best interest of ratepayers.	Staff points to additional rule requirements under -620(5)(a)-(b); we agree transmission is an important consideration in the rulemaking and planning processes.
CS	-620	Recommends utilities apply SCGHG emissions to all WECC resources that are flowing into a utility's system, but only the portion of their electricity that is delivered to Washington customers, including existing resources, new resources being considered to serve the utility's load, and market purchases, regardless of geographic location.	Staff disagrees this level of detail is necessary in rule.
		Recommends SCGHG be applied as a <i>fixed or capital cost</i> ; including it in dispatch will impact operations and artificially suppress how much they will actually run and create the appearance of greater resource need, leading to overbuilt and unnecessary procurement plan, and should only be permitted if real-time utilities plan to incorporate these costs in operational decisions.	

		To maintain consistency among utilities, recommends the commission provide guidance on how to incorporate upstream emissions and how to determine a methane emissions leakage rate when incorporating the social cost of greenhouse gas emissions.	Additional clarification beyond SCGHG definition and applicable emissions, which are governed by RCW 80.28.405 and 19.280 and other relevant statutes, is unnecessary.
		Recommends requirement to model future climate change impacts, include not just on system demands, but also on the region’s hydrology and other climate impacting productivity of existing and future resources.	Staff disagrees additional clarification is needed within these rules. The advisory group process created by these rules is the appropriate venue to address these kinds of specific suggestions.
		Recommends the establishment of four-year goals for efficiency, demand response and renewable energy be moved into the CEIP, as specific actions identified under RCW 19.405.060(1)(b)(iii), which is a more appropriate setting for the granular plans the utility intends to take action on in the successive years.	Staff deleted to streamline rule. Targeted energy efficiency, DR, and renewable energy specific actions are addressed in the CEIP.
FC	-620(3)	Supports language that requires the IRP assessments of distributed energy resources to “incorporate non-energy costs and benefits not fully valued elsewhere within any integrated resource plan model.”	No Staff response required.
	-620(9)	Recommends adding requirement for at least one minimum disparities scenario. Believes that this scenario enables “stretch-goal” thinking and assures serious consideration of reaching new equity baselines.	Staff agrees and such a scenario is included in the CR-102.
	-620(10)(f) and -620(11)(c)	Recommends changing “mitigating” to “reducing.” Believes “reducing” is more active. Also believes that “mitigating” might permit in-lieu benefits instead of equalizing benefits or directly reducing harms.	Staff disagrees that “reducing” is more active than “mitigating.” Standards in -610 require the equitable distribution of benefits and reduction of burdens and are not modified by the description required of utilities in this rule section. Staff recommends alternative, clarifying edits.

Invenergy	-620 general	No mention made of social cost of GHGs (SCGHG) or how SCGHG should inform CEIP development. Recommends requiring utilities to include SCGHG as an incremental <i>dispatch hourly cost adder (for each hourly dispatch decision)</i> , also recognize that the CETA requirement to include the SCGHG as a cost adder in utility resource planning and evaluation will not be satisfied simply by meeting -610 standards—SCGHG must be met in addition to -610.	Staff disagrees this level of detail is necessary in rule; defining SCGHG as a dispatch hourly cost adder only may limit alternative analytical approaches.
	-620(1)	Recommends setting planning horizon for utility IRPs at 20 years.	Staff disagrees. The forecast may be greater than 20 years. Also, this requirement applies to input forecasts used to develop larger forecasts, such as load, where the appropriate horizon may vary.
	-620(5)	Recommends the commission require utility IRP analyses to include both the cost of each resource alternative as well as the costs of specific transmission needs associated with that resource. Availability and costs for transmission under the first resource strategy are likely to differ from the availability and cost of transmission under the second resource strategy	Staff agrees in part and adds “resource” needs to subpart (a), where the definition of “resource need” is meant to address current or projected deficits to reliably meet electricity demands...or reliability operational requirements. Further, the lowest reasonable cost definition, includes reference to analysis of 1) combination of planned resources, 2) related delivery system infrastructure, 3) show consistency with Chapters 19.280, 19.285, and 19.405 RCW.
	-620(7)	Revise the draft rules to include examples of the types of resource adequacy (RA) metrics, such as energy, capacity, flexibility and dispatchability; require an RA requirement for each metric, and ensure a test to ensure that each candidate resource strategy satisfies RA requirements; and require utilities to perform stress-testing analyses of resource portfolio strategies assuming extreme-low hydroelectric generation availability and market price spike events in regional wholesale power markets.	Staff does not believe this detail is necessary in rule; in the IRPs, utilities must conduct a detailed analysis of a range of conditions. We agree this is important to address in the advisory group process and through public participation of IRP scenarios and sensitivity development, specifically related to the hydro availability and market price spikes.
SC	-620(3)	Adopts FC’s position.	No additional Staff response required.

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	-620(9)	Adopts FC's position.	No additional Staff response required.
	-620(10)(f) and - 620(11)(c)	Adopts FC's position.	No additional Staff response required.
TEP	-620	Support new draft rule language that links the standards in - 100(4)(c) to the IRP portfolio analysis requirements and the Clean Energy Action Plan.	No Staff response required.
NWEC	-620(1)	Recommends that IRP should be over an appropriate planning horizon of "at least 20 years."	Staff disagrees. The forecast may be greater than 20 years, also this requirement applies to input forecasts used to develop larger forecasts, such as load, where the appropriate horizon may vary.

	-620(7)	<p>Recommends clarifying the metrics are “used to ensure an adequate amount of resources are available to meet power demand on an electric grid and assure system reliability. The analysis must evaluate energy, capacity, flexibility values, demand-side and storage resources for annual coincident peaks, seasonal peaks, daily ramps and long-duration stress events, both separately and working together.” See redline edits.</p>	<p>Staff does not believe it is necessary to proscribe elements that are common business practice in RA analysis. In Staff’s view, the commission’s expectation is that a utility with greater risk in the market has a greater need and responsibility for developing the most advanced RA analysis possible. Evaluating energy and capacity during every time of the year and for every historically available weather and water condition adjusted for the effects of climate change is standard best practice. Staff agrees that ramping should be considered in the RA analysis but disagrees that RA analysis needs to include ramping analysis of intervals less than an hour. All three IOUs participate or intend to participate in the EIM, which requires an imbalance sufficiency test. That requirement, self-imposed by the utilities, leads to the need to perform imbalance energy sufficiency analysis in its IRP. As for including demand-side and storage resources, all resource types should be considered in an RA analysis (including the calculation of an electric load carrying capability (ELCC)).</p>
	-620(9)(b)	<p>Recommends all scenarios be informed by future climate change predictions. Offers several redline edits, including adding “best data available.”</p>	<p>Staff partially agrees and includes edits related to “best (science) available,” however the recommendation in its entirety could be overly prescriptive due to the word “all.” Therefore, Staff did not adopt this comment entirely.</p>

	-620(10) and (11)(j)	Regarding social cost of greenhouse gas emissions modeling, recommends adding, (10) “Each utility must incorporate the social cost of greenhouse gas emissions as a cost adder in all portfolio analysis by including it as a variable cost on all emitting resources, including market purchases, in modeling stages that determine utility resource selection.” For (11)(j) including “variable” and “market purchases,” see redline edits.	Staff disagrees this level of detail is necessary in rule, and disagrees with the other additions, which may not provide further clarification or could be overly prescriptive.
	-620(12)	Recommends adding, “the IRP must include an analysis and summary of the avoided cost estimate.”	Staff disagrees. This may be redundant under Staff’s new edits to (10)(i), which require the utility to provide a narrative explanation of the decisions it has made, including how the IRP solution incorporates SCGHG.
NIPPC	-620(5)	Supports the revised rule language, which requires the utilities to require a utility to make IRP data inputs and files available and addresses many of NIPPC’s concerns and should be retained in the final rule.	No Staff response necessary.
RN	-620(7)	Utilities should provide detailed information on the resource mixes that they plan to use to meet their system reliability and resource adequacy obligations, and should break out information regarding the contributions of different components of their resource mixes Require utilities to undertake a probabilistic analysis of resource adequacy using tools, such as ELCC, that accurately account for the reliability benefits of non-traditional resources. Prescribe ELCC as the primary metric to evaluate capacity contributions of resources including but not limited to variable resources, storage, and demand response in maintaining system reliability at a pre-defined reliability level, usually on the order of one day of loss of load in ten years (or 2.4 hours/year). The related loss of load probability (LOLP) should capture the unique nature of the hydro-dominated northwest region and consider sensitivities relating to weather and hydro flow, factors that are essential to provide an accurate LOLP value.	Staff does not believe this detail is necessary in rule at this time and could be overly prescriptive.



Sierra Club	-620 general	Recommends IRP incorporate Washington State GHG emissions reduction timelines as well as city and county climate goals.	Staff’s edits focus on CETA directives; Staff declines to add additional reduction timelines or accounting requirements. The public participation process created by these rules is the appropriate venue to address these kinds of specific suggestions.
		Recommends IRP incorporate a transparent and full accounting of upstream methane resources for any new or existing gas resources, where the SCGHG also needs to be applied to these upstream methane emissions.	
		Suggests SCGHG be included in IRP baseline and treated as “variable cost” not “fixed cost,” and to treat as “environmental externality,” not “carbon tax,” because this cost is not paid by customers. This means SCGHG should be included in dispatch modeling to show the effect on plans.	
VCAG	-620 general	Proposes new reporting and assumptions for upstream greenhouse gas emissions.	Staff disagrees, this recommendation involves new utility reporting requirements outside of the scope of -620.
	-620 general	Suggests prohibiting treating SCGHG as a fixed cost throughout IRP modeling and offers proposed rule language, which includes allowing, but not requiring SCGHG through dispatch modeling and requiring use of a <i>variable cost</i> , including the social cost of greenhouse gases. Proposes all demand-side and supply-side resources shall be evaluated against the full variable cost of any GHG-emitting resource they stand to displace.	Staff does not believe this detail is necessary in rule at this time.
	-620(9) and (10)	Recommends requiring utilities include a scenario defining GHG reduction timeline.	Staff’s focus is on CETA directives and declines to add additional timeline-related requirements in rule at this time; interested parties may request utilities perform scenarios through the advisory group process.

WAC 480-100-625 Integrated Resource Plan Timing

Party	Draft WAC	Summary of Comment	Staff Response
PP&L	-625(2)	Recommends removing the requirement for a draft IRP or, at minimum, the requirement that the draft be “fully developed” as it is not realistic or necessary.	Staff generally disagrees. A draft IRP is a useful process for the company to receive feedback from stakeholders and the public on the entirety of the plan and allows the utility to address some of the concerns in the final plan. The CR-102 proposed rules have modified the “fully developed” language to clarify that the utility must have completed the preferred portfolio, CEAP, and supporting analysis, and to practical extent possible, all other scenarios and sensitivities.
PSE	-625(1)(b)	Suggests removing requirement of due dates for potential assessments in the IRP workplan.	Staff agrees. This requirement is intended to ease scheduling issues across IRP and conservation advisory groups but is unnecessary to include in rule. Staff also proposes deleting the requirement for a new IRP progress report workplan. Rather, Staff recommends that the utility refile its existing IRP workplan if it makes significant changes to plans for the progress report.

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	-625(2)-(4)	Recommends deleting the IRP progress report entirely as the requirements do not streamline the requirements of a full IRP.	Staff disagrees. The IRP progress report is required by RCW 19.280.030(1). Furthermore, every two years, the utility is still required to identify all cost-effective conservation and set a biennial conservation target per RCW 19.285.040(1). To accomplish this task, the utility must run its portfolio optimization model to identify all cost-effective conservation. Staff's proposal for content in the two-year progress report includes the minimum content necessary to comply with applicable laws, and asks the utility to include other updates based on changing economic and market forces.
	-625(3)	Suggests deleting the "progress report public participation plan."	Staff agrees that a separate work plan for the IRP progress report is not necessary in all cases and recommends deleting this requirement. Staff recommends adding language that requires the utility to update the IRP workplan if significant changes are anticipated.
TEP	-625	Comfortable with a four-year cycle with two-year progress reports.	No response needed.
		Concerned that the 2025 date is an undue delay.	The utilities are under commission order to file IRPs in 2021. Staff takes note that the date in this draft may preclude a 2023 progress report and will modify as appropriate.
NWEC	-625	The rules should include a specific date for the first round of IRPs in 2021.	See response to TEP above.

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SC	-625(1)	Recommends a two-year IRP cycle or at minimum a hearing on the IRP progress report	The commission has discretion to hold a public comment hearing on any utility filing. Staff believes the UTC will be better able to determine the needs for additional hearings as we get closer to the filing of a 2-year progress report.
	-625(1)(h)	Recommends an additional requirement for the IRP workplan to indicate a proposed methodology to evaluate advisory group technical inputs.	Staff disagrees. The proposed rules require consultation with advisory groups in advance of developing the workplan. Developing proposed methodologies for evaluating input, if needed, can be included on a case-by-case basis.
Vashon Citizens (John Stott)	-625(1)	Recommends the IRP workplan require the utility to indicate how it will achieve consensus on incorporation of public input.	Staff does not agree that utilities must find consensus in incorporation of inputs. Developing methodologies to handle stakeholder disagreement on inputs could be included on a case-by-case basis.
WEC	-625 (4)	Recommends adding requirements for utilities to provide updated indicators and indicator values to the IRP progress report and Clean Energy Progress Report.	Staff disagrees. If significant changes occur during the implementation period, equity requirements can be assessed during the biennial CEIP update. Otherwise, a utility's reports on specific actions should give parties a sense of the progress made regarding equitable distribution, as the specific actions were evaluated for their impact on equity and approved in the CEIP.

