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By Web Portal

Amanda Maxwell
Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

Re: Comments of Puget Sound Energy, Docket U-210553

Dear Director Maxwell:

Puget Sound Energy ("PSE") hereby submits these comments to the Washington Utilities and Transportation Commission ("Commission") in the above-captioned docket. These comments relate to the Commission's decarbonization pathways examination, which was directed by the Legislature in the 2021-2023 Omnibus Operating Act. PSE participated as a member of the project's Decarbonization Advisory Group ("DAG") throughout the study process.

In support of its examination, the Commission engaged a consultant, Sustainability Solutions Group ("SSG"), who prepared an online dashboard in an attempt to share data and information supporting their analysis of decarbonization pathways. It is PSE's understanding that SSG's analysis will inform the Commission's forthcoming report to the Legislature.¹

I. Comments

A. The dashboard does not provide the detail necessary for parties to provide meaningful comments

The lack of transparency regarding study assumptions, methods, and data has been a key concern identified by numerous parties throughout the study process. Feedback on the shortcomings in this area are available in the record. PSE also understands that SSG will prepare a report summarizing feedback received throughout this public engagement process, and that SSG's report will be available as part of the Commission's final report. PSE expects that the feedback report will adequately highlight these concerns.

¹ Although the report was initially due to the Legislature by June 1, 2023, an extension was granted. PSE understands that the Commission's report will be available later this year.

In response to a request by several members of the DAG, a special meeting was held on July 18, 2023 to discuss the dashboard. At this meeting, DAG members universally agreed that the dashboard does not present the data and information necessary for DAG members and the public to understand and validate SSG's findings. In particular, DAG members observed that the dashboard fails to provide the data that is needed for parties to understand and validate whether the study adequately addresses many of the criteria outlined in the budget proviso directing the Commission's study.

In addition, interested parties learned only recently at the July 18 DAG meeting that, in addition to the dashboard not including complete data and assumptions, the Commission's report will not be available for review before it is submitted to the Legislature.

B. It is not clear how several required study criteria will be addressed in the Commission's report

As discussed above, the omission of needed data from the dashboard and the lack of transparency around how study criteria will be addressed in the Commission's report leave interested parties with more questions than answers. Although it is unclear at this time how these topics will be addressed in the Commission's report, PSE offers the limited comments below on two additional topics that PSE understand may appear in the Commission's report.

• Transmission Expansion

The dashboard alludes briefly to this important topic, noting that "existing transmission infrastructure may not be sufficient to move the electricity to its point of consumption" and that "[t]ransmission infrastructure, as well as some distribution infrastructure, will need increased capacity compared to business as planned." The dashboard also observes that to "avoid system overbuild and underutilized transmission capacity, additional coordination within Washington and with other regions may be required, as well as changes to how transmission is planned, developed, financed, and approved."

Yet, as noted herein and in comments from interested parties submitted to this docket, the dashboard does not provide the data necessary to understand or validate SSG's insights. An examination of how the transmission system could support decarbonization was a key topic that the study was required to address, but it is not clear, given the lack of dashboard data on this topic, how the study examines this issue. Unfortunately, it is also unclear whether and how SSG's analysis evaluates potential transmission system expansion costs or the financial impacts of needed infrastructure investments, including siting and permitting. The manner in which these needs can be met most efficiently for Washington State and the region was a topic that PSE had hoped would be more directly considered in this study.

• Financial Impacts

As noted by several DAG members in the July 18 meeting, the study also failed to adequately examine potential financial impacts to customers. Financial impacts are critical when evaluating the viability of decarbonization pathways. But like transmission impacts, the

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dashboard does not present any financial data or assumptions, leaving interested parties unable to provide meaningful feedback.

This topic was also not discussed adequately in public workshops or DAG meetings. Based on brief discussion at the July 18 DAG meeting, PSE understands that additional information on this topic may be presented in the Commission's report and in a separately forthcoming assumptions and methods manual produced by SSG. However, neither document will be available for public or DAG member review. This means that interested parties will have no real understanding of how SSG's findings regarding any identified societal benefits may impact customer rates, or how they flow from SSG's analysis.

II. Conclusion

Recurring deficiencies in the DAG member and public engagement processes and the lack of actual data and information supporting SSG's analysis make it difficult to provide detailed, constructive comments to SSG and the Commission on this matter or to recommend reliance on the final report as a source of reliable information regarding decarbonization pathways.

If you have any questions about this filing, please contact Brett Rendina, Regulatory Affairs Initiatives Manager, at (360) 294-9734 or Brett.Rendina@pse.com. If you have any other questions, please contact me.

Sincerely,

/s/ Wendy Gerlitz

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