

**Exh. JDW-8C  
UE-240004/UG-240005/UE-230810  
Witness: John D. Wilson  
REDACTED VERSION**

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PUGET SOUND ENERGY,**

**Respondent.**

**DOCKETS UE-240004, UG-240005,  
UE-230810 (*Consolidated*)**

**EXHIBIT TO TESTIMONY OF**

**JOHN D. WILSON**

**ON BEHALF OF STAFF OF  
WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION**

***PSE's Response to Staff DR No. 22(C)***

**August 6, 2024**

**CONFIDENTIAL PER PROTECTIVE ORDER – REDACTED VERSION**

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**Dockets UE-240004 & UG-240005  
Puget Sound Energy  
2024 General Rate Case**

**WUTC STAFF DATA REQUEST NO. 022**

**“CONFIDENTIAL” Table of Contents**

	<b>“CONFIDENTIAL” Material</b>
<b>Data Request No. 022</b>	Shaded information is designated as CONFIDENTIAL per Protective Order in Dockets UE-240004 and UG-240005 as marked in Attachment A to Puget Sound Energy’s Response to WUTC Staff Data Request No. 022.

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**Dockets UE-240004 & UG-240005  
Puget Sound Energy  
2024 General Rate Case**

**WUTC STAFF DATA REQUEST NO. 022:**

REQUESTED BY: Crystal Oliver

RE: CCA Costs

Please provide PSE allowance costs and revenue forecast model.

**Response:**

Puget Sound Energy (“PSE”) does not have a specific model to forecast Climate Commitment Act (“CCA”) allowance costs and revenues. However, PSE does continuously track its estimated CCA emissions obligation, the number of allowances it currently possesses, and the prices of CCA allowances. This information is used to inform allowance purchase and sale (or consignment) decisions and can be used to estimate potential allowance costs and/or revenue as of a specific date. Attached as Attachment A to PSE’s Response to WUTC Staff Data Request No. 022, please find a sample of PSE’s CCA tracking report as of March 25, 2024. This report is updated daily with the previous day’s preliminary actual results and allowance prices. Forward-looking information within the report is updated monthly.

Page 1 of the report shows separately for PSE’s electric utility and gas utility the number of 2024 vintage allowances currently held, estimated total emissions obligation incurred year-to-date, forecasted emissions obligation for the remainder of the calendar year, and actual allowance purchase costs or sales revenue incurred to date.

Page 2 of the report shows estimated actual carbon dioxide emissions by month from each of PSE’s thermal electric generation plants as well as total monthly estimated emissions from these plants and from gas delivered to retail gas utility customers compared to estimates prepared prior to the start of the year.

Page 3 of the report shows PSE’s actual electric energy supply by source compared to PSE’s total retail electric demand on both a monthly and a calendar year basis. This information is used to estimate the number of electric generation emissions for which PSE does not expect to receive no-cost allowances. Any thermal generation (“Coal,” “Combined Cycle,” or “Peaker”) that is above total retail demand (“Actual MW”) would have been used to supply wholesale sales, and PSE therefore expects to have to purchase allowances for the emissions associated with such generation. This is the

same resource stacking methodology as used in 1) the Department of Ecology's no-cost allowance allocation on September 27, 2023 and PSE's forecast for that allocation approved by the WUTC on July 27, 2023<sup>1</sup>; 2) PSE's estimate of the indirect power costs associated with considering allowance costs in its dispatch decisions presented in the Tenth Exhibit to the Prefiled Direct Testimony of Brennan D. Mueller, Exh. BDM-11C; and 3) determining which portion of PSE's thermal generation fleet will include CCA allowance costs in the dispatch costs used for actual operations, as described in PSE's Response to WUTC Staff Data Request No. 018.

Page 4 of the report shows CCA allowance prices on the secondary market since program inception along with recent auction prices.

Shaded information is designated as CONFIDENTIAL per Protective Order in Dockets UE-240004 and UG-240005 as marked in Attachment A to Puget Sound Energy's Response to WUTC Staff Data Request No. 022.