WAC 480-100-630 Public participation in an Integrated Resource Plan

Party	Draft WAC	Summary of Comment	Staff Response
Avista	general	Notes that rules will require a significant amount of work pertaining to public participation, reporting, administrative process, and commission involvement and approvals.	Staff believes that the requirements in the draft rules appropriately respond to the requirements in CETA, such as the Legislature’s directive that the public interest includes the equitable distribution of energy benefits and reductions of burdens to vulnerable populations and highly impacted communities; long-term and short-term public health, economic, and environmental benefits and the reduction of costs and risks; and energy security and resiliency.
	-630(1)(d)	Recommends utilities retain discretion in comment responses so that the utility does not have to post or respond to comments unrelated to an IRP.	Staff agrees that comments during the planning process should be relevant to the plan in development and has made adjustments to the proposed draft rule language.
	-630(2) and -655(3)	Recommends revision to reduce material meeting requirement from five days to two days. States the company has been using two days in its TAC process at the request of its stakeholders who have not requested more time.	Staff believes that in general stakeholders will need more time to review these documents, which can be quite lengthy. This is particularly true for stakeholders who are unfamiliar with utility planning or who do not engage in this work as part of their professional obligations. However, Staff also understands that including up-to-date information is a best practice and has offered proposed rule changes allowing for modeling updates. See CR-102 proposed rules for adjusted language, which reduces the requirement from five days to three and allows for utilities to refile materials, as necessary.

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PP&L	-630(3)	States that a public hearing on a draft IRP takes place too late in the process for comments to meaningfully impact a final IRP and that the earliest the company could incorporate feedback after a draft IRP is in the IRP Update or in the next cycle.	Staff agrees that not all comments will impact a final IRP following a draft hearing, particularly those that were brought up and discussed during a utility’s stakeholder process. Staff believes there is enough time for the utility to run one or two more analyses. Comments also may still be helpful in a utility’s work to create the CEIP.
	-630(2)	Recommends adding “best efforts to make” to allow for last minute modeling changes.	Staff agrees that updating materials to reflect most recent information is useful to the process and has made edits to the proposed rule to reflect this.
PSE	-630	Recommends striking entire -630 section, with the exception of the second and third sentence of the intro paragraph; generally comments that many provisions of the rule reflect the company’s current practices or intentions for public participation but that to include them in rule would be administratively burdensome for the company to meet and the commission to oversee.	Staff disagrees. The draft rules reflect the best practices for addressing the needs of stakeholders and commission Staff in utility planning processes. The draft rules also generally offer guidance for utilities to develop their own frameworks for this work. Staff is not clear how these proposed elements are administratively burdensome if the utility already engages or plans to engage in these activities.
	-630, intro	Recommends striking progress report from introductory paragraph,	Staff disagrees. Staff recommends keeping the two-year progress report and has recommended adjustments in other sections of the rule to streamline this piece.
	-630, intro	Recommends striking responsibility to explain why public input was not used from third sentence of the intro paragraph.	Staff disagrees. Communicating to advisory group members about how their time, effort, and inputs have been received and considered, or not, is a minimum responsibility of engagement.

	-630(3)	States it is unclear how a commission-led public hearing on the draft IRP will be beneficial.	Staff believes a hearing on a draft IRP offers the public an opportunity to comment to the commission on how well it believes utilities are meeting IRP requirements, offers commissioners insight into the pros and cons of a plan, and moves this opportunity to a point in time that feedback can still improve a plan.
	-630(3)	Believes the public comment hearing should be referred to as either a meeting or a hearing throughout rule for consistency.	Staff agrees the terms should be used consistently and has adjusted references to refer to an open meeting.
	-630(4)	Does not object to providing meeting materials in advance but does not see value in a commission-led public meeting.	Please see response above regarding draft IRP open meetings. The commission has historically held open meetings on final IRPs to here public comments on a utility's plan.
	-630(5)	Believes -630(5) is unwieldy, unrealistic, and inappropriate; would support language stating "The utility must provide supporting data and information used in the development of its IRP as an appendix to the IRP," which the company states is consistent through its current practices.	Staff disagrees. RCW 19.280.030(10) clearly supports increased transparency in the IRP process. This subsection closely matches the statute and the commission's current rules regarding confidential information.
CENSE	-630(5) and -655(9)	Regarding -630(5) confidential information provision, recommends commission formalize the non-disclosure agreement (NDA) processes so Washington stakeholders can view information relevant to the planning process. Believes the stipulations of RCW 80.04.095 should not allow a monopoly that provides essential public service to hide information from stakeholders representing the public. Argues that public utilities are very responsive to public records requests. Notes comments apply to WAC 480-100-655(9).	Staff is generally supportive of the voluntary use of NDAs in the planning processes. However Staff declines to recommend requiring NDAs in rule, as their inclusion as a requirement would contradict confidentiality provisions of RCW 80.04.095 and current commission rules. If a CEIP is set for adjudication, parties would have access to this information through signing a protective order.

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Climate Solutions (CS)	-630(3)	Recommends a hearing on the final IRP, noting that feedback may change between a draft and a final depending on draft-to-final changes to a utilities plan and that stakeholders may not have previously considered or submitted this feedback. At minimum recommends a written comment opportunity in lieu of a hearing.	As discussed in previous comment matrices, Staff disagrees on the need for comment meetings on both the draft and final IRP. A company is unable to incorporate public feedback on a final IRP into the plan. Staff believes one meeting on a draft IRP is sufficient for the commission to determine where a utility has or has not addressed public concerns and also notes the commission always accepts comments on an issue before its consideration, which can capture any changing or updated stakeholder feedback.
TEP	General	Supports IRP draft rules and notes the public participation rules are a significant improvement in clarifying role and formal avenues for public participation. Comfortable with a four-year IRP cycle with a two-year progress report but recommends an earlier next-filing date.	See staff response above regarding next-filing dates. No additional Staff response required.
FC	-630, -655	Supports the draft rules addressment of public participation.	No Staff response required.
	-620(16)	Supports requirements in IRP draft rules, including -620(16) requiring comment summaries and demonstration or explanation of how public comments were included or not.	No Staff response required.
	-630	Recommends strengthening -630 to require explanations of how utilities considered input on its merits and independently of cost concerns, arguing the current language would allow utilities to satisfy the requirement with a perfunctory, form response.	Staff agrees utility responses to public feedback should discuss the merits of the particular suggestion but believes the current draft rule language requires a response that speaks to the merits of public input. Additional guidance on adequacy of responses or engagement elements may be discussed outside of this rule.



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London, Angela	-630(3)	Recommends hearings on draft and final IRPs.	Staff disagrees that hearings need to take place on both the draft and final IRP: The commission will have an opportunity to see where public input is or is not being heard at a draft hearing and determine how a final IRP addresses those concerns. The commission always accepts comment on an issue before it, and so the public has opportunities outside of a hearing to voice concerns on a final plan. These opportunities include comments submitted by mail, email, and phone call.
	-630, -655	Recommends the public should be heard throughout IRP and CEIP process.	Staff believes the proposed rules require public participation throughout the IRP and CEIP process.
	-630, -655	Recommends clear definition of public participation in utility plans.	Staff believes the proposed rules clearly define expectations for public participation. Additional guidance may come outside of this rule, if and as issues arise.
NWECC	-630, -655	Generally, supports public participation components of the draft rules.	No Staff response required.
	-630, intro	Recommends adding “using data or other information supplied by stakeholders as input to the modeling process; and integrating public input into portfolio ranking criteria” to -630 intro and -655 intro; strikes “indicate whether and how the utility used public input, and;” adds “As part of this process a utility must communicate” in -630 intro and -655 intro.	Staff agrees these edits provide clarity and has proposed similar language.

	-630(1)	Changes “consult with” to “involve.”	Staff has previously indicated its preference for using the plain language definitions of the terms “consult” and “involve” and declines to assign these words the International Association for Public Participation (IAP2)-specific meaning in rule language. IAP2 is an excellent public participation framework, but it is not the only one. Staff disagrees with changing “consult with” to “involve” in -630(1).
NIPPC	-630(5)	Recommends that IRP information be provided and updated on an on-going basis, and proposes language.	Staff does not believe constantly updating input information is necessary, because the filings required by these rules and other commission rules provide for frequent status updates on the utility’s progress.
		Recommends the rules require data inputs and files to be available in native format and easily accessible and on the utility website.	Staff agrees data disclosure should be clearer and has referenced statutory language, including confidentiality provisions. Utilities may choose to make this information available on their websites or through other methods.
		Recommends utilities clearly indicate on their websites if additional information exists that is confidential.	Staff disagrees and believes this recommendation would result in confusing and vague language on utility websites.
		Recommends that if utilities designate information as confidential that utilities should request the commission enter a protective order to promote free exchange of information so that parties and stakeholders can review and vet confidential information. Acknowledges that the commission typically issues protective orders in proceedings but notes other states allow access to confidential information under a standard protective order.	Staff disagrees. The IRP process is not an adjudication and therefore a protective order would not be appropriate. Protective orders are authorized under the APA for adjudicative proceedings in Washington.
		Supports proposed changes in second discussion draft rules, particularly in -630(5). Recommends redlines to this subsection in line with above recommendations	See Staff responses above.

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PSS	-630, -655	Comments broadly supportive of public participation rules; see summary at -655 summary section.	No Staff response required; see summary at -655 summary section.
	-630, -655	Supports and seconds F&C comments.	No Staff response required.
Sierra Club	-630(3)	Recommends a two-year IRP cycle with a hearing on a draft and final IRP; if commission retains a four-year IRP cycle alternatively recommends an oversight hearing on the draft of the interim two-year report. Argues that four years is too long between public comment/UTC oversight on the IRP.	Staff believes the commission has discretion to hold a public meeting to consider any utility filing. Staff believes the UTC will be better able to determine the needs for additional hearings as we get closer to the filing of a two-year progress report.
	-625(1)	Recommends that IRP workplans should identify how utilities will incorporate public inputs, noting that utilities often dismiss public and customer inputs.	Staff disagrees that this change is needed. Developing proposed methodologies for evaluating input, if needed, can be included on a case-by-case basis and as that input is received. Staff is not sure how useful plans for evaluating and incorporating input would be before that input is received, as different comments and suggestions would require different treatment. Guidance on case-by-case issues, if needed, can come in forms other than rule. The proposed rules require utilities to respond to advisory group suggestions.
	-625(1)	Recommends that rules require utilities to define how they will achieve consensus on incorporating public input into resource plans.	Staff does not agree that utilities must find consensus in incorporation of inputs. Developing methodologies to handle stakeholder disagreement on inputs could be included in plans on a case-by-case basis, and guidance on case-by-case issues, if needed, could come outside of rule.
	-620	Recommends that the IRP document why public recommendations were not incorporated.	Staff agrees. This recommendation is required in the proposed rules through the comment summary submitted to the commission and in narrative explanations of the IRP.

-630(5)	Recommends data disclosure of modeling inputs and load forecasts, noting non-disclosure agreements are available.	Staff is generally supportive of the voluntary use of NDAs in the planning processes. However, Staff declines to require the use of NDAs in rule, as their inclusion as a requirement would contradict confidentiality provisions of RCW 80.04.095 and current commission rules. Staff agrees data disclosure should be clearer and has referenced statutory language, including confidentiality provisions.
-630, -655	States that utilities must move from consulting the public to involving the public during engagement, referencing IAPP.	Staff believes the proposed rules incorporate guidance moving along this conceptual range. However, Staff continues to decline to assign the words “involve” and “consult” with IAP2-specific meanings, as previously noted in comment matrices and discussed in response to NWECC on this issue.
-630, -655	Supports and endorses VCAG comments	See Staff response to VCAG comments.
-630, intro	Recommends amending -630 to add “inform, consult, and involve stakeholders” as “defined by the International Association for Public Participation” and remove “through the advisory group process and other public participation.” Amends “may” in example list to “must.” Adds “All demonstrations, documentation, explanations and examples must be supported by sufficient credible data, as determined by the commission.”	Staff disagrees with these changes for the reasons mentioned in previous comment matrices as well as Staff’s response to NWECC’s recommendations on this issue above. Commission review of utility planning procedures is inherent in these rules.
-630(1)(a)	Recommends adding video archives and chat-box comments to 630(1)(a)	Staff disagrees. Utilities are required to document input and how it was considered for submission to the commission. This technological call out is unnecessary.

