

**EXH. TLF-19C  
DOCKET UG-230968  
WITNESS: TRICIA L. FISCHER**

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**Docket UG-230968**

**PUGET SOUND ENERGY,**

**Respondent.**

**EIGHTEENTH EXHIBIT (CONFIDENTIAL) TO THE  
PREFILED DIRECT TESTIMONY OF**

**TRICIA L. FISCHER**

**ON BEHALF OF PUGET SOUND ENERGY**

**REDACTED  
VERSION**

**APRIL 25, 2024**

# Cap & Invest Program – Auction #4

*EMC Decisional*  
November 15, 2023

*Tricia Fischer*  
*Manager, Power Origination*



**Confidential**

## Confidentiality

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Pursuant to Chapter 173-446-317 WAC, an entity approved for auction participation shall not release any confidential information related to its auction participation including:

- Intent to participate or refrain from participating in an auction
- Auction approval status
- Intent to bid
- Bidding strategy
- Bid prices or bid quantity
- Information on the bid guarantee provided to the financial administrator

# Recommendation

[REDACTED]

REDACTED  
VERSION

- [REDACTED]
- [REDACTED]
- [REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]

Q4 Auction		Allowances Offered
Current (2023 vintage)	7,178,648	
Advanced (2026 vintage)	2,449,760	

\* Bid guarantees due Nov. 24 for Dec. 6 auction date



# Gas LDC carbon position



Gas Position	Units	2023 *	2024	2025	2026
F23 gas load forecast*	Dth				
Less: PSE large & exempt customer load	Dth				
Forecast used for position	Dth				
<hr/>					
Est. carbon obligation (includes Facility)	mTCO2e				
Plus no-cost allowances	mTCO2e				
Preliminary carbon position	mTCO2e				
Less: allowances to be consigned	mTCO2e				
Plus: allowances purchased to date	mTCO2e				
<b>Cumulative EOY carbon position</b>	<b>mTCO2e</b>				
<hr/>					
Percent of obligation covered	mTCO2e				

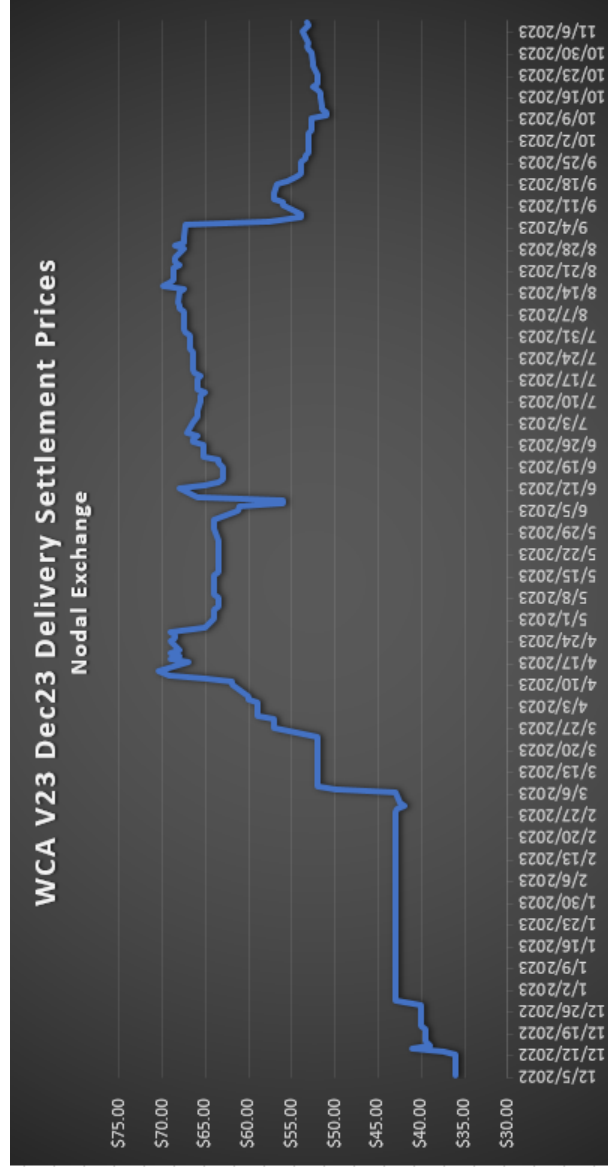
\*10 months of actuals & 2 months forecast

