

Service Date: March 15, 2023



STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

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March 15, 2023

NOTICE OF WORKSHOP
(Set for Monday, April 10, 2023, at 2:30 p.m.)

RE: Commission-led workshop series on the Climate Commitment Act, Docket U-230161

TO ALL INTERESTED PERSONS:

The 2021 Climate Commitment Act (CCA) requires Washington to equitably transition and reduce carbon emissions by 95 percent below 1990 levels by 2050.¹ The market-based program sets an overall cap on greenhouse gas emissions and establishes a statewide cap-and-invest program. The purpose of the CCA is for the state's largest emitting sources and industries to steadily reduce carbon emissions and air pollution while allowing the state to invest in climate-resiliency programs, clean transportation, and address health disparities in overburdened and highly impacted communities. The CCA allows electric investor-owned utilities (IOUs) subject to the Clean Energy Transformation Act (CETA) to receive no-cost allowances to mitigate the cost burden of the cap-and-invest program on electric customers. Natural Gas IOUs also receive no-cost allowances and must sell an increasing share of their no cost allowances to auction.

The CCA require electric IOUs to submit forecasts, approved by the Washington Utilities and Transportation Commission (Commission), of utility specific supply and demand and the cost burden resulting from the inclusion of the covered entities in the first compliance period.² The Commission approved the first set of forecasts for electric IOUs on January 23, 2023.³ Electric and gas IOUs must use the benefits of all no cost allowances consigned to auction for the

¹ RCW 70A.45.020

² RCW 70A.65.120(3)

³ Avista Corporation d/b/a Avista Utilities, Docket UE-220770; PacifiCorp d/b/a Pacific Power & Light Company, Docket UE-220789; and Puget Sound Energy, Docket UE-220797.

benefit of ratepayers, with the first priority the mitigation of any rate impacts to low-income customers.⁴

Under the CCA, most facilities or businesses that produce more than 25,000 metric tons of carbon emissions a year are required to obtain emission allowances. The law sets the limit on overall carbon emissions and requires emitters to obtain “emission allowances” equal to their covered greenhouse gas emissions. These allowances are obtained through quarterly auctions hosted by the Department of Ecology or bought and sold on a secondary market. In some cases, as in the case of electric IOUs noted above, emitters directly receive no cost allowances. To meet the target goals of the CCA, the emissions cap will reduce incrementally over time. Proceeds from the CCA allowance auctions must be invested in projects focused on increasing climate resilience in ecosystems and communities and addressing issues of environmental justice and health inequity in Washington. More importantly, the CCA requires that at least 35 percent of funds be invested in projects that benefit overburdened communities, and a minimum of 10 percent goes to projects with tribal support.

Due to the CCA requirements for electric and gas IOUs, the Commission, IOUs and all those interested persons engaged in proceedings involving the IOUs, must better understand the impact of the CCA on the IOUs and the customers they serve. To that end, the Commission will lead and facilitate a workshop series addressing various issues affecting the IOUs, including how it intersects with the IOUs obligations under CETA. This notice provides information to all interested persons of the first workshop in this series, which is intended to provide foundational information and presentations on the CCA.

The Commission is aware from comments in previous dockets that a number of interested parties have identified CCA topics for Commission discussion and guidance. The Commission plans to issue a second notice shortly providing an opportunity for interested persons to suggest topics for discussion at future workshops, and to identify the priority for discussing those topics. Information about the workshops and any other matters in this Docket will be posted on the Commission’s website in this Docket as it becomes available.

WORKSHOP

The Commission will convene the first virtual workshop on Monday, April 10, 2023, from 2:30 p.m. to 4:30 p.m., to establish level-setting information and provide an opportunity for representatives of the Department of Ecology to provide foundational presentations on the CCA.

⁴ RCW 70A.65.120(4)

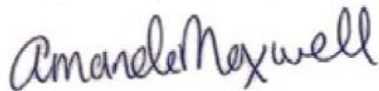
An agenda will be issued in this Docket a week prior to the workshop.

Commission headquarters will not be open to the public for in-person participation. Interested persons may listen to the meeting via Zoom by calling (253) 215-8782 and using conference ID 814 5446 0118# and Passcode: 308559#. To participate in the meeting using Zoom on a computer or mobile device, [click here to join the meeting](#).⁵ If you wish to be placed on the interested parties contact list, please submit your request to the Commission's Records Center at records@utc.wa.gov.

If you wish to participate and need an interpreter, one will be provided at no cost to you. If you need an interpreter, please contact the Commission at least one business day prior to the meeting by calling (360) 664-1140 or by sending an email to paige.doyle@utc.wa.gov.

The Commission is committed to providing reasonable accommodations to participants with disabilities. If you need a reasonable accommodation for the workshop, please contact the Commission at least one business day prior to the workshop by calling (360) 664- 1132 or by sending an email to human_resources@utc.wa.gov. For TTY service, please call the Washington Relay Service at 1-800-833-6384 or 711.

If you have any questions regarding this docket, you may contact Keith Quinata, Energy Policy Advisor, at (360) 664-1207, or by email at keith.quinata@utc.wa.gov.



AMANDA MAXWELL
Executive Director and Secretary

⁵ <https://utc-wa-gov.zoom.us/j/81454460118?pwd=aUVYZ25JMExnUUR4ZHByRjRqVUJwZz09>.