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	-630(3)	Recommends adding a new subsection to -630 discussing a public comment hearing on a final IRP, but notes that should the commission find itself unable to conduct a hearing on a final IRP the commission should require utilities to accept and respond to comments on the final IRP on the company’s website.	Staff declines to recommend another public meeting in rule at this time, for reasons mentioned in previous comment matrices and again to Climate Solutions and others in this comment matrix. The commission retains the ability to hold public meetings as needed. The commission always accepts written comments on an item pending its review.
	-630(5)	Recommends amending the -630 data disclosure portion to change “utilities should minimize” to “utilities must minimize” and to require the commission to determine the validity of such a designation.	Staff disagrees. Current commission rules already govern designating information as confidential.
Snell, Ronald	-625(1)	Recommends IRP workplans identify how public input will be incorporated and that planning assumptions, modeling inputs, and load forecasts should be clear and fully disclosed in order to allow for an open engagement process.	Staff disagrees and believes that it will not be clear how public input will be incorporated until that input is received. See Staff response to Sierra Club. The proposed rules address data disclosure and confidentiality provisions, which are governed by RCW 80.04.095 and other commission rules.
WEC	-630, -655	Supports draft rule processes for public participation, especially as they relate to engaging highly impacted and vulnerable communities and as they require utilities to identify barriers to engagement and develop strategies to overcome barriers.	No Staff response needed.
	-630(3)	Recommends a public hearing and comment period for each final IRP, where utilities should identify why they didn’t incorporate public input. States the IRP process should not confine the ambition of CEAPs or CEIPs.	Please see Staff response to Climate Solutions on the draft vs. final public meeting issue. Staff believes that the CR-102 rules require the utility to discuss public input in the final IRP under -620(17). Finally, Staff believes that the IRP will be a crucial component of a utility’s CEIP and believe that the draft rules lay out a clear framework for developing the CEIP.

VCAG	-630, -655	Believes proposed draft rules do not indicate a minimum level of public participation expected or what is acceptable in response to public input.	Staff disagrees. The rules state expectations for engagement and require utilities to respond to advisory group members particularly when feedback is not incorporated or used. The utilities maintain discretion in choosing how and where to use input. Staff believes that the UTC has the tools to address instances in which a utility does not follow the public participation requirements in this rule or is not providing acceptable responses to public input. Therefore, additional specificity in these rules is unnecessary. Additional guidance, if needed, may come outside of rule.
	-630, -655	Recommends participation involving technical information in IRPs and CEIPs should be at higher than IAP2's levels of "inform" and "consult" and recommends rules require the IAP2 procedure to be adopted and "involve" be set as minimum level of participation	See Staff response to Sierra Club comment above.
	-630, -655	Alternatively suggests language indicating that a level comparable to IAP2 "involve" or higher is expected or craft specific language on what UTC views as lowest acceptable level of public participation.	See Staff response to Sierra Club comment above.
	-630(3)	Recommends public comment hearing on final IRP.	See Staff response to Climate Solutions comment above.
	-625	Recommends commission rule discuss how the commission will review a utility's final IRP or clearly state how the commission will acknowledge the draft IRP.	A commission acknowledgment means that the commission acknowledges that the utility's filing meets the requirements of the law and rule. Staff foresees the commission acknowledging the IRP in a similar manner as it has in previous iterations. Staff does not think it is appropriate for rules to discuss how it will conduct its internal deliberations.

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	-625	Recommends an IRP should automatically not be acknowledged if a utility fails to answer specific commission questions from the previous IRP. In such a case, recommends the utility should be required to revise its IRP to answer commission questions.	Staff declines to endorse an automatic trigger if a utility does not answer a specific question. The commission has the authority to issue bench requests, open investigations, and inspect an IOU’s books and documents at any time. These existing procedures are sufficient to ensure any commission question will be answered.
	-630, -655	Endorses public participation recommendations submitted by Jane Lindley, including required explanations for why public input wasn’t used; requiring utilities to comply with IAP2 “involve” level and definitions of public participation or references to IAP2; requiring workplans to identify methods for evaluating advisory group technical input and approaches to achieving consensus.	See Staff response to the comments submitted by Jane Lindley and Sierra Club.
Jane Lindley, Kevin Jones, Elyette Weinstein	-630, intro	Recommends rule language changes to first paragraph, adding “inform, consult, and involve” language “as defined by IAP2” and changes “may” to “must” in example list, as well as recommends other grammatical changes.	See Staff response to Sierra Club comment above.
	-630, intro	Recommends rule language adding “All demonstrations, documentation, explanations and examples must be supported by sufficient credible data, as determined by the commission” to the end of the first paragraph.	Staff believes that this is unnecessary, as any IRP that is not sufficiently supported would not be acknowledged by the commission.
	-630(1)(a)	Adds video conference archives and chat box comments to rule language.	Staff disagrees. Utilities are required to document public input and submit documentation to the commission. It is unnecessary to reference specific technologies.
	-630(3)	Adds a new subsection (4) discussing a final IRP comment hearing; notes if commission is unable to add a final IRP comment hearing it should require utilities to respond to comments on the final plan	See Staff response to Climate Solutions on this issue.

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	-630(5)	Changes “should” to “must” in (5) discussing data availability and adds that designation of information as confidential is “subject to determination by the commission.”	Staff disagrees. Utilities can designate information as confidential pursuant to RCW 80.04.095 and WAC 480-107-160. The language in the proposed rule mirrors language included in the commission’s standard protective order. Anyone can make a public records request for documents that contain information designated as confidential, after which the utility (or other provider of the document) has 10 days to obtain a court order to protect the information from disclosure.
	-625, -630	Changes IRP timing from four years to two years.	Staff disagrees. It would not be efficient to have a utility file an IRP and CEIP within the same time.
	-625(1)	Adds a subsection (1)(h) requiring IRP workplans to include methods utilities will use to evaluation technical inputs and methods to achieve consensus on incorporation of advisory group technical inputs.	See Staff response to Sierra Club on these issues.
Steven Bergman, Lisa Chambers, Liz Illg and	-630, -655	Supports public participation at all crossroads of CETA implementation.	Staff believes that the current draft rules achieve this as they pertain to IRP and CEIP development. Additional requirements on other pieces of CETA implementation will be determined in those respective dockets.



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Janna Gingras, and John Stot. (Vashon citizens)	-630(3)	Recommends hearing on draft and final IRPs.	Staff proposes an open public meeting for the draft IRP. Staff does not believe holding an open meeting on the final IRP is necessary, as it will be clear from comparing the draft and final IRPs what input the utility has or has not incorporated. This will give the commission sufficient information to decide whether to acknowledge the IRP or not. The commission otherwise always accepts comments on issues pending its review, including a final IRP..
	-630, -655	Recommends rules require clear communication to the public any time inputs are not incorporated in both IRP and CEIP.	Staff agrees utilities should clearly communicate how advisory group and public feedback is incorporated. The CR-102 rules clarify the utility's requirements to the advisory group and the public.
	-625(1)	Recommends rules require utilities to define in workplans how they will document and share public input.	See Staff response to Sierra Club above.
	-620(16), -655(6)	Recommends rules require utilities to summarize comments and communicate how utilities have or have not incorporated inputs for IRP and CEIP	Staff agrees and notes this is already required by the proposed rules.
	-625(1)	Recommends rules require utilities to define how utilities will achieve consensus on incorporation of public inputs in workplans	See Staff response to Sierra Club above.

WAC 480-100-640 Clean Energy Implementation Plan [Start here]

Party	Draft WAC	Summary of Comment	Staff Response
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Avista	-640(1)	First CEIP should be filed by 1/1/2022, per statute, instead of by 10/1/2021.	Staff disagrees. The statute states that a filing needs to be made <i>by</i> , not <i>on</i> , January 1. Staff recommends maintaining the October 1 date because it more closely aligns with the filing with the Biennial Conservation Plans as required by the Energy Independence Act. Related, the CR102 rules will remove the requirement to file a draft CEIP with advisory groups.
	-640 <i>general</i> , -640(8), (13)	Frequency of CEIPs (every four years), CEIP public participation plans (every two years), and biennial CEIP updates (every two years) is excessive and burdensome when considered together with other CETA requirements.	Staff disagrees. Staff has aligned the CEIP with the existing process established for reviewing EIA biennial conservation plans. Staff's intent is to reduce the number of utility filings so the CEIP satisfies both the EIA and CEIP conservation target setting requirements.
PP&L	-640(1)	First CEIP should be filed by 1/1/2022, per statute, instead of by 10/1/2021. Risks associated with an earlier 10/1 due date, include less time for the public participation process, issuance of RFPs following the 2021 IRP, and EIA conservation target development.	Staff disagrees. Staff recommends maintaining the October 1 date because it will give stakeholders sufficient time to review the CEIP; statute states <u>by</u> January date.
	-640(2)	Interim targets may demonstrate progress, but do not have a compliance obligation and are not enforceable. Law does not enforce interim targets that a utility is unable to meet.	Staff disagrees. Staff recommends that the commission retain the flexibility to enforce the rules on a case-by-case basis.
	-640(4)	Supporting documentation (e.g., business cases) showing the utility is planning to meet clean energy standards at lowest reasonable cost (LRC) goes beyond CETA plain text and legislative intent. Statute constrains commission authority.	Staff expects the CEIPs to be robust and include supporting documentation and justification for costs that are directly attributable to compliance with RCW 19.405.040 and 050. RCW 19.405.100(2) grants the commission the authority to ensure proper implementation of CETA through rulemaking. However, the CR102 removes the reference to business cases.

	-640(11), (13)	Recommends deleting “adaptive management” requirements. Law does not support this section and it imposes unnecessary, duplicative requirements on utilities.	Staff partially disagrees. Staff agrees with deleting the references in (13), which references -610 CETS adaptive management. However, the referenced subsection in -640(11) should remain because it will still be an expectation of the utility to respond to changing conditions.
PSE	-640(1)	Recommends moving CEIP filing date from 10/1 to 11/1/2021 to align with EIA’s biennial conservation plan (BCP) filing, given the BCP must include the energy efficiency target.	Staff disagrees. Staff recommends maintaining the October 1 date because it gives relevant parties sufficient time to review the CEIP. Further, WAC 480-109 allows for early filing of the BCP.
	-640(2)	Interim targets may demonstrate progress, but do not have a compliance obligation and are not enforceable. Law does not enforce interim targets that a utility is unable to meet.	Staff disagrees. Staff recommends that the commission retain the flexibility to enforce the rules on a case-by-case basis. Interim targets would not be included in the incremental cost alternative compliance pathway under RCW 19.405.060(3) if the interim targets were unenforceable.
	New -640(2)(f)	Recommends new requirement. When a utility relies on RCW 19.405.060(3) as the basis for compliance with the standard under RCW 19.405.040(1) or RCW 19.405.050(1), the interim target proposed will be directly informed by the two percent incremental cost calculation provided in WAC 480-100-675. Any interim target directly informed by the two percent incremental cost calculation may be deemed as demonstrating reasonable progress towards meeting the standard under RCW 19.405.040(1).	Staff disagrees that merely proposing a target that is informed by the incremental cost calculation demonstrates compliance with RCW 19.405.040. Targets should be set to meet compliance with -.040 and -.050 by 2030 and 2045, respectively.
	-640(3)(a)(i)	Recommends adding, “to the extent known,” to clarify forecasted distribution of energy and non-energy costs and benefits for a utility’s energy efficiency target.	Staff disagrees. Staff believes the existing draft rule language already implies utilities are to include information that is known and available.

-640(3)(a)(ii)	Recommends minor language edits and deleting “measurement and verification protocols” from the utility’s demand response target.	Staff disagrees. Staff believes minor language edits are immaterial and monitoring and verification protocols are necessary for verifying a utility’s DR target.
-640(3)(a)(iii)	Recommends adding, “to the extent known,” to clarify forecasted distribution of energy and non-energy costs and benefits for a utility’s renewable energy target.	Staff disagrees. Staff believes the existing draft rule language already implies utilities are to include information that is known and available.
-640(3)(b)	Recommends deleting the requirement for a utility to provide data input files in native format as it is overly broad & unnecessary.	Staff disagrees. CEIP data input requirement aligns with parallel IRP rule requirement in -620(14), which is pursuant to statute, RCW 19.280.030(10)(a). Providing files in native format is necessary for efficient review, is standard practice in utility regulation, and therefore the requirement is not overly broad.
-640(4)(d)	Recommends replacing IRP with CEAP.	Staff disagrees. Staff believes ensuring the consistency between a utility’s CEIP and its most recently acknowledged IRP is a logical rule extension of statute. <i>See</i> RCW 19.405.060(1)(b)(iii). PSE’s suggested CEAP substitution is already included within RCW 19.405.060(1)(b)(i).
-640(4)(e)	Recommends adding “anticipates” to the expectation the utility will meet its resource adequacy standard.	Staff disagrees. Staff believes the RA planning or “anticipation” occurs within the CEAP. As the name implies, sub-section - 640(4) lays out the specific actions the utility <u>will take</u> to implement its plan.
-640(4)(f)(ii)	Recommends deleting, “portfolio approach,” and adjoining, contextual narrative as CEIP investments do not need to demonstrate a portfolio approach to investment plan optimization.	Staff disagrees. Pursuant to RCW 19.405.060(5), the incremental cost of CEIP investments will be “compared to the cost of an alternative LRC <u>portfolio</u> of investments.”

