

### Use Demonstration via Financial Accounting

- (1) When demonstrating compliance with RCW 19.405.040(1)(a)(ii) and 19.405 050(1) the utility must:
- a. Identify the renewable resources and nonemitting electric generation being used for compliance; and
  - b. Report the associated amounts of electricity acquired or generated and not resold by the electric utility over the multiyear compliance period, consistent with the requirements in subsection (2).
- (2) The electric utility's compliance with RCW 19.405.040(1)(a) must be supported by:
- a. Either a tracking mechanism, like NERC e-tags, that documents delivery of renewable resource and non-emitting generation to customers; or
  - b. For all resources used for compliance with subsection (1), a demonstration of ownership of the electricity used for compliance. Electricity is considered owned by a utility if:
    - i. It was generated by a generating facility owned by the utility and not transferred, either via sale or other transaction, to another entity; or
    - ii. It was acquired, in a single transaction, with the nonpower attributes of that electricity, and that electricity was not transferred to another entity, either via sale or other transaction.
  - c. Each electric utility must provide a net calculation of the final ownership of renewable and non-emitting generation resources used to serve retail customers based on transaction information that identifies:
    - i. Quantities of renewable resources and non-emitting electric generation generated or purchased through a specified transaction;
    - ii. Quantities of transfers or sales of renewable resources and non-emitting electric generation to other entities;
    - iii. Quantities of electricity acquired or purchased from specified emitting and unspecified resources; and
    - iv. Quantities of sales and transfers of specified emitting or unspecified electricity.
  - c. For all resources used for compliance with this section, any additional documentation specified by the Commission or Auditor.

(3) For all resources used for compliance with subsection (1), documentation of relevant nonpower attributes to prevent double-counting of electricity:

- a. For renewable resources that generate renewable energy credits, a WREGIS retirement report of renewable energy credits generated by resources the utility claimed for compliance under subsections (1) and (2); and
- b. For nonemitting electric generation, demonstration that the nonpower attributes associated with electricity claimed for compliance under subsections (1) and (2) were not separated from the power used by the utility.

(4) The Commission or Auditor may periodically conduct reviews of any documentation submitted under Subsections (2) or (3) of this rule for purposes of verifying compliance with RCW 19.405.040(1)(a)(ii).