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UTIL. AND TRANSP.  
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**JOINT WORKSHOP AND DISCUSSION**  
**Washington Utilities and Transportation Commission**  
**and**  
**Washington Department of Commerce**  
**July 27, 2020, starting at 9:30 am**

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**Objectives:**

- (1) Gain a better understanding of whether the “use” requirement in RCW 19.405.040(1)(a) requires delivery of the electricity to the utility’s retail customers.
- (2) Where the statute permits flexibility, gain a better understanding of the regulatory approaches and how they affect resource requirements, costs, utility operations, and compliance.

**Agenda:**

1. Welcome and Introductions
  - a. Commerce Opening Comments
  - b. Commissioner Opening Comments
2. Legal Interpretations
  - a. Commission
    - i. Are the 2030 and 2045 compliance requirements different?<sup>1</sup>
  - b. Commerce

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<sup>1</sup> 2030: “To achieve compliance with this standard, an electric utility must: [...] (ii) use electricity from renewable resources and nonemitting electric generation in an amount equal to one hundred percent of the utility's retail electric loads over each multiyear compliance period.” RCW 19.405.040.

2045: “It is the policy of the state that nonemitting electric generation and electricity from renewable resources supply one hundred percent of all sales of electricity to Washington retail electric customers by January 1, 2045. By January 1, 2045, and each year thereafter, each electric utility must demonstrate its compliance with this standard using a combination of nonemitting electric generation and electricity from renewable resources.” RCW 19.405.050.

- i. Is delivery to retail load the only way in which a utility may “use electricity”?
    - c. Parties that provided comments in support of their position
  - 3. Regulatory Mechanisms for Compliance
    - a. With a delivered energy requirement
      - i. Options for acceptable points of delivery
      - ii. Options for tracking delivery of RECs and electricity together
    - b. With a procured energy requirement
      - i. Options for acceptable points of delivery
      - ii. Options for tracking procurement and disposition of RECs and electricity
      - iii. Is a prohibition on selling electricity as specified sufficient to prevent double-counting?
      - iv. Does a REC procured with electricity become an “unbundled REC” if the utility sells the electricity and keeps the REC?
  - 4. Clean energy serving Washington’s load and economy - Approaches
    - a. Expected impacts on resource requirements with a delivery requirement or a procurement requirement
    - b. Delivery requirements
      - i. Long-term acquisitions to meet load
      - ii. Short-term verification of load service
    - c. Practical implementation of verification of delivery requirements
      - i. Oregon requirements - Points of delivery
        - 1. BPA, Transmission System, Mutually-agreed upon point
      - ii. Load service, double count and point in time and place measurement
        - 1. EIM/DAM attribution of specific external resource for California load
        - 2. Point in time: Contract terms, hourly schedules, transmission rights and constraints.