

From: [Frankiewich, Kyle \(UTC\)](#)
To: [Records Management \(UTC\)](#)
Cc: donmarsh@cense.org
Subject: FW: PSE's delay on DR RFP
Date: Thursday, March 25, 2021 2:42:20 PM

Hello Records,

At the request of Mr. Marsh, please file these public comments to Docket UE-200413. Thank you!

Warm regards,

Kyle Frankiewich

Regulatory Analyst, Conservation and Energy Planning

Utilities and Transportation Commission

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pronouns: he/him

This e-mail states the informal opinions of commission staff, is offered as technical assistance, and is not legal advice. We reserve the right to amend these opinions should circumstances change or additional information be brought to our attention. Staff's opinions are not binding on the commission.

From: donmarsh@cense.org <donmarsh@cense.org>

Sent: Thursday, March 25, 2021 11:33 AM

To: 'Virginia Lohr' <lohr@turbonet.com>; Frankiewich, Kyle (UTC) <kyle.frankiewich@utc.wa.gov>

Subject: RE: PSE's delay on DR RFP

External Email

Honorable Commissioners,

CENSE would like to offer our feedback regarding PSE's petition to delay its RFP for Demand Response.

CENSE members initially were skeptical of the proposed delay. We have waited years to learn how DR technologies may provide cost savings, environmental benefits, and increased reliability by reducing stress on the electric grid during periods of peak demand.

However, our view changed somewhat after I met with PSE representatives Wendy Gerlitz and Elaine Markham to discuss the rationale behind the delay. PSE says the RFP would not significantly delay acquisition of these technologies, but I now understand why the company needs more time to develop a Virtual Power Plant foundation that will allow Demand Response and other Distributed Energy Resources to integrate smoothly.

I've spent more than four decades in the software engineering industry, and I appreciate that a successful Virtual Power Plant will require software integration as well as hardware

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acquisition. In fact, I would identify software integration as a potential cost, scheduling, and reliability risk, and I encourage PSE and the Commission to respect the challenge presented by a complex software system.

The benefits of successful grid modernization will be profound for customers and the environment. In the light of this transformation, PSE must update or reevaluate legacy projects that were started before VPPs and DERs were economically and technically feasible. For example, PSE has not updated the 2015 peak demand forecast it used to justify the need for the quarter-billion-dollar Energize Eastside project. Given current realities, PSE risks building an obsolete boondoggle if data and analysis are not updated as soon as possible.

Thank you for considering our recommendations today.

Don