



September 13, 2013

Washington Utilities and Transportation Commission  
P.O. Box 47250  
1300 S. Evergreen Park Dr. SW  
Olympia, WA 98504-7250

RE: Comments on Puget Sound Energy's Integrated Resource Plan, Docket #UE-120767 (and UG-120768)

Dear Chairman Danner and Commission Members:

We are writing to comment on Puget Sound Energy's (PSE) Integrated Resource Plan (IRP) that is currently open for public comment as part of the Washington State Utilities and Transportation Commission's (UTC) review process.

Emerald Cities Seattle is a collaborative of government, business, labor, and community organizations working to improve our environment, and economy in an equitable way through making our buildings more energy efficient. We applaud Puget Sound Energy's conservation programs and their aggressive pursuit of demand side resources to date but we believe that even more can be done. We also understand the challenges that new appliance standards, lighting efficiency requirements and new building codes present in meeting continued aggressive conservation goals. But, being involved in residential, commercial and multi-family housing building sectors, to Emerald Cities Seattle it is clear that we have hardly scratched the surface with the potential savings and that significant additional resources are available from conservation.

We believe that this can be accomplished in a cost-effective way if Puget Sound Energy partners with governments who have Climate Action Plan goals and with municipalities that have economic development goals. Breaking down silos and working together to drive energy conservation can create win-win scenario for the municipalities and the utilities and expand the uptake of conservation. PSE can also streamline the process for getting incentives to make it easier for customers to take advantage of them – programs tend to be bureaucratic and duplicative. Typically programs for gas and electric incentives have different qualification criteria, submission processes and marketing programs. The Utilities and Transportation Committee can help Puget Sound Energy and other utilities by working to align

programs while at the same time protecting ratepayers. Puget Sound Energy needs to continue to pursue innovative ways to document energy savings beyond the tradition prescriptive methods that stifle creativity and customization for particular buildings. Performance-based incentives will free energy conservation providers to be more innovative and creative in delivering energy conservation. Finally, Puget Sound Energy can be a catalyst for aligning ratepayers interested in conservation with investors, banks and financial institutions that are interested in investing in cost effective energy conservation but lack easy access to the market. Third party financing with on-bill repayment offers a great opportunity to expand conservation resources and drive deep energy retrofits.

We believe that in the long-term energy efficiency is the most cost effective, low risk way to acquire additional electrical generation resources. We believe that it is imperative to reduce the electricity we produce from fossil fuels that have a devastating impact on our global environment – particularly electricity generated by coal. Not only are these fossil fuels bad for the environment, but they are subject to outside influences including international economic and political disruptions, environmental regulations and fines, and a carbon tax or cap and trade system that puts a price on carbon. This poses both availability and cost risks to ratepayers that could dramatically impact the cost effectiveness of fossil fuel based generation.

As we have indicated we are confident the Puget Sound Energy can significantly increase its energy conservation resources within the current rubric of cost-effectiveness. But we also believe that lowest cost power is not the only concern of ratepayers; they are concerned with climate change, air pollution and the health of their communities. We believe that the UTC needs to take these factors into account in reviewing the Integrate Resource Plans of all utilities and the UTC can be an engine for change in our approach to energy and the environment. Emerald Cities Seattle looks forward to continued engagement with the UTC and Puget Sound Energy to maximize the energy conservation opportunities, create quality jobs and stimulate our economy.

Sincerely,

A handwritten signature in black ink that reads "Steve Gelb". The signature is written in a cursive, flowing style.

Steve Gelb  
Local Director  
Emerald Cities Seattle