-640(4)(f)(iii)	<p>Recommends deleting, “business cases,” as it is not appropriate to require a “business case” for each specific CEIP action. Commission rules should not be this granular given the ambiguities that exist before initial (i.e., 2022) CEIP development.</p>	<p>Staff expects the CEIPs to be robust and include supporting documentation and justification for costs that are directly attributable to compliance with RCW 19.405.040 and 050. RCW 19.405.100(2) grants the commission the authority to ensure proper implementation of CETA through rulemaking. However, the CR102 removes the reference to business cases.</p>
-640(4)(g)	<p>Recommends removing reference to updated indicators.</p>	<p>Staff disagrees. Language allows for updated indicators across CEIP cycles allows for flexibility to changing conditions, where appropriate.</p>
	<p>Recommends removing reference to associated weighting factors.</p>	<p>Staff disagrees. It is important to understand the relative preference of customers across indicators to determine what is equitable.</p>
	<p>Recommends changing “and” to “or” in the list of minimally required indicators to maintain flexibility in the rule. Believes that indicator will benefit from development in the record.</p>	<p>Staff disagrees. The minimum list of indicators outlines the broad categories articulated in statute (<i>e.g.</i>, public health, environment). The development of individual indicators will happen through the CEIP process.</p>
-640(5)	<p>Recommends deleting subsection as duplicative with (4).</p>	<p>Staff agrees clarity is needed but disagrees that sections are duplicative. Subsection (5) outlines the presentation of the specific actions. Subsection (4) describes the narratives that utility must provide to demonstrate that, combined, the specific actions meets the requirements of the rule. Staff recommends clarifying edits to subsections 4-6.</p>

	-640(5)(a)	Believes that the language regarding highly impacted communities or vulnerable populations governing, being served by, or otherwise benefiting from specific actions is too broad and its meaning unclear.	Staff disagrees. The language provided allows for flexibility in determining which communities benefit from a resource, including benefits beyond physical proximity.
	-640(6)(c)	Recommending deleting requirements to identify which specific actions affect highly impacted communities or vulnerable populations.	Staff agrees clarity is needed but disagrees that sections are duplicative. Staff recommends some streamlining and clarifying edits.
		Recommends deleting requirement to describe how the CEIP is consistent with the IRP and CEAP strategies and actions. Disagrees that CETA requires a long-term strategy as CETA only requires an assessment.	Staff disagrees. The long-term strategy is important context for determining what is equitable. Additionally, RCW 19.280.030(1)(k) requires an assessment, but RCW 19.280.030(1)(j) and RCW 19.280.030(1)(l) requires the IRP and CEAP to implement RCW 19.405.030 through RCW 19.405.050, which includes RCW 19.405.040(8).
	-640(6)(d)	Recommends deleting subsection that requires utilities to describe how they intend to mitigate risks to highly impacted communities and vulnerable population. Believes language is overly broad.	Staff disagrees. Language is based on legislative intent in RCW 19.405.010(6).
	-640(9)	Recommends deleting -640(9). Rule language unnecessary for utilities to include additional CEIP metrics and/or indicators.	Staff disagrees. Staff believes -640(9) affords utilities a flexible approach for including additional metrics, which select stakeholders requested the CEIP include as part of 1 <sup>st</sup> discussion draft feedback received.
	-640(11)	Recommends substituting “risk” for “adaptive” management.	Staff recommends deleting the adaptive management language in this section. However, Staff maintains that the utility is always under the obligation to adaptively manage its operations to changing conditions.

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	-640(13)	Recommends deleting adaptive management requirements within biennial CEIP update.	Staff agrees.
PC	-640(6)	Appreciates clarification that a showing of equitable distribution of benefits is required in each CEIP.	No Staff response required.
CENSE	-640(4)(f)	Transmission costs should be explicitly included in LRC calculations.	Staff disagrees. Lowest reasonable cost as defined in draft -605 specifically states, “analysis of the LRC must describe...related delivery system infrastructure.”
CS	-640(2)(b)	For clarity, recommends changing “cover the subsequent implementation period,” to “cover all successive implementation periods before 2045.”	Staff disagrees. Draft rules indicate interim targets cover all implementation periods prior to 2045.
	-640(4)	Supports requiring a “business case” for each specific CEIP action. Recommends clarifying that business cases are necessary to demonstrate LRC from a portfolio evaluation perspective.	Staff expects the CEIPs to be robust and include supporting documentation and justification for costs that are directly attributable to compliance with RCW 19.405.040 and 050. RCW 19.405.100(2) grants the commission the authority to ensure proper implementation of CETA through rulemaking. However, the CR102 removes the reference to business cases.
	-640(13)	Biennial CEIP updates should incorporate more substantial evaluation and resource procurement changes, where necessary. This would help to resolve compliance challenges between original CEIPs and changing conditions.	Staff disagrees. Staff instead proposes requiring utilities to update verifiable inputs of the alternative LRC and baseline portfolios in draft -660(4)(c) to better address changing conditions ( <i>see Staff Response Question 5 below</i> ).
TEP	-640	Support new draft rule language that links the standards in -100(4)(c) to the CEIP specific actions.	No Staff response required.

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FC	-640	Recommends requiring utilities to measure the distribution of named benefits and reduction of burdens, costs, and risks for target populations by volume, frequency, rate, and spread per capita/household over a short- and long-term timeframe. Also recommends measuring the reduction in burdens, costs, and risks by percent and volume.	Staff disagrees. Additional requirements are more appropriate for future guidance, including policy statements or UTC proceedings.
	-640(4)(g)	Recommends adding “one indicator associated with each element stated in WAC 480-100-610(4)(c).”	Staff disagrees. This language is redundant with the rest of the sentence that explicitly names the elements in -610(4)(c). Staff recommends alternative, clarifying edits.
		Recommends adding “governance participation” to required indicators.	Staff disagrees with adding governance participation to required indicators. Procedural metrics can be developed through the advisory group or public participation plan or established through commission order.
		Recommends changing “economics” to “economic justice.”	Staff disagrees. Staff recommends changing “economics” to “reduction in costs” to align with statute.
	-640(5)(c)	Supports the inclusion of indicators in relation to specific actions.	No Staff response required.
	-640(6)(a)	Recommends that rules provide utilities with a clear framework for using the Cumulative Impact Analysis (CIA).	Phase 2 of the UTC’s CETA implementation plan, which begins in 2021, includes a rulemaking on the CIA.
		Recommends additional mechanisms beyond the CIA to support qualitative inputs to the identification of highly impacted communities.	
	-620(6)(b)	Supports the rules around the identification of vulnerable population, including stakeholder and advisory group processes.	No Staff response required.
Recommends that the rules provide more guidance for the process of identifying vulnerable populations, including describing a range adverse socioeconomic factors and sensitivity factors.		Staff disagrees. Staff supports advisory groups in helping utilities with these efforts. Additional, formal guidance may be	



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		Recommends that the rules provide more guidance on how equity advisory groups may use additional quantitative and qualitative inputs such as local assessments and surveys.	provided, if needed, through the adoption order, future policy guidance, or commission proceedings and orders. Staff technical workshops can also provide guidance.
	-620(6)(a)-(b)	Recommends that the rules around designating highly impacted communities and vulnerable populations better direct utilities to assess burdens on highly impacted communities and vulnerable populations beyond their service territory if impacts are beyond the service territory.	Staff disagrees. Additional requirements are more appropriate for future guidance, including policy statements or commission proceedings and orders.
	-620(6)(c)-(d)	Supports these subsections as critical as they will provide clarity around utility compliance, support equity through restorative justice, and will support better planning and accountability for equity outcomes.	No Staff response required.
Invenergy	-640 general	No mention made of social cost of GHGs (SCGHG) or how SCGHG should inform CEIP development. Recommends adding language requiring utilities to include SCGHG as an incremental dispatch hourly cost adder.	The CEIP is informed by the utility's clean energy action plan. Staff agrees to add language in -620(11); language exists in the <i>CEAP subsection -620(12)</i> regarding social cost of greenhouse gas emissions. However, Staff disagrees with requiring utilities to include SCGHG as an incremental dispatch hourly cost adder, only. This limits flexibility and alternative analytical approaches.
NWEC	-640(4)	Appreciates changes made to 2 <sup>nd</sup> discussion draft that significantly strengthen -640. Emphasize importance of proposed equity indicators currently contained in draft rule.	No Staff response required.

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RN	-640(4)(e) and (5)(b)	References to resource adequacy (RA) in CEIP should be consistent with RA descriptions and references in the IRP sub-sections (i.e., -615, -620).	RA references in the CEIP are already consistent with the IRP sub-sections. Pursuant to RCW 19.280.030(1)(l) and (2), a utility's CEAP must consider RA. Given a utility's CEAP informs its CEIP, pursuant to RCW 19.405.060(1)(b)(i), CEIPs and IRPs already cover RA in a consistent manner.
SC	-640 general equity comment	Adopts FC's position.	No additional Staff response required.
	-640(1)	Recommends that the CEIP draft be released two months after the final IRP.	Staff disagrees. Staff recommends utilities file the CEIP October 1, which will be six months after the final IRP is filed. Requiring companies to file the CEIP any earlier would risk truncating the stakeholder process required to build the CEIP off of the IRP.
	-640(4)(g)	Adopts FC's position.	No additional Staff response required.
	-640(5)(c)	Adopts FC's position.	No additional Staff response required.
	-640(6)(a)	Adopts FC's position.	No additional Staff response required.
	-620(6)(b)	Adopts FC's position.	No additional Staff response required.
	-620(6)(a)-(b)	Adopts FC's position.	No additional Staff response required.
	-620(6)(c)-(d)	Adopts FC's position.	No additional Staff response required.
WEC	-640(4)	Supports utilities clearly explaining how CEIP specific actions are consistent with the law (i.e., CETA).	No Staff response required.

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

Party	Draft WAC	Summary of Comment	Staff Response
PC	-645(1)	Recommends the draft rules explicitly state that parties may request the commission set the matter for adjudication in their comments on the CEIP.	Staff agrees and offers alternative language.
AWEC	-645 (2)	An open meeting does not satisfy the statutory requirement for a hearing.	Staff partially agrees. Staff has made clarifying edits to indicate that persons with a substantial interest in the filing can request adjudication. Staff disagrees that an uncontested CEIP filing must be set for an adjudication.
TEP	-645 (2)	Has concerns that the open meeting process may not meet the statutory requirement. If using the open meeting process, recommends having an adjudication option similar to the EIA process.	See responses to PC and AWEC above.
FC	-645(2)(b)	Recommends adding requirements for utilities to demonstrate why they cannot meet more stringent standards, including describing limitations and ways to overcome those limitations through future planning.	Staff disagrees. If a CEIP is adjudicated, parties can request this information through formal discovery.
SC	-645(2)(b)	Adopts FC's position.	See Staff response above.

WAC 480-100-650 CEIP Reporting and compliance

Party	Draft WAC	Summary of Comment	Staff Response
Avista	-650(3)(g)	Energy capacity is not a valid term. Avista suggests using the term resource capacity instead.	Staff agrees.
PP&L	-650(1)	Suggests new title for section and moving the due date to 2034. Do not agree that they should report on compliance with interim targets.	Staff disagrees. The interim targets are required by statute. The utility must demonstrate compliance with those targets. Staff believes the rule as written allows the commission appropriate discretion to enforce this requirement.

	-650(3)(a)	Suggests reverting to exact quote of statute. “the utility does not use any coal-fired resource in its allocation of electricity to Washington customers.” Instead of “to serve retail electric customer load.”	Staff disagrees. The requirement to eliminate coal is more complex. Staff will offer revised language.
	-650(3)(a)	Suggests removing references to e-tags.	Staff agrees.
	-650(3)(b)	Suggests removing all duplicative information.	Staff disagrees that the requirement is duplicative. The intent is to use the compliance report under CETA to replace the reports required in other rules.
PSE	-650(1)(a) and (b)	Recommends softening the compliance requirement from “demonstrate compliance” to “address” compliance.	Staff disagrees. The interim and specific targets are required by statute. The utility must demonstrate compliance with those targets. Staff believes the rule as written allows the commission appropriate discretion for enforcement.
	-650(1)(d)(i)	Recommends deleting specific requirement to analyze whether benefits and reduction of burdens have or will reasonably accrue to intended customers.	Staff disagrees. There are many factors that could influence whether benefits and reductions of burdens materialize as intended. As such, it is important to analyze the outcomes of the utility’s specific actions.
	-650(1)(d)(ii)	Recommends deleting specific requirement to describe changing indicator values from values provided in the CEIP.	Staff agrees.
	-650(1)(e)	Recommends changing demonstrating meaningful customer engagement to describing customer engagement.	Staff disagrees. An equitable distribution requires a demonstration of meaningful customer engagement.
	-650(1)(j)	Safety, reliability, and balancing of system seems too broad for a compliance report.	Staff agrees and recommends deleting the requirement. The utility maintains the obligation to operate its grid in a safe and reliable manner. Should a safety or reliability issue either occur or is possible in the near future, Staff expects the utility to address it in the compliance report.

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-650(1)(k)	Does not wish to provide files in native format.	Staff disagrees. Providing files in native format that supports a utility’s decisions is necessary for Staff’s and others’ assessments. It is also a basic requirement of utility regulation. Staff agrees data disclosure should be clearer and has referenced statutory language, including confidentiality provisions.
-650(2)(a)	Suggests removing comment period as unnecessary detail.	Staff disagrees. While parties can comment at any time, the language is helpful.
-650(3)	Suggests specifying first compliance report is in 2023.	Staff agrees.
-650(3)(a)	Suggests the addition of a requirement for review and approval of the attestation.  “the attestation must be reviewed and verified through a means approved by the commission.”	Staff disagrees. It is not necessary to identify a “means approved by the commission.” Staff will suggest alternative language for this section.
-650(3)(a)	Recommends removing references to e-tags.	Staff agrees.
-650(3)(d)	Suggests “supply” instead of “usage.”	Staff disagrees and has offered clarifying edits.
-650(3)(f)	REC retirement for CETA will require changes in WREGIS. Will they be ready in time?	After consultation with Commerce, Staff is confident the WREGIS changes will be ready on time.
-650(3) (f) and (k)	Are these two sections the same?	Staff agrees. Delete (k).
-650(3)(l)	Concerned that the requirement to track environmental attribute ownership for nonemitting resources is burdensome.	Staff agrees that tracking environmental attributes without RECs is burdensome. However, as long as CETA allows nonemitting resources, this section is necessary. Further, it is a best practice.