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<sup>1</sup> Docket UE-220797 Order 02

# **ATTACHMENT A to PSE's Response to WUTC Staff Data Request No. 022**

**Shaded Information is Designated as Confidential  
per Protective Order in Dockets UE-240004 and  
UG-240005**

**REDACTED VERSION**

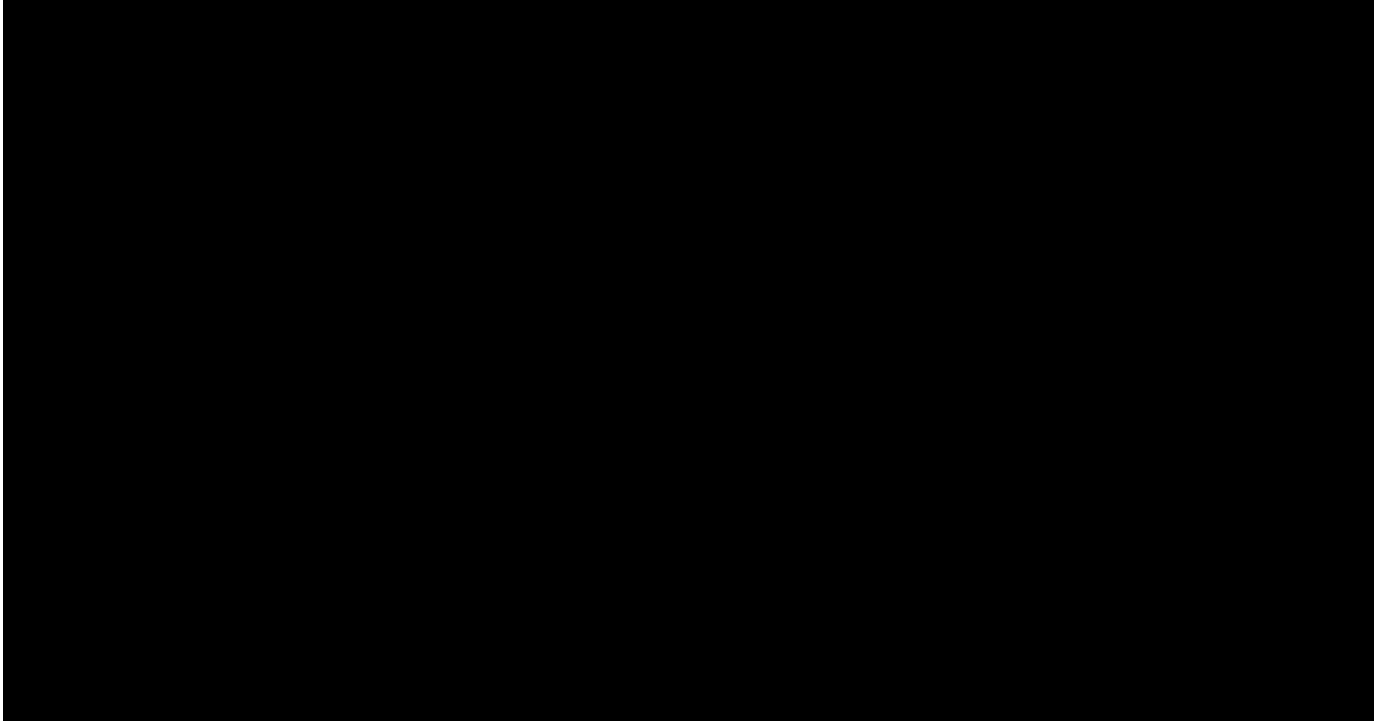
**PSE Response to WUTC Data Request No. 022 Attachment A (C)**

