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Comments on PSE Clean Energy Implementation Plan Docket UE-210795

PSE needs to make a greater effort on efficiency, demand management, and renewables, Friday, Feb. 11th, 2022 Michael Laurie

emissions, improve reliability, and reduce costs.

PSE should move more rapidly to reduce demand and convert to clean energy.

During the 2022 to 2025 CEIP period, PSE should reduce the use of fossil fuel gas in electricity generation by:

- a) Reducing demand for electricity with more aggressive programs such as Demand Response and Time Varying Rates;
- b) Increasing acquisition of wind, solar, storage, and distributed energy resources.
- c) PSE should stop providing rebates for the installation of more efficient natural gas space and hot water equipment. That is getting more efficient but in the wrong way because it locks in natural gas use for decades at a time when we need to be reducing natural gas more aggressively now. For example, instead of providing rebates to replace existing natural gas furnaces and hot water tanks, they should shift to offering rebates for replacing that natural gas fired equipment with heat pumps for space heat and heat pump water heaters.

More aggressive demand reduction would avoid the need to build additional capacity to cover peak loads (such as a new gas-powered peaker plant). PSE should cover much of its base load with renewable resources, and then use existing gas plants to serve occasional peak needs.

Faster acquisition of renewable resources will help protect against potential price increases. Gas prices are volatile, have been rising recently, and are likely to remain high. Renewables are cheaper and less vulnerable to price swings than gas, which is affected by supply limitations and political instability.

1) The CEIP should include climate change in its projections.

- a) The forecasting models that PSE used to develop the CEIP do not account for climate change.
- b) PSE's models rely on temperature data going back 90 years. Recent decades have been significantly warmer. Consequently, PSE's CEIP would invest in energy resources designed to serve cooler winter and summer conditions than we will actually experience.
- c) While peak demand for electricity is likely to continue its decline during warmer winters, summer peak demand is likely to rise. PSE should accelerate acquisition of local solar generation and battery capacity, which could reduce stress on distribution lines during a heat dome event and thereby strengthen the resilience of the electric grid.

Actions on PSE's CEIP to recommend to the Utilities and Transportation Commission

- 1) To reduce peak demand, require PSE to expedite and expand their Demand Response and Time Varying Rates programs.
- 2) Stop allowing rebates for natural gas equipment and only allow rebates for electricity using equipment.
- 3) To reduce price volatility and GHG emissions, require PSE to accelerate acquisition of new renewable clean energy resources.
- 4) To increase the resiliency of the electric system, require PSE to increase programs that encourage local solar and battery installations.
- 5) To reflect future capacity needs more accurately, require PSE to revise temperature modeling to reflect the changing climate and then resubmit their CEIP.

Thank you for this opportunity to comment.

Michael

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