

#### STATE OF WASHINGTON

# UTILITIES AND TRANSPORTATION COMMISSION

621 Woodland Square Loop S.E. • Lacey, Washington 98503 P.O. Box 47250 • Olympia, Washington 98504-7250 (360) 664-1160 • TTY (360) 586-8203 • www.utc.wa.gov



STATE OF WASHINGTON

DEPARTMENT OF COMMERCE

1011 Plum Street SE • PO Box 42525 • Olympia, Washington 98504-2525 360-725-4000 • www.commerce.wa.gov

September 12, 2019

# NOTICE TO CONVENE CARBON AND ELECTRICITY MARKETS STAKEHOLDER WORK GROUP AND TO HOLD A WORK GROUP MEETING UTC DOCKET UE-190760

### TO ALL INTERESTED PERSONS:

The Washington Utilities and Transportation Commission (Commission or UTC) and the Washington Department of Commerce (Commerce) will initiate the Carbon and Electricity Markets Stakeholder Work Group (MWG) required under the Clean Energy Transformation Act (CETA) with a work group meeting at 1:30 pm on October 24, 2019, at the Commission office in Lacey, Washington.<sup>1</sup>

Section 13(1) of CETA requires the Commission and Commerce to convene a stakeholder work group to examine the:

a) Efficient and consistent integration of the act and transactions with carbon and electricity markets outside the state, and

<sup>&</sup>lt;sup>1</sup>RCW 19.405. Both the UTC and Commerce have issued energy legislation implementation plans scheduling the MWG for launch in the third quarter of 2019. <u>http://www.commerce.wa.gov/wp-content/uploads/2019/08/CETA-Implementation-Plan-2019-08-27.pdf</u> and <u>UTC Implementation Plan</u>.

b) Compatibility of CETA's requirements relative to a linked cap-and-trade program.<sup>2</sup>

Commerce and the UTC expect the MWG to assist the agencies in preparing for rulemaking required under CETA, and to provide an opportunity for all stakeholders to become familiar with and better understand the elements of and operation of carbon and electricity markets and cap and trade programs.

Section 13(3) of CETA requires Commerce and the UTC to adopt rules:

defining requirements, including appropriate specification, verification, and reporting requirements, for the following: (a) Retail electric load met with market purchases and the western energy imbalance market or other centralized market administered by a market operator for the purposes of sections 3 through 5 of this act; and (b) to address the prohibition on double counting of nonpower attributes under section 4(1) of this act that could occur under other programs.<sup>3</sup>

The work group meeting will provide an opportunity to discuss the process for determination of MWG members, the structure, administrative function, frequency and form of the meetings of the MWG, and to discuss proposals on prospective subjects to examine within the MWG's scope.

We strongly encourage stakeholders with an interest in the examination of carbon and electricity markets to attend the work group meeting.

Other Commission activities related to CETA and other energy legislation passed in the 2018-2019 legislative session can be found at <u>UTC Implementation Plan</u>. Other Commerce activities related to CETA implementation can be found at commerce.wa.gov/ceta.

Persons interested in this matter may sign up for Docket U-190760 by contacting the Records Center to be added to the service list via email at <u>records@utc.wa.gov</u>, Phone: 360-664-1234, or TTY: 1-877-210-5963.<sup>4</sup> Requests made by mail or courier should be addressed to:

Mark Johnson, Executive Director and Secretary Washington Utilities and Transportation Commission

<sup>&</sup>lt;sup>2</sup> RCW 19.405 § 13(1)(a) and (b).

<sup>&</sup>lt;sup>3</sup> RCW 19.405 § 13(3). The Commission is planning to initiate Section 13(3) rulemaking as part of phase two of its energy legislation implementation plan that begins Q2 of 2021 with a target completion date of Q2 of 2022.

<sup>&</sup>lt;sup>4</sup> Persons signing up for the list serve will receive notices issued by the Commission or Commerce in regard to this docket, including announcements of meeting dates, time and location, opportunity to provide comments, and agendas for meetings as determined and noticed. Interested persons will not receive notice that a party has commented in the docket or notice of the comments received in response to an opportunity to comment. All comments submitted to the Docket will be available to the public.

#### DOCKET U-190760

P.O. Box 47250 Olympia, WA 98504-7250

If you have questions related to the Markets Work Group, please contact Commission Senior Policy Adviser Steve Johnson or Commerce Energy Policy Manager Glenn Blackmon. Steve Johnson may be reached by email at <u>steven.johnson@utc.wa.gov</u>, or by phone (360) 481-1573. Glenn Blackmon may be reached by email at <u>glenn.blackmon@commerce.wa.gov</u> and by phone at (360) 339-5619.

MARK L. JOHNSON Executive Director and Secretary Washington Utilities and Transportation Commission MICHAEL FURZE Assistant Director, Energy Division Washington Department of Commerce