	-650(3)(m)	Compliance report should not include public involvement.	Staff disagrees. While Staff believes utilities should track engagement as an input to the compliance report, the CR-102 rules streamline engagement relative to the compliance report removing the requirement for public involvement. However, Staff believes such engagement will be particularly useful for the equity components.
PC	-650(3)(a)	Supports attestation requirements for coal. Also agrees on removing e-tag references.	Staff agrees.
BPA	-650(3)(a)	Suggests the following exception to allow the use of BPA power for CETA compliance.  (i) Purchases from the Bonneville Power Administration (BPA), where the utility knows at the time of entry into the transaction that the utility is purchasing from BPA, are not considered to be an unknown source.	Staff disagrees. Resources from BPA should easily be categorized as nonemitting, and BPA should be able to help the utilities with tracking the ownership of environmental attributes under -650(3)(i).
	-650 (3)(f) and (3)(k)	Suggests the following language, which will allow utilities to use BPA power for CETA compliance without retiring RECs until 2030.  Prior to 2030, a utility can also demonstrate progress towards achieving RCW 19.405.040, relying on hydropower megawatt-hours reported in its fuel mix, when these hydropower megawatt-hours have not been reported to any REC tracking site, such as WREGIS, and no RECs have been created or sold separately for these megawatt-hours.	Staff agrees that there is no harm in allowing power from BPA to be used for CETA compliance without RECs until 2030. Staff proposes new language in (3)(f).
NWECC	-650(2)(c)	Adds reference to the 60-day comment period on the compliance report.	-650(2)(a) of the CR102 gives parties 60 days to comment on a utility's filing.
	-650(3)(f) and (l)	Strongly supports requirement to use RECs to track all renewable resources, and to require attestation for nonemitting resources.	No Staff response required.

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	-650(3)(n)	Recommends adding new subsection requiring a description of progress on indicators required after WAC 480-100-640(4)(g).	Staff disagrees. If significant changes occur during the implementation period, equity requirements can be assessed during the biennial CEIP update. Otherwise, a utility's reports on specific actions should give parties a sense of the progress made regarding equitable distribution, as the specific actions were evaluated for their impact on equity and approved in the CEIP.
TEP	-650	Supports the incorporation of the equitable distribution requirements in the clean energy compliance report.	No Staff response required.
		Recommends adding requirements, at least every two years, for utilities to report on equitable distribution goals. Notes that the timing of compliance report is too late to inform the next CEIP cycle.	Staff disagrees. If significant changes occur during the implementation period, equity requirements can be assessed during the biennial CEIP update. Otherwise, a utility's reports on specific actions should give parties a sense of the progress made regarding equitable distribution, as the specific actions were evaluated for their impact on equity and approved in the CEIP.
WEC	-650(3)	Recommends adding requirements for utilities to provide updated indicators and indicator values.	Staff disagrees. If significant changes occur during the implementation period, equity requirements can be assessed during the biennial CEIP update. Otherwise, a utility's reports on specific actions should give parties a sense of the progress made regarding equitable distribution, as the specific actions were evaluated for their impact on equity and approved in the CEIP.
WPTF	-650(3)(a)	Opposes attestation requirements for coal-powered generation. Urges commission to accept non-specified power without penalty.	Staff disagrees. As long as there is coal generation in the WECC, companies will need to figure out how to exclude it from the energy they buy. Attestations are one step in that process. Further, the statute says the penalty applies to all power that is <i>not</i> renewable or nonemitting. Thus, the \$100 penalty applies to non-specified power in 2030.

WAC 480-100-655 Public participation in a CEIP

Party	Draft WAC	Summary of Comment	Staff Response
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Avista	-655(3)	Recommends revision to reduce material meeting requirement from five days to two days. States the company has been using 2 days in its TAC process at the request of its stakeholders who have not requested more time.	Staff disagrees. Public participation in the CEIP may be more complex than the existing IRP and additional time is particularly useful for stakeholders who do not engage in this work professionally. However, the CR-102 rules reduce this time from 5 days to 3.
	-655(7)	Recommends 30 to 60 days to provide customer notice following filing of CEIP, noting the most highly used customer notice comes in the form of a bill insert provided over a 30-day billing cycle. States utilities should have ability to use existing communication channels rather than send separate notices.	Staff agrees customer bills are a useful element. CR-102 rules increase this time to 30 days to allow for the use of customer bills. Because the CEIP does not have an effective date, which informs the timing of customer notices for other utility actions, staff does not recommend a longer period for providing customer notice. Staff is concerned that a longer period would conflict with the setting of a CEIP for open meeting and/or adjudication and limit the practicality of customer notification.
	-655(8)	Recommends clarifying intention for commission review of customer notice in -655(8). If the intention is for a utility to incorporate feedback then five business days is not enough time.	The CR-102 rules do not include commission staff review of customer notices.
	-655(5)	Recommends the public participation plan be filed by May 1, 2021, to allow additional time for utilities to Staff and plan for this new utility function.	Staff is open to this adjustment and has made the proposed change in the CR-102 rules. Staff believes this change does not mean that utilities should wait until May 1 to begin their work. Staff believes this report can capture activities conducted in advance of the filing date as well.
PP&L	-655(3)	Recommends adding “best efforts to make” to allow for last minute modeling changes.	Staff agrees that updating materials to reflect most recent information is useful to the process and has made edits to the draft rule to reflect this.



PSE	-655	Recommends striking entire -655 section, with exception of some equity advisory group pieces and comment summary to commission.	Staff disagrees. Public participation is an important aspect of implementing CETA.
	-655	<p>Generally argues:</p> <ul style="list-style-type: none"> <li>• that PSE already shares presentation materials in advance but that to require them to do so is overly prescriptive and flexibility for timing should be retained by utility,</li> <li>• that PSE intends to share draft CEIP with stakeholders but it's burdensome to require the filing 2 months in advance,</li> <li>• that PSE commits to involving stakeholders in the development and implementation of CEIPs but that requiring it in rule is burdensome,</li> <li>• that PSE expects to have a public participation plan that includes the elements in the draft rule but that requiring it in rule is burdensome,</li> <li>• that PSE intends to share the final CEIP with customers but requiring utilities to send a notice is burdensome,</li> <li>• that the CEIP is not a tariff and it is unclear why customers should receive notices of a filing.</li> </ul>	Staff disagrees. These proposed requirements reflect the needs of stakeholders and commission Staff in utility planning processes and generally offer guidance for utilities to develop their own frameworks for this work. It is not clear how these requirements would be administratively burdensome if the utility already engages or plans to engage in these activities; instead they reflect utility best practices. However, the CR-102 rules do not require a draft CEIP for advisory group review and adjusts some other components of these rule elements.
	-655(1)	Recommends striking second sentence of -655(1) and makes edits to first sentence removing group names and compliance report.	Staff believes it is appropriate for utilities to discuss their performance relative to CETA goals to inform the development of a compliance report. Staff believes this will be particularly useful for equity provisions. Staff acknowledges the level of engagement will be different from CEIP planning. However, the CR-102 rules remove compliance report from this section and do not specifically name the low-income and resource planning and conservation advisory groups, however Staff believes the current language is inclusive of these groups

-655(1)	Recommends striking entirety of -665(1)(a)-(e), stating <ul style="list-style-type: none"> <li>• that groups should not be involved in compliance reports,</li> <li>• that requirement to demonstrate how input was used and why it was rejected are overly prescriptive and burdensome,</li> <li>• that (c) should remain if section not deleted in entirety, and</li> <li>• that (e) is true but unnecessary to state in rule.</li> </ul>	See Staff responses above as well as in IRP summary section and below.
-655(2)	Recommends striking “data support and development” from -655(2), arguing it is unknown if groups will discuss equity-focused data development with the utility.	Staff disagrees. Staff has heard through this rulemaking process that utilities need assistance developing equity-focused data to inform planning efforts. This is also a function of advisory groups not focused on equity.
-655(2)(a)	Recommends amending “encourage and include the participation of” to “invites”	Staff disagrees with this proposed change. Staff believes that sending a single invitation to organizations in an effort to populate an equity advisory group is insufficient. In the event that groups or individuals refuse to participate, utilities will need to adjust efforts to create this group.
-655(2)(b)	Recommends striking all of 2(b), arguing that the meaning of “regularly” is unclear and utilities should retain flexibility to determine how often equity advisory group should meet and needs might eb and flow. States that PSE will provide reasonable advance notice of meetings irrespective of rule requirement.	Staff disagrees that the meaning of “regularly” is unclear. The word displays clear guidance that an equity group is required for CEIP development and implementation while offering utilities and equity groups the flexibility to meet as often as required for individual plans, service territories, and community needs.
-655(6)	Recommends amending second half of first sentence to reference description of comments that didn’t change a CEIP and removing responsibility for presenting why feedback wasn’t considered.	Staff disagrees with this proposed edit. Communicating to stakeholders about how their time and efforts have been received is a minimum best practice of engagement.

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	-655(6)	Recommends removing references to equity group review document, arguing it is unclear what the document entails or who would prepare it.	The CR-102 rules do not include a review document from the equity group. Equity advisory group members are welcome to independently provide comments to the commission on the CEIP and the process for developing it.
PC	-655(2)(b)	Notes that “meet regularly” is unclear. (This comment offered in response to questions in notice; Staff summarizes here as it is directly applicable.)	Staff disagrees the meaning of regularly is unclear (see response to PSE above) but welcomes additional conversation outside of this docket to develop best practices on this topic.
AWEC	-655	Recommends commission eliminate public participation processes in CEIP rules, which would also eliminate concerns stakeholders have raised regarding the cost of participation. The public participation process is more appropriate in the IRP and CEAP.	Staff disagrees. The engagement process is an important element of planning for stakeholders and Staff, particularly for the equity pieces. It is important for both the IRP, which is a comparative evaluation of generic resources, and the CEIP, which is the specific plan a utility will take. Staff notes that, with a few exceptions, stakeholders have not advocated for the general elimination of these pieces and instead have argued for keeping or expanding them. The cost of participation is another issue that may be discussed outside of this rulemaking.
CENSE	-630	See summary -630 section	See responses in -630 section.
CS	-655	Supports inclusion of advisory groups, participation plans, identification of barriers to participation and other public participation provisions in the draft rule.	No Staff response necessary.

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	-655(1) and (2)	Recommends separating the standing committees and advisory functions as well as identification of participation barriers from the CEIP and requiring these elements as general utility practice to inform IRP, distribution planning, conservation planning, and CEIP development. Argues that their inclusion in the draft CEIP rules pulls these elements in a final stage of planning and where these elements are least impactful.	Staff believes this recommendation is outside the scope of the current consolidated rulemaking, given language of the revised CR-101. Staff will consider this recommendation in future rulemakings or policy statements related to streamlining utility planning and reporting processes more generally. The current language is appropriate in light of the scope of this rulemaking. Staff also notes advisory groups can discuss issues outside of the process that creates them, whether because utilities voluntarily expand their work or because the commission requires some conversation or investigation in a different docket. See also Staff response to FC on this issue.
TEP	-655	Supports CEIP draft public participation rules, including right to comment, advisory committee participation, creation of an equity advisory group, specific involvement in the development of indicators and activities, a filed public participation plan, reporting of public participation, and the provision of the data supporting the CEIP plan.	No Staff response necessary.
FC	-655	Supports the draft rules addressment of public participation.	As is discussed in this document, the CR-102 rules make changes to the 2 <sup>nd</sup> discussion draft rules public participation components.

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	-655(2)	Recommends equity advisory groups formed under -655 in CEIP planning be provided a mandate for an expanded role in equity intervention in utility planning, including in review of equitable distribution considerations in the IRP from design to finalization.	Staff believes that explicitly mandating the expansion of the equity group in the CEIP rules is outside the scope of this rulemaking, but notes the work of advisory groups can be expanded by the utilities voluntarily or by commission direction outside of this docket. For example, the commission can order a utility to work with its advisory group to study an issue regardless of how the group is created initially. Staff agrees that the work scope of an equity group may expand and change but disagrees that that scope can be expanded beyond IRPs and CEIPs in this rulemaking because this rulemaking is specific to IRPs and CEIPs. Staff also notes that equity groups are pulled into the development of IRPs in the proposed rule language at -625(2)(b).
	-655	Notes it is crucial for the public to have the opportunity to comment on the CEIP process and that comments are thoughtfully considered and incorporated in the final plan. Supports NWECC examples.	See Staff response to NWECC.
	-655, intro	Recommends adding “how barriers to incorporating input will be removed in future consultations.”	Staff believes that consideration of barriers is explicitly required in the public participation plans and does not believe this additional language is necessary.

