



Building Industry Association of Washington  
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U-240281

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Via Electronic Filing  
Attn: Jeff Killip, Executive Director and Secretary  
Washington Utilities and Transportation Commission  
621 Woodland Square Loop SE  
P.O. Box 47250  
Lacey, WA 98503

RE: Docket U-240281

Director Killip,

On behalf of the Building Industry Association of Washington and our 8,300 members involved in constructing and renovating Washington homes, we appreciate the opportunity to comment on Docket U-240281 regarding the implementation of HB 1589.

It is crucial to remind the Utilities and Transportation Commission (UTC) that Puget Sound Energy's (PSE) first Integrated Service Plan (ISP) will set the tone for future large combination utility ISPs throughout the country. A flawed or miscalculated approach to planning could devastate PSE ratepayers not protected in this legislation, spur more public distrust in PSE and the UTC, and threaten the future of ISPs as decarbonization tools nationally.

Regarding the compliance checklist, we disagree with PSE's preference to exclude the multi-year rate and pipeline replacement plans from consolidated planning. The ISP should include both to maintain transparency regarding the consequences of consolidated planning on rates and decisions regarding targeted electrification efforts.

To address the question regarding the components within the straw proposal, we believe host customer impacts and reliability are the most important metrics to PSE ratepayers. Because of this, the UTC should prioritize these metrics above all other metrics in the cost test. Presently, there are doubts about PSE's service reliability, as ratepayers are routinely asked to conserve energy during cold snaps and heat waves.

Additionally, we recommend excluding non-quantitative measures from consideration, as there is no equitable way to assess the benefits to each ratepayer and/or geographical area. These measures can and should be utilized to gauge policy achievements but should not be weaponized by PSE to push large-scale investments onto the backs of ratepayers.

Furthermore, we are concerned about the lack of public participation at the UTC. While trade associations like ours and climate-focused interest groups will engage in these forums, we are concerned direct outreach to impacted ratepayers will not occur. With over half a million signatures backing an initiative to enhance protections for consumer energy choice, it's clear the public wants to be heard.



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As illustrated by comments in the workshop and comments submitted by interested parties, HB 1589's true intent is to phase out natural gas service for ratepayers as soon as 2031. Will the UTC require PSE to notify affected gas ratepayers when lines and/or services in their area are planning to retire? Without adequate notification, PSE ratepayers not protected in HB 1589 will have to bear the costs of converting their dual-fuel homes to all-electric. According to estimates from the Washington Center for Housing Studies, those costs start at approximately \$40,000 and increase with renovation complexity (such as electrical panel upgrades).

Thank you for considering our comments. We look forward to engaging in the HB 1589 rulemaking process.

Sincerely,

Andrea Smith  
Legislative Director  
Building Industry Association of Washington