I. INTRODUCTION

1. Pursuant to the Washington Utilities and Transportation Commission’s (“Commission”) January 19, 2022 Notice of Opportunity to File Written Comments on Draft Rules in the above-referenced docket, the Alliance of Western Energy Consumers (“AWEC”) files these comments on the Commission’s second draft of rules governing the “use” of electricity for compliance with the Clean Energy Transformation Act (“CETA”).

II. COMMENTS

2. AWEC opposes the modifications the Commission has made to WAC 480-100-650 that require electric utilities to assume they may not use retained non-power attributes (“NPAs”) for primary compliance when planning their lowest reasonable cost portfolio. Despite this prohibition, the second draft of the rules allow the utilities to use retained NPAs for actual compliance with CETA’s carbon neutral standard under RCW 19.405.040. AWEC recommends that the Commission revert to the language in its first draft of the rules that included no
prohibition on retained NPAs with respect to resource planning and procurement.

3. The second draft of the rules effectively require the utilities to plan for a future that, based on current information, they know to be inaccurate. AWEC is unaware of any other circumstance in which the utilities take such an approach, or where the Commission would approve such an approach. Indeed, WAC 480-100-650 appears to directly conflict with the Commission’s own definition of an Integrated Resource Plan, which is “an analysis describing the mix of generating resources, conservation, methods, technologies, and resources to integrate renewable resources and, where applicable, address overgeneration events, and efficiency resources that will meet current and projected needs at the lowest reasonable cost ….”¹ A future where the utilities cannot use retained NPAs for primary compliance does not exist under the current draft of the rules, and yet the utilities will be required to pretend that it does.

4. As Puget Sound Energy’s (“PSE”) Clean Energy Implementation Plan and its general rate case filing demonstrate, compliance with CETA’s clean energy requirements is likely to be extraordinarily expensive, at least for some utilities. Requiring these utilities to deliberately over-comply with CETA’s requirements will only exacerbate the cost impact to customers for no added benefit.

5. Every utility in the State will be required to be 100% carbon-free by 2045. The Legislature deliberately built in compliance flexibility and a pathway to 100% as a means of achieving the dual compelling interests of decarbonization and maintaining reasonable electricity costs for customers. The second draft of the “use” rules upset the Legislature’s deliberately

¹/ WAC 480-100-605 (emphasis added).
established balance by effectively requiring over-compliance with the 2030 standard, accelerating the Legislature’s chosen timeline at greater cost to customers.

III. CONCLUSION

6. AWEC appreciates the opportunity to provide comments on the second draft rules. AWEC continues to support the first draft of the rules governing “use” under CETA, and recommends that the Commission revert to this language for the final rules.

Dated this 9th day of February, 2022.

Respectfully submitted,

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