



STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION
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December 31, 2018

NOTICE OF OPPORTUNITY TO FILE WRITTEN COMMENTS
(By 5 p.m. on Thursday, January 31, 2019)

RE: Competitive Resource Acquisition by Request for Proposals (RFP), WAC 480-107.
Docket U-161024

TO ALL INTERESTED PERSONS:

On September 1, 2016, the Washington Utilities and Transportation Commission (Commission) filed with the Office of the Code Reviser a Preproposal Statement of Inquiry (CR-101) to examine whether the Commission's rules in WAC 480-90-238, WAC 480-100-238, and WAC 480-107 related to the integrated resource plan (IRP) and utility bidding processes should be revised to keep up with recent trends in the energy industry.

On December 7, 2016, the Commission held an initial workshop in this docket. Through this workshop, filed comments, and additional internal review, the Commission identified particular issues to address within this rule.

On August 24, 2018, the Commission issued draft rules WAC 480-107 Competitive Resource Acquisition by RFP for comment. On October 2, 2018, the Commission held a stakeholder workshop in this docket. On October 11, 2018, the Commission issued a notice for reply comments, which included particular questions prompted by the discussion at the workshop.

Commission staff considered written comments from stakeholders, as well as those provided during the workshop and informal discussions, to amend the current rule for competitive resource acquisition by request for proposal, WAC 480-107. The Commission is seeking additional comments on the revised draft rule related to competitive procurement for electric utilities.

The revised rule intends to address the transparency and fairness of the bidding process, clarify requirements regarding utility self-build resources, add flexibility to reduce common exemptions from the rule, clarify the timing and differentiate the application of the requirement for

competitive bidding to various resources, promote technology-neutral RFPs, and incorporate a new requirement for independent evaluation in certain circumstances.

The Commission requests comments on its most recent draft rule WAC 480-107 Competitive Resource Acquisition by RFP. The revised rule further clarifies the role of the independent evaluator, allows for modification of the project ranking procedure based on learnings during the RFP and provides more detail around a competitive procurement framework for conservation. The revision also modifies the circumstances that would exempt utilities from issuing an RFP without filing a petition for exemption, including additional requirements to analyze the price risk of filling capacity needs with short-term market purchases.

The Commission also requests feedback on the removal of certain sections from WAC 480-107- WAC 480-107-115 System emergencies and WAC 480-107-125 Interconnection costs have been removed from the proposed draft WAC 480-107 and are retained in the new proposed chapter WAC 480-106. These two sections will be included in the red-line version of the second draft of WAC 480-107 to allow stakeholders to more clearly note the change.

Commenters need not restrict their comments to the issues presented here. The Commission encourages commenters to provide example language for its consideration, to the extent possible.

WRITTEN COMMENTS

Written comments in response to this Notice and the questions listed above must be filed with the Commission no later than **5 p.m., Thursday, January 31, 2019**. The Commission requests that comments be provided in electronic format to enhance public access, for ease of providing comments, to reduce the need for paper copies, and to facilitate quotations from the comments. Comments may be submitted via the Commission's Web portal at www.utc.wa.gov/e-filing or by electronic mail to the Commission's Records Center at records@utc.wa.gov. Please include:

- The docket number of this proceeding (U-161024).
- The commenting party's name.
- The title and date of the comment or comments.

Alternatively, comments may be submitted by mailing or delivering an electronic copy to the Commission's Records Center on a thumb drive, CD or DVD in .pdf format (created using Adobe Acrobat or comparable software) or in Microsoft Word. Include all of the information requested above. The Commission will post on its website all comments that are provided in electronic format. The website is located at the following URL address:

<https://www.utc.wa.gov/161024>.

If you are unable to file your comments electronically, the Commission will accept a paper document. Questions may be addressed to Jennifer Snyder, at (360) 664-1311 or jennifer.snyder@utc.wa.gov or Kathi Scanlan, at (360) 664-1267 or kathi.scanlan@utc.wa.gov.

MARK L. JOHNSON
Executive Director and Secretary