REDACTED  
VERSION

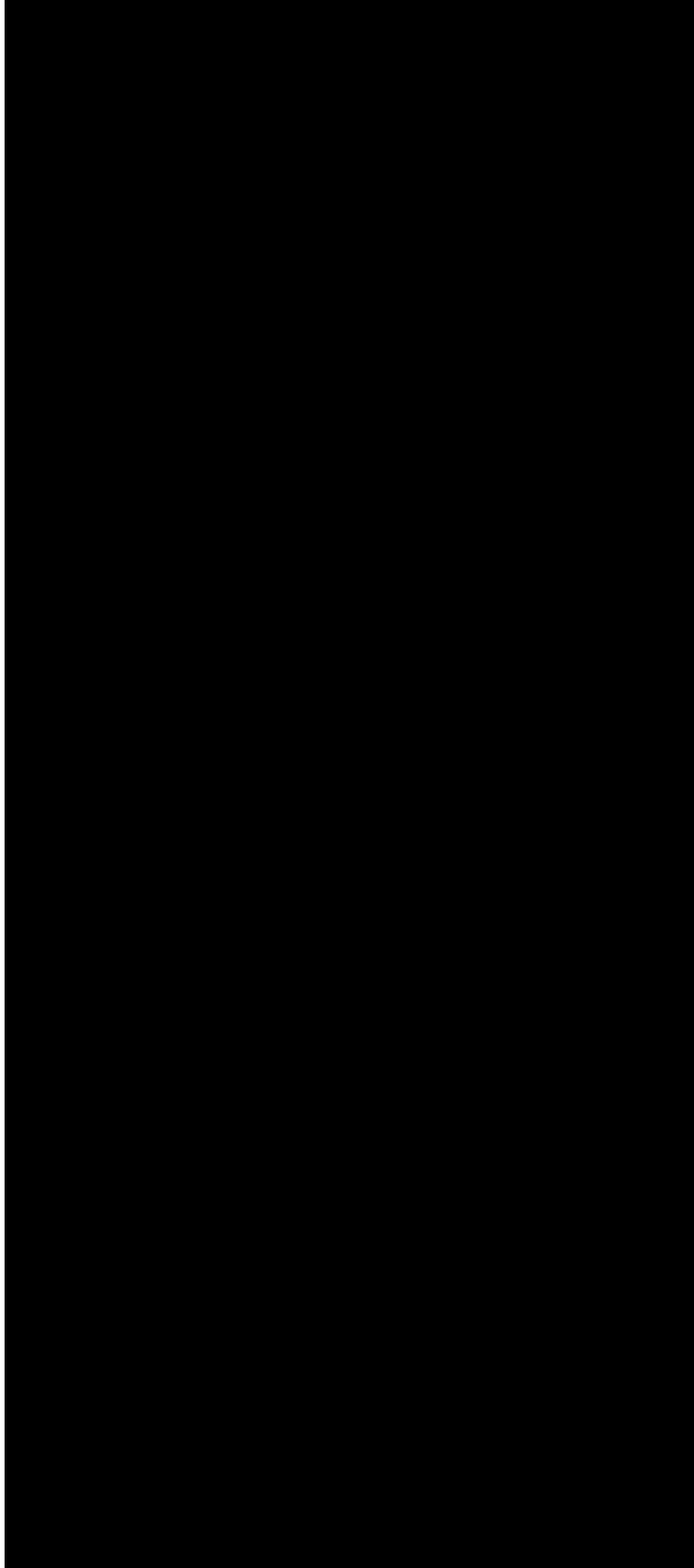


## WCA Vintage 2023 market hovers near Tier 1 price

- WCA secondary market is currently trading ~\$53/WCA.
- Q4 auction might settle higher than Auction Price Containment Reserve (APCR) Tier 1 price of \$51.90 triggering an APCR auction
- Feb. 14, 2024 is set for potential APCR auction #3, if triggered.



# cCarbon WCA forward curves



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[REDACTED]

- [REDACTED]
  - [REDACTED]
  - [REDACTED]
- [REDACTED]
  - [REDACTED]

- ECY is pursuing linkage with CARB/Quebec which could occur as soon as 2026; 2027 more likely
  - 3<sup>rd</sup> party analysts forecast WCA prices continue to rise
  - [REDACTED]

- [REDACTED]

REDACTED  
VERSION





# Recommendation

[REDACTED]

REDACTED  
VERSION

- [REDACTED]
- [REDACTED]
- [REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]

Q4 Auction		Allowances Offered
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# Appendix

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## Q4 2023 DOE Auction Schedule

Activities	Due Date	Time (PT)
Auction Notice released	Oct 6, 2023	12:00p
Deadline for entities intending to participate in auction to submit entity information changes & disclosures	Oct 27, 2023	8:59p
Auction application window closes	Nov 6, 2023	8:59p
<b>Bid guarantees due to Financial Services Administrator (FSA)</b>	<b>Nov 24, 2023</b>	<b>No later than 3:00p</b>
Auction participants approved; PAR and AARs notified	Dec 1, 2023	No later than 3:00p
<b>Auction</b>	<b>Dec 6, 2023</b>	<b>Bidding window open 10:00a – 1:00p</b>
Auction Summary Results Report released; Results available to bidders	Dec 13, 2023	12:00p
Financial settlement in cash due to FSA	Dec 20, 2023	No later than 3:00p
Earliest date for bid guarantee expiration	Jan 2, 2023	
Distribution of auction proceeds complete	Jan 4, 2023	No later than 3:00p
Transfer of allowances to CITSS accounts	Jan 4, 2023	
WA Auction Public Proceeds Report released	Jan 4, 2023	