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	-655(2)	Supports equity advisory group and its role in utility planning and implementation. Recommends that groups be formed and functional outside of the CEIP process so that they may inform the development and updating of equity commitments from earliest stages of planning through implementation and reporting.	Staff believes that this is outside the scope of the current consolidated rulemaking given language of the revised CR-101. Staff would consider this recommendation in future rulemakings or policy statements related to streamlining utility planning and reporting processes more generally. The current language is appropriate in light of the scope of this rulemaking, which includes IRP planning, CEIP planning, and CEIP implementation. See also Staff response above discussing how groups can and do expand beyond their initial creation.
	-645	Recommends the commission CEIP review process take public comments into account, particularly regarding the selection of targets, actions and indicators and in consideration of scope and scale of impacts.	Staff agrees and believes that taking public comments into account is already a standard practice at the commission, and that practice would not change under these rules.
London, Angela	-630	See comments in IRP comment summary section	See Staff response in IRP comment summary section
NWEC	-655, intro	Generally supports public participation components of the draft rule and offers redlines, noting that the last two examples of incorporating feedback in -630 and -655 are more about communication than incorporating feedback. Recommends redlines:	Staff generally supports these changes, but notes that communication is a best practice of public participation and that utilities may not always choose to incorporate advisory group input. See Staff response in IRP comment summary section. The CR102

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		<ul style="list-style-type: none"> <li>• Adds “using data or other information supplied by stakeholders as input to the modeling process; and integrating public input into portfolio ranking criteria” to -630 intro and -655 intro.</li> <li>• Adds “As part of this process a utility must indicate whether and how the utility used public input” from -630 intro and -655 intro</li> <li>• Strikes “indicate whether and how the utility used public input, and” from -630 intro and -655 intro.</li> </ul>	rules revise the advisory group expectations, please see -655.
NIPPC	-630	See comments to -630 section	See Staff response to IRP comment summary section.
PSS	-655	Believes that reaching CETA’s goals requires utilities to plan and work closely with communities, actively and transparently;	Staff agrees and believes the proposed rules reflect this.
		Supports requiring utilities to create equity advisory boards that represent environmental justice, highly impacted communities, and vulnerable populations;	No Staff response necessary.
		Supports requiring utilities to develop meaningful public participation and summarize comments as well as reasons for rejecting public feedback; and	No Staff response necessary
		Supports increasing accessibility of information to the public and for commission use, including the development of universal standards for equity intervention	Staff believes the continued development of standards will take place in advisory groups and through commission processes outside of this rulemaking.
Sierra Club		Recommends redlines:	See Staff response to IRP comment summary section on these topics and to VCAG.
	-655, intro	<ul style="list-style-type: none"> <li>• Amending -655 intro to require the commission to determine the validity of data supporting a utility’s decision not to incorporate public input.</li> </ul>	
	-655(1)(b)	<ul style="list-style-type: none"> <li>• Amending -655(1)(b) to change “should” to “must.”</li> </ul>	Please see the CR-102 rules for revised advisory group language.
	655(4)	<ul style="list-style-type: none"> <li>• Amending -655(4) to add “and available to the public.”</li> </ul>	
	-655(5)	<ul style="list-style-type: none"> <li>• Amending -655(5) to include “as defined by the IAP2”</li> </ul>	

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	-655(5)(h)(i)	<ul style="list-style-type: none"> <li>Amending -655(5)(h)(i) to include video archives and chat-box comments</li> </ul>	See Staff response to IRP comment summary section on these topics and to VCAG.
	655(5)(h)(ii)	<ul style="list-style-type: none"> <li>Adding links for meeting registration to -655(5)(h)(ii)</li> </ul>	
	-655(7)	<ul style="list-style-type: none"> <li>Changing timing of customer notices from 10 to five days in -655(7)</li> </ul>	Staff disagrees with this edit. Staff additionally agrees with Avista’s comment above that making use of company billing cycles to send this notice is useful and appropriate. See Staff response to Avista above.
	-655	Supports and seconds comments from F&C	See Staff response to FC comments.
Snell, Ronald	-645	Recommends a hearing on the CEIP	Staff agrees. A hearing is statutorily required. The CEIP will be heard either through open meeting or through an adjudication, both of which offer opportunities for public comment.
WEC	-655	Supports draft rule processes for public participation, especially as they related to engaging highly impacted and vulnerable communities and as they require utilities to identify barriers to engagement and develop strategies to overcome barriers.	No Staff response necessary.
VCAG (Jane Lindley, Kevin Jones, Elyette Weinstein)	-655	Recommends adding “All demonstrations, documentation, explanations and examples must be supported by sufficient credible data, as determined by the Commission” to first paragraph	Staff believes commission review of plans is inherent in these rules and declines to recommend this edit.
	-655(4)	Recommends adding “and available to the public” to -655(4)	Staff believes advisory group review would be sufficient for the review of a draft filing. However, the CR-102 rules do not include language requiring utilities to share a draft CEIP with their advisory groups or the public. The utility may voluntarily choose to share a draft CEIP with its advisory group. The public and advisory groups will have an opportunity to comment on the CEIP through the open meeting or adjudicative process at the commission.



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	-655(5)	Recommends adding “as defined by the IAP2” to -655(5)	Staff disagrees. See Staff responses to similar suggestions in IRP comment summary section.
	-655(5)(h)(i)	Recommends adding video archives and chat box comments to -655(5)(h)(i)	Staff disagrees. Utilities are required to document advisory group input and submit documentation to the commission. This technological language is unnecessary
	-655(5)(h)(ii)	Recommends adding “Links to register for the meeting” to -655(5)(h)(ii)	Staff believes this technological change is unnecessary. Providing information needed to participate in an advisory group is an inherent requirement of these proposed rules, other rules, and commission orders discussing advisory groups.
	-655(7)	Recommends changing customer notice deadline from 10 to five business days	Staff disagrees and the CR-102 includes adjustments to this language to better align the notice requirement with existing customer notice practices. Staff agrees that bill inserts are a useful customer notice tool. Please see Staff response to Avista on this issue above.
Steven Bergman, Lisa Chambers, Liz Illg and Janna Gingras, and John Stot. (Vashon citizens)	-630	See other comments at -630 summary section.	See Staff response to comments in -630 summary section.

WAC 480-100-660 Incremental cost of compliance

Party	Draft WAC	Summary of Comment	Staff Response
Avista	-660(1)(c) and 2(d)	This subsection may inadvertently exclude certain actions to comply with RCW 19.405.040 and 050. Please provide additional clarification on the inclusion of the costs to comply in the incremental cost cap calculation.	Staff proposes to delete 1(c). Staff also proposes a few revisions to the description of a directly attributable cost. The purpose of 2(d) is to identify which costs have been incurred but would not have been incurred if RCW 19.405.040 and -.050 did not exist. Staff is uncertain what actions that are necessary to comply would be excluded.
PP&L	-660(1)(a)	Recommends not requiring the SCGHG in the alternative lowest reasonable cost and reasonably available portfolio. That portfolio is not part of developing a utility's IRP or CEAP, it is not a component of conservation plans and targets, and it is not part of the selection of resource options. Had CETA not be enacted, there would be no social cost of carbon to include in the portfolio.	Staff disagrees. The placement of the SCGHG in CETA does not occur in either sections RCW 19.405.040 or RCW 19.405.050. The incremental cost of compliance only considers the costs attributed to the -040 and -050. Furthermore, Staff notes that the commission's 2017 IRP acknowledgement letters asked the utilities to use a cost of carbon in their IRPs and offered the social cost of carbon as a suitable option.
	-660(1)(c)	Recommends deleting as it is identical to (2) below.	Staff agrees.
	-660(3)	Recommends reorganizing the subsections and adding a (b), the Company's incremental cost calculation	Staff appreciates the Company's efforts but declines to adopt the stylistic edits. Staff proposes to add the commission's proposed calculation in a new subsection (2).
	-660(4)(a) and (d)	Recommends adding "implementation" prior to period in (a) and exchanges "implementation" for four-year in (d).	Staff agrees.
	-660(5)(a)	Recommends using the term "implementation" to describe period, like above.	Staff agrees.

PSE	-660	The baseline portfolio should be created once when developing the CEIP to measure the incremental costs of compliance. It should not be updated when reporting the actual incremental costs. A tracker should be implemented, and costs should factor into the next CEIP budget.	Staff disagrees. A forecast of a utility's spending is not sufficient to demonstrate that its actual incremental cost met or exceeded the compliance pathway threshold. The burden should be on the utility to actually demonstrate that it's spending on compliance met or exceeded the statutory requirements. Furthermore, Staff is uncertain if the statute allows the commission to determine that a utility that did not meet or exceed its incremental cost can use the compliance pathway by promising to include additional costs in the next CEIP.
	-660(1)	PSE proposes an alternative methodology based off existing energy efficiency cost effectiveness tests and small power producers. PSE believes that its alternative method regularly updates baseline portfolio assumptions because it builds on annual cost filings, as required under WAC 480-100-640. It does not require a utility to create a counterfactual baseline portfolio, like the method proposed in rule.	Staff recommends that the commission allow a utility to propose an alternative methodology that meets the requirements of RCW 19.405.060(3) and (5) and will comply with the standards in RCW 19.405.040 and 050 at the lowest reasonable cost. However, Staff still has concerns with PSE's proposed methodology as it is currently explained.
	-660(1)	Edits Staff's proposed methodology so that the portfolio optimization model must come from the most recently acknowledged IRP, as well as other stylistic and clarifying edit.	Staff disagrees because the most recently acknowledged IRP's information would be stale by the time that the utility files its CEIP Compliance Report more than four years after the last acknowledged IRP.
	-0660	Recommends requiring the utility to provide workpapers to support its incremental cost calculation	Staff agrees that the utilities must file workpapers that support its incremental cost calculation in both the CEIP and CEIP Compliance Report.

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-660(1)(a)	Requests clarifying that the SCGHG should be modeled as a planning adder, not to dispatch.	Staff’s proposes language in -620 that encourages the utility to model the SCGHG both in and out of dispatch in its IRP. Staff is reluctant to endorse a specific method at this time. Staff finds that the rule’s current description of SCGHG as a “cost adder” is appropriate given that is how SCGHG is described in RCW 19.280.030(3).
-660(2)	Recommends striking the subsection that described directly attributable cost as it is duplicative with the next section, is not necessary, and is better suited as a definition.	Staff partially agrees. Staff agrees that some of the language in this section was duplicative and proposes revisions to address the issue. Staff prefers describing directly attributable costs in rule rather than in definition.
-660(3)	Recommends substituting the word “plans” for “intends.”	Staff agrees.
-660(4)	Recommends modifying the language so that directly attributable costs incurred were either necessary to comply with “or make progress toward meeting” RCW 19.405.040 and 050.	Staff declines to adopt these edits as they do not provide additional clarity. Costs that make progress towards RCW 19.405.040 and -.050 should be necessary to comply with RCW 19.405.040 and -.050.
-660(4)(c)	Recommends modifying the language to accommodate PSE’s alternative method.	Staff recommends that the commission allow a utility to propose an alternative methodology that meets the requirements of RCW 19.405.060(3) and (5) and complies with the standards in RCW 19.405.040 and 050 at the lowest reasonable cost.
-660(4)(d)	Recommends adding “annual” to ensure that the two percent calculation results in an annual increase of weather-adjusted sales revenue.	Staff agrees.
-660(5)	Recommends changing the title of the subsection to “Determination of incremental cost compliance”	Staff agrees.

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Invenergy	-660(1)	Agrees that the SCGHG should be included in the alternative lowest reasonable cost and reasonably available portfolio however the rule does not mention how the utilities should use it to develop the CEIP in -640. The CEIP should provide guidance on treating the SCGHG as an incremental hourly cost for dispatching GHG-emitting resources.	See Staff’s response to similar Invenergy comments on the SCGHG in section -620.
NWECC	-660	Strongly supports the rule as written and attributable costs should be limited to those that are directly attributable to requirements of RCW 19.405.040 and 050.	No Staff response needed.
	-660	Supports including SCGHG in alternative lowest reasonable cost and reasonably available portfolio.	No Staff response needed.

WAC 480-100-665 Enforcement

Party	Draft WAC	Summary of Comment	Staff Response
Avista	-665	Enforcement of penalties should not be applied to RCW 19.405.060 and its interim targets. Enforcing interim targets is inconsistent with the statute and would result in disparate treatment of IOUs from utilities subject to Department of Commerce rules.	Staff disagrees with expressly exempting interim targets from this rule. The issue of enforcing interim targets will arise, if at all, when utilities fail to meet their interim targets, and the commission should be able to consider all options for addressing such circumstances.
PSE	-665	Recommends deleting entire section as unnecessary because the commission already has the authority specified in the draft rule and specifying remedies other than those in RCW 19.405.090 is inconsistent with the commission’s stated intention to allow utilities flexibility in complying with the new law.	Staff disagrees. The draft rule clarifies that the commission has means of enforcing CETA in addition to RCW 19.405.090. These options, moreover, do not limit the flexibility with which the Commission will oversee utilities’ compliance with CETA.

PSE	-665(3)(d)	Recommends deleting sentence allowing commission to limit a utility’s ability to recover return on investment as unconstitutional and otherwise unlawful.	Staff disagrees. The commission may disallow or limit recovery of and on imprudent investments, and the commission can determine that investments that do not comply with CETA are imprudent. The commission, however, has deleted this sentence in the proposed rule as unnecessary.
PSS	-665	Recommends enforcing the equity mandate in RCW 19.405.040(8) through fines for non-compliance.	All of -665 will apply to non-compliance with RCW 19.405.040(8) except -665(3)(a), which only applies to RCW 19.405.040(1).

Question 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.

