

Grays Harbor Energy LLC 401 Keys Rd Elma, WA 98541 Received Records Management May 10, 2023

May 10, 2023

Via Electronic Filing

Ms. Amanda Maxwell Executive Director and Secretary Washington Utilities and Transportation Commission 621 Woodland Square Loop SE Lacey, Washington 98503

Re: Grays Harbor Energy LLC's Comments in Response to Notice of Opportunity to File Written Comments on CCA Work Plan and Future CCA Workshops, dated April 10, 2023, in Docket U-230161, Facilitation of a Commission-led workshop series on the Climate Commitment Act.

Dear Executive Director Maxwell:

Grays Harbor Energy LLC ("Grays Harbor") appreciates and welcomes the opportunity to submit comments in response to the Washington Utilities and Transportation Commission's ("WUTC" or "Commission") April 10, 2023, Notice of Opportunity to File Written Comments on CCA Work Plan and Future CCA Workshops ("Notice") seeking to "gather input from commenters to inform CCA discussions for future workshops."¹

Grays Harbor owns and operates the Grays Harbor Energy Center, a 650-megawatt combustion turbine energy generation facility in Grays Harbor County. Grays Harbor is a "covered entity" under the Climate Commitment Act ("CCA").

At this point in the proceeding, Grays Harbor's only comment is that it supports proposals made by other parties, including the NW Energy Coalition ("NWEC") and Climate Solutions

¹ Notice at 2.

in their January 6, 2023, comments in Dockets UE-220770,² UE-220789,³ and UE-220797,⁴ to include the cost of CCA allowances in dispatch decisions to achieve the greatest emissions reductions at the lowest reasonable cost to ratepayers, and would ask the Commission to address that issue in this docket.

This docket is the appropriate place for the Commission to address the important issue of the inclusion of the cost of CCA allowances in investor owned utility ("IOU") dispatch decisions. As the Commission identified in its January 24, 2023 order approving PSE's supply and demand forecasts, "the social [c]ost of greenhouse gas in dispatch costs" and "the use of allowances to mitigate impacts to ratepayers," among others, are "important" issues and "that [the Commission] should, and will, address them going forward."⁵ A thorough investigation of pricing carbon into dispatch decisions, which will result in emissions reductions at the lowest reasonable cost to ratepayers, is necessary to a complete understanding of the CCA's potential impacts on IOU cost of service and ratepayers. Further, given that the Commission regulates the rates and services of IOUs to ensure just, fair, and reasonable rates, and its role under the CCA to approve IOU supply and demand forecasts,⁶ the Commission is appropriately situated to consider whether, without adjustment to account for the cost of no-cost allowances, current dispatch practices will undermine the carbon reduction purposes of the CCA. As such, this proceeding is a natural forum for the Commission to address the inclusion of the cost of CCA allowances in dispatch decisions.

Grays Harbor looks forward to working with the Commission and stakeholders in this workshop on this and other topics. Please direct questions or comments regarding this filing to Nelli Doroshkin at (312) 761-8696 and ndoroshkin@invenergy.com.

² Petition of Avista Corporation d/b/a Avista Utilities for an Order Approving Its Four-Year Demand and Resource Supply Forecast Pursuant to the Climate Commitment Act.

³ PacifiCorp's d/b/a Pacific Power & Light Company Petition Requesting Approval of Forecasts Pursuant to RCW 70A.65.120.

⁴ Petition of Puget Sound Energy, Inc., for an Order Approving PSE's Forecasts Pursuant to RCW 70A.65.120.

⁵ In re PSE For an Order Approving Forecasts Pursuant to RCW 70A.65.120, Docket UE-220797, Order 01 ¶ 14 (Jan. 24, 2023).

⁶ RCW 70A.65.120(2).

Respectfully submitted,

—DocuSigned by: Holly Rachel Smith

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On behalf of Grays Harbor Energy LLC