

State of Utah DEPARTMENT OF COMMERCE Office of Consumer Services

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To: Steering Committee, Western Resource Adequacy Program

From: Utah Office of Consumer Services

Date: September 21, 2021

Subject: Feedback on Western Resource Adequacy Program

The Utah Office of Consumer Services (OCS) is pleased to provide the following feedback on the design for the Western Resource Adequacy Program (WRAP.) As a preliminary matter the OCS appreciates being added to the Stakeholder Advisory Committee. In this role, the OCS strives to bring the input of the state agency consumer advocates that have not previously been involved in the conversation and these comments have benefited from input from some of those offices via informal discussions. The comments generally fall into three categories: true independent governance, roles of the state committee, other best practices to ensure the public interest is met.

The OCS urges the steering committee to ensure that the WRAP has true independent governance. To achieve this end, the OCS recommends the following:

- First, the board should address each program change affirmatively rather than having Affirmatively address changes. A scheme which assumes approval in the absence of opposition does not constitute independent oversight.
- A separate, independent board is essential. Until such board is in place, procedures must be implemented to ensure that the WRAP is not unduly influenced by any entity with a financial stake in any of the NWPP programs.
- The Nominating Committee should reflect the full range of stakeholders. This means
 that the state committee, NGO advocates, and state-authorized consumer advocates
 must each have voting members. Ideally, the nominating committee would have a
 roughly equal number of members from the RAPC and members from other sectors of
 the PRC.

The OCS supports a system in which states preserve their oversight of utility resource decisions. Reasonable authority for the Committee of State Representatives (COSR) may be necessary to ensure proper oversight but the OCS is concerned that some of the specific recommendations



do not achieve the desired goals and may undermine protecting the public interest and the specific interests of utility consumers in all states.

- First, the OCS support each state having flexibility to select who participates in the COSR.
- However, in part because of this flexibility, the OCS is concerned about giving the COSR
 205 filing rights without a better understanding of the voting procedures that will be
 used to determine the policies in such a filing. While we anticipate that the COSR would
 aim for consensus, without an understanding of the backstop voting procedures the OCS
 is not persuaded that the public interest of all states would be best served by giving the
 COSR 205 filing rights.
- This concern about how positions of the COSR would be determined is even more
 concerning with respect to the concept of having one member of the COSR serve on the
 RAPC. The likelihood is too high that the single representative would take positions
 inconsistent with the best interests of at least some of the states. On the other hand, it
 would be unworkable to determine a process to vet all COSR positions prior to RAPC
 meetings. This proposal is ill advised.

Finally, the OCS provides comment on a few issues of best practices to ensure that the WRAP supports the public interest.

- The RAPC should pre-define a narrow set of circumstances in which it is authorized to conduct business in executive sessions in order to maintain transparent operations
- The inclusion of multiple stakeholder sectors in the PRC is a key element of program design. Further, it is crucially important to separate PIOs and consumer advocates. These organizations each provide different and important input and should not be grouped together as they are in many western regional organizations, which undermines their contributions. Consumer advocate organizations authorized by state law are a unique category and an essential component to the regulatory system in nearly every Western state.
- Defining an appropriate role for an Independent Evaluator is likely to increase trust in the program.