Party	Summary of Comment	Staff Response
Avista	No. It is sufficient to provide business cases supporting specific CEIP actions or a specific target that deviates from the IRP.	Statutory criteria require utilities to demonstrate progress toward meeting the standards at the lowest reasonable cost. The CR-102 rules remove the term “business case” as it created unnecessary confusion for stakeholders and was duplicative with the requirements in -640(4)-(6). However, utilities bear the burden to demonstrate progress and compliance and will need to assess the business case for Specific Actions before it can represent that the Specific Actions it identifies in a CEIP are consistent with the lowest reasonable cost standard required by statute.
PP&L	No. Statutory criteria do not require a business case and the use of the term “business case” in the draft rules is ambiguous.	
PSE	No. The level of justification or detailed support for CEIP approval is not always necessary in all instances because there are other commission processes for regulatory review. The use of the term “business case” is ambiguous and removing this requirement will not jeopardize the review process.	
PC	Yes. Supportive of Staff’s interpretation because utilities must provide evidence for the commission to issue a decision (approve, reject, or approve with condition). Also, utilities have a higher burden to demonstrate that their compliance efforts are cost effective.	
Adcock, James	Yes. Otherwise utilities could fail to meet CETA requirements or wasting ratepayer dollars meant to be part of the “2% offramp.”	

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CS	Yes. Generally, supports Staff’s interpretation because CETA requires utilities to comply at the lowest reasonable costs which requires commission evaluation. However, the term “business plan” is ambiguous and no one specific action should be evaluated in a silo.	Staff also disagrees with Avista that the specific actions identified in the CEIP only need to be supported if they deviate from (or were not identified in) the IRP. The IRP is a review of generic resources, while the CEIP will identify the specific actions and projects a utility will undertake and includes new information unavailable during the latest IRP.
TEP	Yes. Staff’s interpretation is reasonable because a developed record is necessary for the commission to issue a decision (approve, reject, or approve with condition). Further the utility must carry its burden to prove by demonstrating it has met CEIP statutory requirements.	
F&C	Yes. Agrees with Staff’s interpretation. Utilities must justify that their planning decisions are evidence-based and outcome-oriented. UTC review and approval are critical for IOU accountability.	
Jordan, Jeff	Yes. Staff’s interpretation is necessary to protect ratepayers and ensure utilities achieve CETA goals. Utilities need commission guidance to effectively develop and implement economical clean energy resources.	
NWEC	Yes. The commission cannot approve a plan or specific actions without an understanding gained through the review of a business case and financial data.	
RN	Yes. Agrees that utilities must demonstrate their progress meets clean energy standards and targets. However, the term “business case” is ambiguous and may not be suitable for the required demonstration.	
Sierra Club	Supports and endorses F&C responses.	
WEC	Yes. Agrees with Staff’s interpretation.	

Question 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?
- 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.)?
- c. What other issues arise if the commission were to require utilities to provide funding or direct payments to support equity advisory group members?

Party	Summary of Comment	Staff Response
Avista	2a: Is not certain if commission has authority to require intervenor funding or direct payments. Does not agree that the commission should require utilities to provide funding to advisory group members, but should encourage such funding in a policy statement that also outlines who may qualify, the method for determining how much, how to validate participation and contributions, etc. States that WUTC Staff, the AGO, TEP, NWECC, CS, and others represent equity engagement in utility planning. Believes equity interests should not be treated differently from other stakeholders who must fund their engagement and prioritize issues.	Staff believes these topics merit additional conversation and does not believe particular requirements around funding mechanisms are ripe for rule language. Staff appreciates the models presented as options for consideration and also supports utilities exploring opportunities voluntary and outside of rule requirements, as PSE notes.
	2c: Issues include equality and equity of funding, cost recovery, verification of funding and how much should be given, and if funding received is commensurate with input and contributions provided.	
PP&L	2a: Is unaware of specific statutory authority that would allow the commission to require funding but looks forward to discussions around such authority and methods to support this work.	
	2b: The company provides intervenor funding in Oregon, under ORS 757.072, to a range of stakeholders. Notes the Oregon PUC approves funding and oversees payments to organizations, which are tracked through deferral and periodically included in rates. Recommends the Oregon model as effective, should UTC find it has this authority.	



	2c: Should the commission find it has authority, recommends the commission model oversight based on Oregon process and to reserve funding for new participations who would be unable to participate without support.	
PSE	2a: Acknowledges that public engagement from a broad and diverse set of stakeholders is a critical part in ensuring an equitable distribution of benefits in the transition to clean energy and commits to finding ways through the CEIP process and other proceedings for communities to engage. Does not believe the commission has statutory authority under CETA to require utilities to provide funding for equity participation; notes other states that allow or require this funding have a statutory grant of authority; offers OPUC model; states the Legislature would need to grant the commission specific authority and a framework for the commission to pursue funding for an advisory group or intervenor compensation.	
	2b: The company reiterates that the UTC does not have this authority, however the company is supportive of bringing new and diverse customer voices to the table as CETA is implemented and acknowledges that reducing barriers to participation is important. The company is exploring mechanisms to support more diverse customer participation.	
	2c: If the commission required payment to advisory groups to enable participation, the commission would need to provide oversight and program management as well. The company would support compensation for advisory group participation where need is demonstrated, and the participation is not otherwise professionally enabled. Does not recommend pursuing intervenor compensation. Requests additional stakeholder discussions on this topic before it is moved forward.	
PC	2a: Compensating equity group members is simply a cost of compliance with CETA and the commission has broad statutory authority to regulate utilities and make rules to carry out the commission’s powers and responsibilities. CETA requires the commission to determine compliance with and enforce CETA, which includes the equity mandate. Engaging vulnerable and highly impacted communities is a critical component to guiding utility decision-making. The commission has authority to require funding and it is in the public interest to do so.	Staff thanks PC for these considerations. Staff agrees that engaging vulnerable and highly impacted communities is a critical component of decision-making, and Staff believes the additional considerations presented here require additional conversations about how programs would

	<p>2b: Recommends funding for both community-based organizations and individuals to participate in equity advisory groups. Proposes guiding principles of eligibility, demonstration of interest, and proof of participation, as determined by the commission, to add in rule and additional details to be discussed in rule and/or policy statement. Recommends further discussion in a workshop focused on this topic with issues including eligibility, compensation framework, and frequency of group meetings. Provides some suggested rule language.</p> <p>Believes independence between equity stakeholders and utilities must be maintained and as a result, utilities should not be responsible for determining eligibility for funding in order to avoid capture, receive unbiased consultation, and maintain public trust. Proposes commission act as an arbiter in this process, which would be public. Does not propose commission administer funding. Recommends the commission look to processes in California and Oregon as it considers this issue. Believes general principals outlined above should be in rule but acknowledges additional details through policy statement may be more likely given timing of rulemaking and need for additional conversations.</p> <p>2c: Other issues include payroll and tax issues, appearance or obligations of an employment situation, and membership of an equity group to avoid gatekeeping that would harm the outcomes of such a group.</p>	<p>be administered before developing specific draft rule language, particularly given several stakeholders suggestions that the commission administer these programs.</p>
<p>Adcock, James</p>	<p>2a: Yes, the commission may require actions to ensure that all ratepayers fairly benefit and that low-income neighborhoods are not left out of receiving benefits. Notes weatherization needs to be made available to all households. Commission can require utilities to hire outside experts to do this work.</p>	<p>Staff agrees that one method of resourcing time and effort on equity issues is for utilities to hire equity experts. Staff does not believe rule language is necessary for this example as utilities currently hire outside experts on a variety of issues. Staff believes additional conversations on required utility actions are needed before rule language about particular types of funding can be drafted for consideration.</p>

AWEC	Believes the commission does not have the authority to require funding to support equity participation as no Washington law specifically authorizes those payments. Does not believe the commission’s general grant of authority gives it the authority to require funding unless the funding was included in utility’s rates. Any inclusion would need to be found just and reasonable and would likely prohibit preferential funding for certain organizations over others. Any funding should be provided on a nondiscriminatory, non-preferential basis, but limited to non-profit organizations and not available to individuals or for-profit entities. Describes Oregon’s process for funding.	Staff thanks stakeholders for the issues and models offered for consideration and believes additional conversations are needed before any requirements for funding could be included in rule.
CS	<p>2a: notes centering of equity in CETA and the creation of an environmental justice taskforce during the same legislative session. Believes that because equity is a key component of CETA and in draft rules is incorporated in definition of lowest reasonable cost, the commission should require financial support using its regular evaluation standards of prudence.</p> <p>2b: recommends the rules not specify particular mechanisms, but instead provide clear direction to reduce barriers and ensure adequate participation as well as partner with advisory groups to determine specific mechanisms.</p>	Staff generally agrees but believes additional conversations are needed before particular mechanisms are identified. Staff believes the draft rules provide direction to ensure adequate participation, partner with advisory groups, and reduce barriers to participation.
TEP	<p>Supportive of developing some type of mechanism to provide funding support for increasing equity-related public engagement in the IRP and CEIP process, noting that it will be difficult or impossible for individuals and organizations to have the resources to effectively participate. Intervenor funding for general participation in regulatory adjudication is typically statutorily supported. As an alternative, financial support for equity could be considered, for CETA purposes, as a recoverable cost. Utilities today recover their costs for advisory committee activities in rates if prudently occurred, and these costs could be treated similarly.</p> <p>Recommends continued discussion on this issue outside of the rulemaking to craft a solution in time to assist the CETA planning process.</p>	Staff generally agrees and believes costs could be treated in the same way costs for other advisory groups are treated now, but believes the particulars may be different. Staff looks forward to additional conversations.

F&C	<p>2a: Supports requirement that utilities fund equity advisory groups in a way that preserves the independence in funding and administration of the group. Argues that equity work is not quick or easy and cannot be sustained by volunteerism alone. Argues resource allocation to the groups demonstrates compliance with the requirement to host groups and maintains independence from an employer relationship. Argues utilities should report on budgets for advisory groups in advance, allocating a fixed minimum percent of their budget towards independent review of planning processes.</p>	<p>Staff believes the topic of funding requires additional conversations before rule language or other guidance could be crafted. All stakeholders brought up varied and different considerations for including funding as a requirement and many requested more conversation, especially around how funding might be administered and overseen. Staff looks forward to discussing this in more detail outside of this docket.</p>
	<p>2b: Argues funding for meaningful participation through public comment sessions, invitations to impacted communities in workshops and other events can take the form of per diems. Advisory group participation should take the form of flat hourly rates or fixed per quarter/session sums. Costs of workshops and trainings for salaried employees, honorariums and consultant fees for specialists, and outreach costs should be budget line items set aside in advance. Supports Public Counsel approaches.</p>	
	<p>2c: Other issues include equity and fairness in compensation, flexible financing arrangements to ensure diverse access to group participation, and considerations for individual or organizational funding. Believes that more important than funding is who will participate in an equity group and that participations should be subject to commission approval.</p>	
NWEC	<p>2a: Notes that time and other issues such as job conflicts and family needs present barriers to participation in any public process and it may take more effort to ensure all voices are heard. Believes the commission has authority to require funding for equity-related participation because the commission has the authority to enforce the requirements of and create rules to carry out CETA’s equity mandates.</p>	
	<p>2b: Regardless of types or amounts of funding, ultimate approval of expenditures should be with commission. Recommends additional conversations on these topics and on the type of guidance needed to ensure fair and effective funding approaches.</p>	
WEC	<p>Believes commission has authority to require utilities to fund engagement and that rules should advise of the model of funding and administrative approaches.</p>	

Question 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.

<b>Party</b>	<b>Summary of Comment</b>	<b>Staff Response</b>
Avista	Appreciates draft rule requirements to assist vulnerable populations and highly impacted communities. States the draft rules are a balance of needs of communities and practical outcomes. Appreciates flexibility in rules to allow advisory groups to help direct the needs of vulnerable communities.	Staff thanks stakeholders for the suggestions of these topics and will take them under advisement as additional conversations, proceedings, and workshops are scheduled. Staff generally agrees with PP&L's suggestion that the conversations will be most beneficial with the framework of adopted rules in this docket. Staff will alert stakeholders as additional topics are scheduled for conversation.
PP&L	Supports additional conversations to provide guidance on equity, outreach, and equitable distribution of benefits in CETA compliance and throughout regulatory processes. Believes beginning these conversations after Phase I rules are adopted would be helpful to explore issues within the context of adopted rules. Does not have a list of questions, but requests guidance on granular application of RCW 19.405.060(c).	
PSE	Company states commitment to incorporating diversity, equity, and inclusion in the utility regulatory system and agrees that additional conversations outside the scope of CEIP development and implementation are better addressed in future conversations such as through the equity advisory group. Believes the current rule framework enables many of those conversations to occur.	
PC	Additional issues to discuss outside of this docket include: resiliency, measuring equity compliance, and engagement strategies.	
RN	Recommends Washington require all-generation tracking within the Western Interconnection using methods similar to those used in the Pennsylvania-New Jersey-Maryland Interconnection and that the commission discuss or investigate carbon-accounting.	

F&C	Additional topics include resiliency and emergency preparedness, learning from public participation, developing standards for equity impacts and mitigation of impacts, selecting and tracking indicators for equitable distribution, and exploration of how utilities touch on equity issues (including energy access and affordability, procedural justice and democracy, community ownership and economic participation, and health and environmental impacts).	
NWEC	Topics include engagement with vulnerable and low-income customers and organizations in preparing public participation plans, discussions of effective assistance to promote participation, measurements and benchmarks for determining outreach and participation success, monetary support for participation, languages and educational materials needed.	
WEC	Supports and encourages additional workshops on equity-related topics and a policy statement on those topics.	

Question 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.

