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July 6, 2020

**SENT VIA WUTC WEB PORTAL**

Mark L. Johnson  
Executive Director and Secretary  
Washington Utilities and Transportation Commission  
621 Woodland Square Loop SE  
Lacey, WA 98503

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COMMISSION

Re: Puget Sound Energy Proposed RFP, Docket UE-200414

Dear Mr. Johnson:

The Public Counsel Unit of the Washington State Attorney General's Office ("Public Counsel") respectfully submits these comments in advance of the July 17, 2020, Open Meeting. These comments are in response to Puget Sound Energy's (PSE or "Company") filing of their Proposed 2020 All General Sources RFP. Public Counsel is generally supportive of the All Generation Resource RFP, which is required by WAC 480-107-015, but has a few concerns.

First, Public Counsel has some concerns regarding the separate RFP PSE mentions they will be filing.<sup>1</sup> PSE notes that the sale of Colstrip Unit 4 is expected to result in a new need for capacity resources beginning in 2021, but due to the small size of the deficit between 2021 and 2023, PSE will issue a separate RFP for short-term resources to meet that need.<sup>2</sup> Public Counsel understands that due to timing issues, an RFP may need to go out before a decision is issued in the case, but we want to ensure that PSE does not enter into a contract to fill this deficiency before a final decision is issued by the Commission in docket UE-200115, in the event that the sale is not approved.

Second, how PSE ranks and values its evaluation criteria is unclear to Public Counsel. We raised this same concern in PSE's prior All Resource RFP, Docket UE-180271.<sup>3</sup> PSE provides a list of five primary criteria, and further delineates each criterion into more detailed

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<sup>1</sup> PSE Draft Request for Proposals for All Generation Sources at 5.

<sup>2</sup> *Id.*

<sup>3</sup> Comments of Public Counsel, ¶¶ 6-7, *In the Matter of the Petition of Puget Sound Energy for an Order Approving Proposed Request for Proposals* (May, 29, 2018) (Docket UE-180271).

To: Mark L. Johnson, Executive Secretary  
Re: Puget Sound Energy Proposed RFP, Docket UE-200414  
Date: July 6, 2020  
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criteria elements.<sup>4</sup> While this information is extremely helpful in further understanding the criteria used to select a proposal, Public Counsel feels that more information about how these categories are ranked and how each category is assessed against each other would be useful. We believe doing this will provide more transparency and better enable parties to understand the basis for the utility's particular choice when reviewing the prudence of a utility's procurement decision in a rate case or cost recovery proceeding. Public Counsel also believes that the Company could consider a separate evaluation criteria element, possibly under the criteria of Public Benefit, to specifically address equitable distribution of energy and non-energy benefits and burdens, as required by the Clean Energy Transformation Act (CETA). The Company mentions that it will evaluate bidders based on their compliance with CETA under the criteria of Risk Management,<sup>5</sup> but given the importance of equity considerations in CETA, we believe more specific evaluation is appropriate.

Finally, in PSE's prior All Resource RFP, we recommended that the Company consider including a stakeholder review process for RFPs in future years.<sup>6</sup> A stakeholder review group could provide parties an opportunity to view and discuss ranking of the proposals with the utilities, while maintaining strict confidentiality due to the sensitive nature of a competitive solicitation. We suggested that the group be limited to parties that routinely participate in cost recovery proceedings and sign confidentially agreements, such as the Company, Commission Staff, and Public Counsel. Though it appears that this recommendation was not addressed in the prior IRP rulemaking, Docket U-161024, we will echo this recommendation in the current rulemaking process for RFPs, Docket UE-190837.

We appreciate the opportunity to provide comments and look forward to reviewing other stakeholder comments and further discussion at the open meeting. If you have any questions about this filing, please contact either Stephanie Chase at (206) 521-3212 or via email at [Stephanie.Chase@atg.wa.gov](mailto:Stephanie.Chase@atg.wa.gov), or Sarah Laycock at (206) 389-3879 or via e-mail at [Sarah.Laycock@atg.wa.gov](mailto:Sarah.Laycock@atg.wa.gov).

Sincerely,

/s/ *Lisa W. Gafken*

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<sup>4</sup> PSE Draft Request for Proposals for All Generation Sources, Exhibit A, at A-1.

<sup>5</sup> *Id.* at A-7.

<sup>6</sup> Comments of Public Counsel, ¶¶ 8-9, *In the Matter of the Petition of Puget Sound Energy for an Order Approving Proposed Request for Proposals* (May, 29, 2018) (Docket UE-180271).