Sample of PSE's Washington CCA emissions allowance tracking report

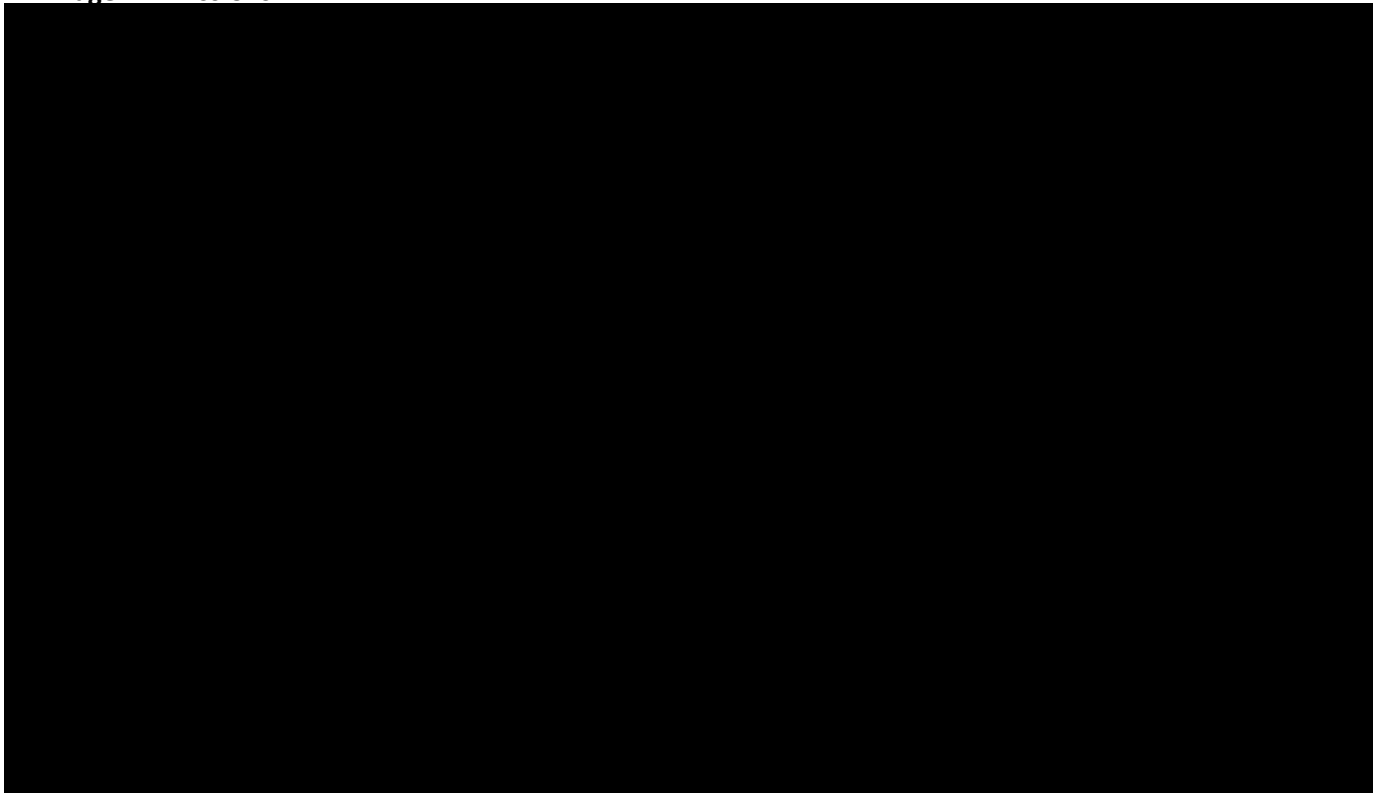
Exh. JDW-8C  
UE-240004/UG-240005  
Page 6 of 7  
REDACTED VERSION

