



## STATE OF WASHINGTON

June 18, 2025

Honorable Pat McCarthy  
Washington State Auditor  
P.O. Box 40021  
Olympia, WA 98504-0021

Dear Auditor McCarthy:

Thank you for the opportunity to review and respond to the State Auditor's Office performance audit report, *Ensuring Climate-Resilient Infrastructure to Meet Washington's Growing Energy Needs*. We each take our roles seriously and work to leverage resources for the benefit of Washington. Climate change already impacts our infrastructure and improving the resilience and reliability of our electrical grid is critical to our state's continued growth. We appreciate the State Auditor's Office evaluation of this important issue and for engaging with agencies throughout the process.

Ecology's mission is to protect, preserve, and enhance Washington's environment for current and future generations. Our agency's 2025-2029 strategic plan prioritizes reducing and preparing for climate impacts. The agency recently worked with 10 other state agencies to develop and release a new [climate resilience strategy for Washington](#) in September 2024. The strategy uses the latest science as a foundation and identifies actions that agencies will take to address the top climate change threats: drought, changing ocean conditions, flooding, extreme heat, wildfires and smoke. Moving forward, Ecology will work to establish an interagency group to coordinate climate resilience strategy implementation, including engagement with utilities, local governments, and other key partners.

One of the State Climate Resilience Strategy goals is to advance and modify infrastructure that supports natural systems; considers the needs of vulnerable communities; and provides consistent, safe, and reliable services that withstand disruptions and risks from climate impacts. The strategy works to incorporate climate resilience into all types of critical infrastructure, including energy infrastructure, through the following actions:

- Improving the use of climate change projections and resilience criteria to inform infrastructure funding and management. We are early in the process of developing guidance for infrastructure projects that seek state funding – including energy projects.
- Maintaining energy security and reliability under changing climate conditions.
- Improving resilience of state assets such as state-owned facilities.

Ecology also oversees the State Environmental Policy Act (SEPA) rules, a key tool helping agency decision-makers, applicants, and the public understand the potential impacts related to an infrastructure project, including climate impacts. The SEPA environmental review process is designed to work with other regulations to provide a comprehensive review of a proposal. This work encompasses all types of projects across the state. In 2024, cities and counties conducted over 85 percent of the state's 5,000 SEPA reviews. Ecology believes additional climate resilience

information can best be incorporated and analyzed using the existing environmental review process. Providing information, tools, and training to support this analysis as part of SEPA, where appropriate, would be a simpler and faster way than rulemaking to incorporate these considerations.

We appreciate and acknowledge the important role of the UW Climate Impacts Group (CIG) with its substantial expertise on climate impacts in Washington. The recommendations for continued investment would leverage its existing and ongoing statutory roles under Chapter 70A.05 RCW to support state agencies in their climate adaptation efforts. However, there are opportunities to further leverage and evaluate existing resources before advocating for new ones. For example, we think it makes sense to first evaluate utilities' needs and use of existing UW CIG tools before developing finer scale ones.

We also think this work should consider coordinating with and building off the work of Commerce's Energy Resilience Office and the broader interagency efforts around implementing the state's climate resilience strategy. This will allow us to identify more specific opportunities and needs, while ensuring the recommended work fits within the broader efforts already underway. In addition to the work supporting the state's climate resiliency strategy, the Washington Interagency Clean Energy Siting Coordinating Council, co-led by the departments of Commerce and Ecology, provides another important forum to coordinate on energy siting issues. This council was specifically created to support interagency coordination and improve processes for clean energy development while ensuring protection for people and the environment.

We are concerned about the capacity of the many groups who carry out this work, which further amplifies the need for a strategic and efficient approach. It is important to acknowledge federal funding cuts that have already occurred and that potential future cuts will likely affect the capabilities of UW CIG and other partners. Furthermore, ongoing support for federal data collection, analysis and modeling is at risk of being dismantled. The loss of these activities could erode the availability of critical information on climate impacts for our state and region. We should consider opportunities to build on existing efforts and approach these recommendations strategically to ensure good governance and fiscal accountability.

Improving infrastructure resiliency ensures Washington will have a robust energy system that supports a growing economy into the future. Energy infrastructure must also be developed in a way that meets regulatory requirements set by the Legislature to ensure protection for people and the environment. Incorporating this long-term view is critical, yet it is also important to consider the near-term needs to support the growth required for our state's clean energy transition.

Along these lines, the Utilities and Transportation Commission (UTC) provides three general observations related to its regulation of investor-owned energy utilities (IOUs) and recommendations regarding forecasted climate data and vulnerability assessment. First, the UTC recommends caution regarding the assumptions underlying the climate vulnerability assessment. While this report does not focus on mitigation, continued collaboration beyond the vulnerability assessment is necessary for continued mitigation efforts. The UTC also recognizes that building infrastructure is complex and time-consuming. Adding a vulnerability assessment will extend the process at a time when IOUs are under pressure to meet ambitious clean energy goals set by state law. Siting and building a new energy infrastructure remains especially challenging. Finally, in approving climate-resistant investments, it is the UTC's responsibility to also balance the public interest, including avoiding unsustainable rate increases.

The Department of Archaeology and Historic Preservation appreciates the time given to discuss its work and the need for a conflict resolution process.

We appreciate the focus on this topic and look forward to collaborating with other agencies to implement the recommendations.

Sincerely,



K.D. Chapman-See  
Director  
Office of Financial Management



Joe Nguyễn  
Director  
Department of Commerce



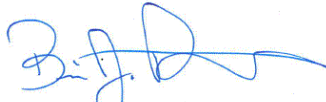
Casey D. Sixkiller  
Director  
Department of Ecology



Allyson Brooks  
Executive Director  
Department of Archeology and Historic Preservation



Joel Sacks  
Director  
Department of Labor and Industries



Brian Rybarik  
Chair  
Utilities and Transportation Commission

cc: Shane Esquibel, Chief Operations Officer, Office of the Governor  
Franklin Plaistowe, Deputy Chief Operations Officer, Office of the Governor  
Sahar Fathi, Policy Director, Office of the Governor  
Jesse Jones, Director, Results Washington, Office of the Governor  
Tammy Firkins, Performance Audit Liaison, Results Washington, Office of the Governor  
Scott Frank, Director of Performance Audit, Office of the Washington State Auditor