Party	Summary of Comment	Staff Response
Avista	Does not believe a section on adaptive management should be included at all. There are unclear expectations which would result in a continuous review and update of planning and investment activities. The idea of adaptive management is one that utilities already do in their normal course of business.	Staff accepts the request to remove adaptive management from the rule. Removing this language does not change the commission’s expectation that utilities will engage in adaptive management as a best practice and the utilities affirm that they already practice adaptive management.
PP&L	Does not believe a section on adaptive management should be included at all. There’s no statutory authority for this and it imposes unnecessary and duplicative requirements on utilities. Adaptive management is already embedded in PAC’s processes.	

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PSE	Does not believe a section on adaptive management should be included at all and if one is included, it should not be in section 610. Adaptive management is not a statutory requirement or a policy concept that should be included. Rule language has application beyond the requirements of CETA and creates an overly burdensome process with no conditions, limits or thresholds. PSE already does and will continue to monitor market conditions, developing technologies and other opportunities that may arise.	
PC	Yes, belongs in section 610, fits with the more general CETS and not the specific requirements of a CEIP.	
CS	Yes, current placement is appropriate, adaptive management is an overarching expectation of utilities, as they design plans and during the times when plans are implemented and may require adjustments.	
NWEC	Did not say where adaptative management belongs but supports it as a best practice and believes it should be a requirement of both the IRP and CEIP.	
RN	Yes, belongs in section 610 which outlines the framework for utilities' compliance with CETA.	
WEC	Yes, support adaptive management in section 610 as it is necessary to achieve CETS.	

Question 5: 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.

Party	Summary of Comment	Staff Response
Avista	Yes and no. Yes, the utilities should update the baseline assumptions for accuracy, but utilities should be allowed to propose which changes are material for updating. However, no, the utility should not be held financially responsible for underestimating the actual costs.	Staff believes that the benefits of updating the baseline assumptions for actuals outweighs the concerns that the utility may be exposed to unknown changes. The utilities are well practiced in forecasting loads and energy prices and rely on forecasts to make many consequential decisions before the commission. However, Staff is sympathetic to the concept that not all inputs are meaningful. Staff recommends that the utility must update verifiable and “material” inputs.
PP&L	No, utilities should not make updates to the baseline portfolio. Updates to the baseline could distort the incremental cost calculation. The company is still open to discussions but highlights a distinction between updating inputs to support cost-true up and creating a new baseline. Supports any framework for updating costs if it is meant to accelerate the review process.	
PSE	No, updating the baseline portfolio is not necessary using the portfolio optimization model, because it would also have to make successive determinations of what the utility “would have implemented.” This is reflective of the constant re-evaluation structure set up by the draft rules. PSE’s alternative incremental cost method would regularly modify the baseline portfolio, building on avoided costs annual filings.	
PC	Yes, any known, actual variables should be used where possible to create as accurate of an incremental cost estimate as possible, given the circumstances.	
Adcock	Yes, the utilities should update the assumptions in its baseline portfolio. The legislature already accounted for variability with the inclusion of a 4-year implementation period.	



CS	Yes, utilities should allow true ups of the baseline assumptions between compliance periods to capture the effect of the deviations from CETA’s incremental cost limitation. Requiring utilities to update costs to best available information does not necessarily preference cost reduction or increased clean energy deployment—it preferences accuracy.	
NWEC	Yes, a utility must and should as it will know the full costs. This is the only way to produce reliable and accurate accounting of actual cost of compliance. The statute clearly intends for the calculation to b based on actual costs.	
RN	Yes, a utility should update otherwise it would deflate the validity and usefulness of the provision. Utilities are well versed in risk management and could fold this risk into its analysis. Further, the commission can mitigate statutory penalties if a utility is unable to comply due to circumstances out of its control.	

Question 6: 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. Please respond with a recommendation for the appropriate calculation. See attachment C to the Notice for sample calculations of these two interpretations.

Party	Summary of Comment	Staff Response
Avista	Proposes an alternative approach that compares the 4-year average incremental cost to the most recent known revenue requirement from the year preceding the filing of the CEIP. For example, if the revenue requirement was \$1000 in year 0, the utility would need to spend \$20 per year or a total of \$80.	Staff recommends the commission adopt an approach that is consistent with the Department of Commerce, and is similar to the approach advocated by PSE, Climate Solutions, and Renewable Northwest. We believe that this is consistent with the statute and the legislature’s intent. Staff believes that the calculation in the proposed rules solves Public Counsel’s concerns with the denominator.
PP&L	Supports interpretation 1. Interpretation 2 is inconsistent with statute because it considers the change in directly attributable costs. Interpretation 2 produces nonsensical results and does not provide meaningful protection for customers.	
PSE	PSE recommends the two percent calculation should compound over the 4-year period and the calculation should be made at the time the utility files the CEIP. The legislature’s intent for the calculation to compound is evident in the phrase “two-percent increase.” Interpretation 1 is inconsistent with intent of law because it does not increase at two percent of weather-adjusted sales each year. Interpretation 2 is not feasible to implement because a utility cannot identify the threshold target during the development of the CEIP.	

PC	Cannot support either method as both methods incorrectly calculate the average percentages, and Interpretation 2 incorrectly defines incremental cost. Recommends starting with Interpretation 1 and adjusting for the correct average percentage calculation. Interpretation 1 is incorrect because it does not account for the fact that the denominator (sales revenue) changes in each year. It would be more accurate to take the total annual incremental cost and divide by the sum of yearly weather-adjusted sales revenue. Interpretation 2 simply measures how costs change from year to year and makes the same calculation error as Interpretation 1.	
Adcock	Interpretation 1 would result in a 0.5 percent annual increase, which is not what the legislature intended. Reasonable estimates of the costs to transition are much higher than a 0.5 percent annual increase could reasonably obtain in a reasonable time. The practical effect is it delays the clearly stated statutory requirements.	
CS	Interprets the statute to require that each year the utility may increase its spending by an additional 2%. Each year's costs are over and above any previous year's accrued costs, as those costs are built in over time as resources are amortized over their useful lives. Interpretation 2 is mostly correct, but its calculation is inaccurate as it does not accommodate occasional, large, lumpy projects.	
NWEC	Interpretation 2 is consistent with statute. However, there may be multiple ways to perform the incremental cost calculation that align with the statutory intent. NWEC does not propose a preference for any particular calculation, other than the principle that the incremental cost is the change in costs over a specific period of time.	
RN	Endorses the same approach as Climate Solutions.	

Question 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?

Party	Summary of Comment	Staff Response
Avista	Yes. E-tags were not designed for this purpose and only a small portion of e-tags include specific sources of electricity generation. Using e-tags related to system power purchases could prevent a utility from buying system power from other utilities that include coal generation.	Staff agrees that the reference to the e-tags should be removed from the rule. Presently, e-tags do not have the necessary detail as they are currently used in the WECC to

	Not opposed to deferring until a recommendation from the markets workgroup is available but that is not necessary because attestations and audits are sufficient to comply with CETA.	affirm that there is no coal in rates. Staff also agrees that this issue needs more public discussion to determine what steps a utility should take to demonstrate compliance with RCW 19.405.030. For example, how should the commission treat a series of unspecified contracts that exceed one month in length, in total, with the same counterparty? After a public discussion, the commission should consider if additional rules are necessary. Until then, Staff proposes to rely on attestations. However, Staff disagrees that the utility must only attest that it did not <u>intentionally</u> procure power from coal-fired generation. It is clear in the statute that if the utility procures coal-fired generation, it must pay the penalty.
PP&L	Yes, because traditional ratemaking is the basis for determining if coal-fired resources are included in the utility's allocation of electricity not e-tags.	
	There is no need to wait for a recommendation from the markets workgroup because existing rate recovery mechanisms, use of attestation, and third-party review are sufficient.	
PSE	Yes, because the available information in an e-tag may not have sufficient details to demonstrate compliance nor provide assurance that a specific resource will be used to meet a specific load.	
	Prefers deferring until a recommendation from the market workgroup is available than adopting related draft rules.	
PC	There is no need to wait for the markets' workgroup because attestation combined with reviewing the data and or third-party audits of the data are reasonable processes.	
BPA	Requests commission consider markets workgroup findings before finalizing rule language.	
CS	No concerns and no recommended changes.	
	Strongly urges the commission to finalize this provision and not wait for the completion of the markets workgroup.	
NWEC	No. Supports the use of e-tags in the draft rules. No other commenters are proposing a viable alternative.	
RN	No. Supports the draft rules as written.	
	No. Recommends not to delay draft rules.	
WPTF	Opposes the use of e-tag for verifying that no electricity comes from coal-fired resources because it should be enough that the utility attests that it did not intentionally procure power from coal-fired generation. If UTC does not concede to this than, yes, wait for the markets workgroup recommendation.	

Additional Comments

Party	Summary of Comment	Staff Response
TEP	<p>Recommends the commission ensure nonenergy benefits associated with DER programs, such as low-income energy efficiency, are comprehensively considered in IRP analyses and more substantive guidance in rules.</p>	<p>Regarding WAC 480-100-620(8), Staff does not suggest additional draft edits. Staff intends to address NEBs in Q4 2020, initiating discussions with stakeholders and workshop dates, and following the Resource Value Framework, found in the National Standard Practice Manual for Benefit-Cost Analysis of Distributed Energy Resource Programs (NSPM), August, 2020.</p>
CS	<p>Regarding end-use fuel choices, recommends for IRPs for dual gas and electric utilities' planning processes be more integrated to analyze the two systems. More holistically integrating gas and electric IRPs would facilitate comparing the cost-effectiveness of broader electrification programs or other programs to reduce greenhouse gases when incorporating the social cost of greenhouse gases.</p>	<p>Staff disagrees additional rule requirements or clarification is needed at this time.</p>
CS	<p>Supports addressing electrification is consistent with CETA's requirement to center public health as part of a public interest analysis in IRPs; consideration of such programs is necessary for achieving sufficient greenhouse gas emissions reductions.</p>	<p>Staff disagrees additional rule requirements or clarification is needed at this time.</p>
WEC	<p>Supports and encourages the UTC to host additional workshops around utility implementation of equity-related provisions.</p>	<p>Staff anticipates additional workshops on equity and public participation. The appropriate host of the workshop will depend on the meeting content.</p>
	<p>Recommends providing a concurrent policy statement on equity implementation</p>	<p>Staff anticipates a policy statement on equity implementation after rules are adopted.</p>
PSS	<p>Recommends defining clear steps to measure equity indicators and adopt stringent targets.</p>	<p>Staff is unclear what additional clarity is needed in rules. Additional context will be provided in other contexts, such as the adoption order, policy statements, Staff's technical assistance, and commission proceedings and orders.</p>

	Recommends requiring utilities report their progress toward reducing energy burdens and increasing benefits.	Reporting is required in assessments pursuant to RCW 19.280.030(1)(k) and in compliance reports. Additional reporting may be included in CEIP biennial updates and annual reports.
Court Olsen	Notes experience as a PSE ratepayer, PSE IRP TAG member, and a consultant for commercial building design and construction, as well as interest in greenhouse gas emissions resulting from buildings. States concerns with worsening effects of climate change and believes PSE is unwilling to welcome assistance in its transition from fossils and in meeting climate goals. Believes rules should offer tools and mechanisms for a rapid change while maintaining profitability.	Staff notes these requests may be better suited as comments for utilities' biennial conservation dockets or through revisions to WAC 480-109. Staff agrees that cost-effectiveness needs to be reevaluated considering CETA.
	Require utilities to offer greater incentives when a building's performance outcome is verified to have been lowered to a EUI level that is at least 35% below the latest CBEC EUI average for the applicable building type and provide incentives for conversion to electric from gas.	
	Change cost-effectiveness formula by including social cost of carbon and substantially lowering discount rate.	
James Adcock	Disagrees with the utilities that RECs can be used for compliance with the 80 percent bucket in RCW 19.405.040. The utilities' analysis would necessarily mean that RECs can be used for compliance with the 100 percent clean standard in RCW 19.405.050. The utilities' analysis creates "RECs in name only" that could be double counted in other states.	Staff appreciates the comments on the appropriate interpretation of RCW 19.405.040. We recommend that the commission defer this issue for a public discussion next year, after which it should issue rule language.
Jeff Jordan	Overgeneration is unavoidable because of the growth of solar and wind. The solution is to invest in green hydrogen, which in Washington, could be used by the five refineries if the existing power transmission will support it. Washington will need other options for overgeneration as well.	Staff appreciates these comments and will be interested to see the role hydrogen might play in the clean energy transformation in Washington based on the results of utility IRPs and CEIPs.

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	The Pacific Northwest needs additional transmission to deliver clean power to load, particularly HVDC. commission and Staff should be intimately involved with utility planning and execution to meet the CETA requirements	Staff agrees that transmission is a crucial component for delivering clean energy to Washington load. CETA requires that energy facility sit evaluation council convene a transmission corridors workgroup and report its findings to the legislature by December 31, 2022. Staff intends to follow this workgroup and continue to work on the issue in each of the investor-owned utility's IRPs.
Anne Newcomb	Ensure rules prevent purchase from coal and sale of coal, new natural gas facilities of any kind being built to be used in the interim and then potentially sold to a neighboring State or Country before 2030; also recommends upstream leaks monitored and repaired.	Many of these points are addressed in CETA or related statutes; Staff disagrees additional rule requirements or clarification is needed at this time.
RN	Recommends the commission's CETA rulemaking Staff track proceedings at the Power Pool as detailed program design elements develop over the next few months to ensure that methodologies are reasonably consistent (with rule) across utilities given the regional nature of resource adequacy.	Staff is participating in the Northwest Power Pool's resource adequacy work.