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**Page 1. Allowances**



**Page 2. Emissions**

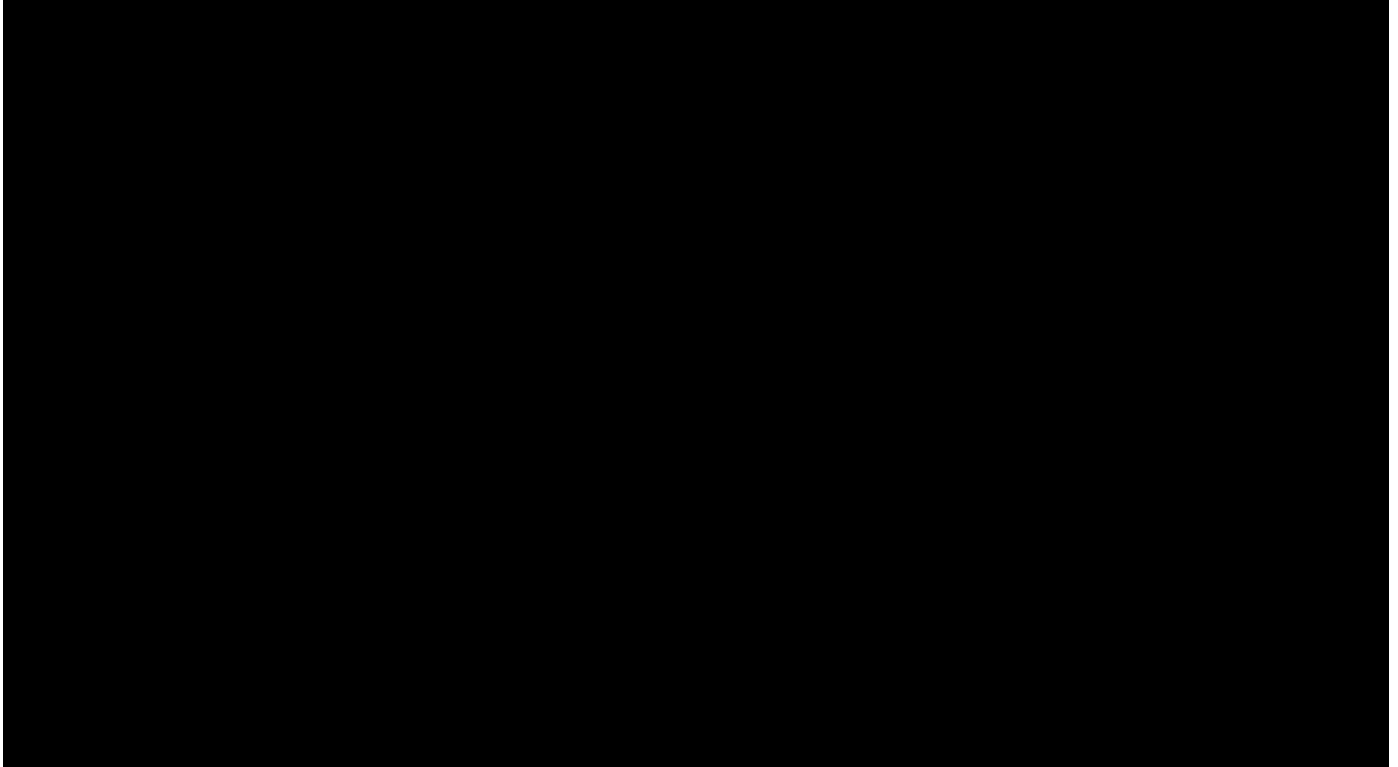


**PSE Response to WUTC Data Request No. 022 Attachment A (C)**

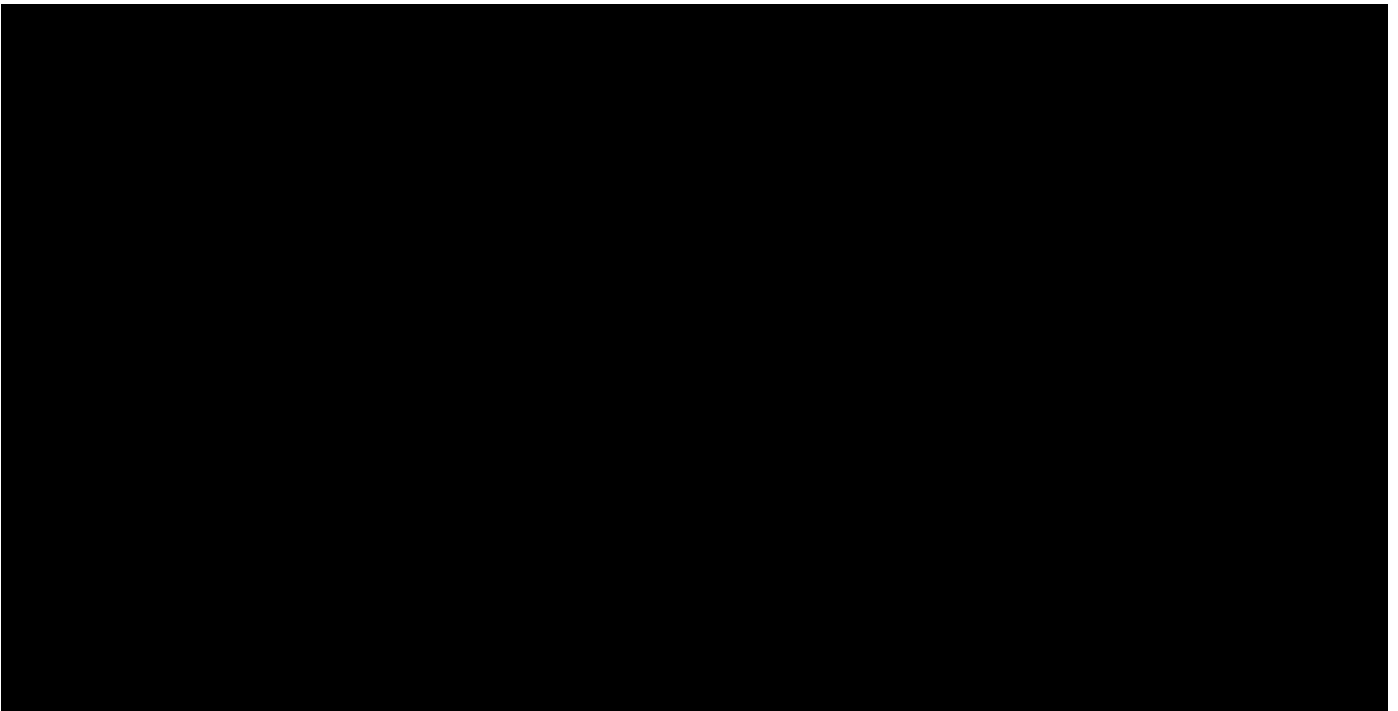
Sample of PSE's Washington CCA emissions allowance tracking report

Exh. JDW-8C  
UE-240004/UG-240005  
Page 7 of 7  
REDACTED VERSION

**Page 3. Resource stack** (estimated electric emissions for wholesale sales and therefore ineligible for no-cost allowance allocation)



**Page 4. Allowance prices**



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REDACTED VERSION