

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of

GOLDFINCH ENERGY STORAGE LLC

Petition for Declaratory Order.

DOCKET UE-240653

COMMISSION STAFF’S RESPONSE
TO GOLDFINCH’S PETITION FOR
A DECLARATORY ORDER

I. INTRODUCTION

1 On August 30, 2024, Goldfinch Energy Storage LLC (Goldfinch) filed with the
Commission a petition for a declaratory order approving as eligible renewable resources,
purchases of biodiesel from the Chevron – Renewable Energy Group’s Grays Harbor Facility,
or similarly situated biodiesel producing facilities, qualifies as a “renewable resource” under
RCW 19.405.020(33)(h) for use in electric power generation qualifying under RCW
19.405.040(1).

II. STAFF RECOMMENDATION

2 Staff recommends the Commission issue a declaratory order that:

3 Adopts a date certain for qualifying biodiesel. Find that crops grown on North American
land that are used in the production of renewable biodiesel and forested before 2010 qualify as
“not derived from crops raised on land cleared from old growth or first growth forests;” under
RCW 19.405.020(33)(h);

4 Find that the fraction of renewable biodiesel Goldfinch purchases from the Grays Harbor
Facility is from the portion of renewable biodiesel derived from crops grown on those portions
of the North American land that have not been forested in modern times, thereby qualifying as
“renewable resources” for purposes of RCW 19.405.040(1), particularly including RCW
19.405.040(1)(a) and RCW 19.405.040(1)(b); and

5 Affirms that the Commission maintains its ongoing authority to determine the status of
the power from each facility, should the underlying facts change in the future. The Commission
retains its authority to examine factual changes in the origin of the feedstock from which the
renewable biodiesel used at each generation facility is derived and to determine if the renewable
biodiesel continues to qualify under its interpretation of RCW 19.405.020(33)(h).

III. BRIEF BACKGROUND

6 Goldfinch is a renewable energy developer engaged in the business of developing
renewable generation facilities in Washington. Goldfinch is currently developing three
generation facilities in Washington for the exclusive purpose of producing electricity from
renewable biodiesel resources in compliance with CETA.

7 Goldfinch notes that their ability to pursue these developments hinges on purchasers
having assurances that the biodiesel that Goldfinch plans to use is compliant with RCW
19.405.020(33)(h)¹. Namely, “(33) ‘Renewable resource’ means: ... (h) biodiesel fuel that is not
derived from crops raised on land cleared from old growth or first growth forests; ...”

8 To meet this need for certainty, Goldfinch makes the following requests:

9 That the Commission find its purchases of small portions of the Grays Harbor Facilities’
total renewable biodiesel output, or from similarly situated renewable biodiesel producing
facilities, are purchases of a “biodiesel fuel that is not derived from crops raised on land cleared
from old growth or first growth forests,” in accordance with CETA’s requirements for
qualifying as a “renewable resource.”

¹ Petition Paragraph 3, page 2.

10 That crops grown on North American land that are used in the production of renewable
biodiesel, like that produced at the Grays Harbor Facility, have not been forested in modern
times and, therefore, such crops qualify under RCW 19.405.020(33)(h), and

11 The fraction of renewable biodiesel Goldfinch purchases from the Grays Harbor
Facility, or similarly situated biodiesel producing facilities, is from the portion of renewable
biodiesel derived from crops grown on those portions of the North American land that have not
been forested in modern times, thereby qualifying as “renewable resources” for purposes of
RCW 19.405.040(1), particularly including RCW 19.405.040(1)(a) and RCW 19.405.040(1)(b).

IV. DISCUSSION

12 Staff reviewed Goldfinch’s petition, consulted with the Department of Commerce, and
met with the company to discuss the petition.

13 Staff has reviewed Goldfinch’s request for a date certain for qualifying biodiesel as a
“Renewable Resource” under CETA. Staff agrees with the rationale supporting this request. A
date certain would provide a concrete and clear criteria for qualifying crop lands. Setting the
date certain would allow lands already in cultivation and not associated with ongoing harms to
old growth to be used to grow inputs to produce biodiesel while also protecting now-existing
old growth from harm. Staff believes that this interpretation is in keeping with the intent of
CETA. Staff believes that the requirements of RCW 19.405.020(33)(h) were intended to ensure
that including biodiesel fuel as a renewable resource did not create an incentive to clear old
growth or first growth forest. The date certain requested by Goldfinch is consistent with that
reading, although the Commission need not set any specific date in order to find that the
biodiesel in question is CETA compliant.

14 Staff has reviewed Goldfinch’s request for a finding that its biodiesel purchases from the Grays Harbor facility are from the portion of renewable biodiesel derived from land that has not been forested in modern times, thereby qualifying as “renewable resources” for the purposes of CETA. Staff consulted with Commerce Staff and agrees that the risk to old growth forests from Grays Harbor facility’s supply chains are likely near-zero. Staff has no affirmative evidence to believe that any of the crops used to produce biodiesel at the Grays Harbor facility are grown on lands cleared, in recent history, from old growth forest. Since Goldfinch is only purchasing a portion of the output from the facility, Staff believes it is reasonable to conclude that at least a corresponding proportion of the biodiesel produced at the Grays Harbor Facility is compliant with CETA.

15 Staff does have some reservations that would require the Commission to keep a close eye on further developments with biodiesel fuels and stresses that this order should be considered non-precedential, and that further biodiesel fuel use should be considered on a case-by-case basis.

16 While Staff is comfortable with the instant petition, Staff highlights the importance of continued and case-by-case review of biodiesel fuels for CETA compliance.

V. CONCLUSION

17 For the reasons stated above and in Goldfinch’s filing, Commission Staff recommends the Commission issue an order declaring a date certain for which crops lands that were previously old growth are acceptable as feedstock for CETA-compliant biodiesel. The Commission’s order should further declare that the fraction of renewable biodiesel Goldfinch purchases from the Grays Harbor Facility is from the portion of renewable biodiesel derived from crops grown on those portions of the North American land that have not been forested in

modern times, thereby qualifying as “renewable resources” for purposes of RCW 19.405.040(1), particularly including RCW 19.405.040(1)(a) and RCW 19.405.040(1)(b).

DATED this 18th day of October, 2024.

Respectfully submitted,

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