

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of

DOCKET UE-230413

PUGET SOUND ENERGY,

ORDER 01

Renewable Energy Target Progress
Report under RCW 19.285.070 and WAC
480-109-210

APPROVING COMPLIANCE
WITH ELIGIBLE RENEWABLE
ENERGY TARGET REPORTING
REQUIREMENTS FOR 2023

BACKGROUND

- 1 The Energy Independence Act (EIA or Act)¹ requires qualifying electric utilities to obtain certain percentages of their electricity from eligible renewable resources. The Washington Utilities and Transportation Commission (Commission) enforces compliance with the EIA by investor-owned utilities.² Ultimately, the Commission must determine “whether the utility has generated, acquired or arranged to acquire enough renewable energy credits or qualifying generation to comply with its renewable resource target.”³
- 2 The Commission has implemented these requirements by establishing a two-step compliance process.⁴ Because a utility may comply with its renewable portfolio standards (RPS) obligation by using renewable energy credits (RECs) acquired in the year after the target year, ultimate compliance for 2023, for example, may be demonstrated as late as June 1, 2024. Accordingly, there will be two Commission decisions for each year’s compliance: (1) a determination that the Company has enough resources to meet the 15 percent target; and (2) the retrospective compliance decision.
- 3 The filing before the Commission in this Docket is the initial renewable resource annual target filing made by Puget Sound Energy (PSE or Company) for its 2023 obligation. The Commission will consider PSE’s compliance with its 2023 target when PSE requests

¹ Chapter 19.285 RCW.

² RCW 19.285.060(6).

³ WAC 480-109-210(3)(b).

⁴ WAC 480-109-210(1) and (6).

such a finding. Consistent with the requirements of WAC 480-109- 210(6), the Company must make this request through a filing in this Docket no later than June 1, 2024.

4 On June 1, 2023, PSE filed with the Commission its 2023 Annual Renewable Portfolio Standard Report (RPS Report), which identified a 2023 target of 3,198,752 megawatt-hours (MWh). Table 1, below, summarizes PSE’s 2023 target and the total amount of resources that the Company had acquired by January 1, 2023:

Table 1: PSE’s 2023 Renewable Resource Target and Compliance Plan

2023 Target (MWh)	Incremental Hydro (MWh)	Wind (MWh)	Biomass (MWh)	2022 Surplus RECs Minus Sell/Transfer	2023 Eligible Renewable Resources (MWh)
3,198,752	118,836	5,019,089	82,835	692,709	4,528,051

*PSE had a surplus of 711,309 MWh RECs from 2022, they sold 18,600 in 2023. The remainder of this surplus amount 692,709 has been added to the total 2023 eligible renewable resource total of 4,528,051.

5 PSE is requesting approval of two new facilities, Clearwater Wind I and Golden Hills Wind Farm LLC. These two resources are being utilized by PSE for the first time and are eligible for RPS compliance. PSE has provided justification and documentation of the eligibility of these facilities in the report and filing. Staff has reviewed this request and concluded that the facilities appear to meet the eligibility requirements identified in 19.285.030(12) and 19.285.030(18).

6 PSE seeks an order from the Commission confirming that the Company has complied with the Commission’s EIA reporting requirements, accepting the Company’s calculations and eligibility of the renewable resources identified in the RPS Report for 2023.

7 On June 12, 2023, the Commission issued a Notice inviting interested persons to file written comments on PSE’s RPS Report. No comments were received.

8 Based on the information that the Company provided in its RPS Report and supplemental filing, Staff believes that PSE correctly calculated its 2023 RPS target, and that it has acquired sufficient resources to exceed that target.

9 Staff recommends that the Commission issue an order in this Docket determining that:

- (1) PSE's 2023 renewable energy target is 3,198,752 MWh.
- (2) PSE has demonstrated that, by January 1, 2023, it acquired 4,528,051 MWh of eligible renewable resources sufficient to supply 15 percent of its load for 2023.
- (3) PSE has demonstrated that the Clearwater Wind I facility and Golden Hills Wind Farm LLC facility are eligible renewable resources.
- (4) PSE has complied with the June 1, 2023, reporting requirements pursuant to WAC 480-109-210.

DISCUSSION

9 The Commission accepts PSE's calculation of 3,198,752 MWh as the Company's renewable energy target for 2023 and determines that PSE has identified sufficient resources to be able to meet that target.

10 The Commission further agrees with the Company and with Staff that the Clearwater Wind I and Golden Hills Wind Farm LLC are eligible renewable resources for purposes of complying with the RPS requirements of the EIA.

11 The Commission will make its final determination about whether PSE has met its 2023 target when the Company requests such a finding, no later than June 1, 2024. To assist Staff with determining whether PSE's resources meet EIA eligibility requirements, PSE must provide details about which certificates were used for its various renewable energy programs, as required by WAC 480-109-210(2)(d)(i), in its final compliance report for 2023.

FINDINGS AND CONCLUSIONS

12 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts, securities, transfers of property and affiliated interests of public service companies, including electric companies.

- 13 (2) PSE is a natural gas company and a public service company subject to Commission jurisdiction.
- 14 (3) PSE serves more than 25,000 customers within the State of Washington and is a “qualifying utility” within the meaning of RCW 19.285.030(19).
- 15 (4) PSE has properly calculated its renewable energy target for 2023 to be 3,198,752 MWh.
- 16 (5) By January 1, 2023, PSE had acquired sufficient eligible renewable resources to supply at least 15 percent of its load for the remainder of 2023.
- 17 (6) PSE has met the reporting requirements of RCW 19.285.070 and WAC 480- 109-210. These reporting requirements include PSE’s plan for meeting its RPS obligation for the remainder of 2023.
- 18 (7) Pursuant to WAC 480-109-210(4), PSE must provide a summary of its RPS Report to its customers, by bill insert or other suitable method, within 30 days of the date of this Order.
- 19 (8) Pursuant to WAC 480-109-210(6), PSE must file a report no later than June 1, 2024, that lists certificate numbers in Western Renewable Energy Generation Information System for every megawatt-hour and renewable energy credit that PSE retired to meet the January 1, 2023, target.
- 20 (9) This matter came before the Commission at its regularly scheduled meeting on August 24, 2023.
- 21 (10) After reviewing PSE’s petition and RPS Report and giving due consideration to all relevant matters and for good cause shown, the Commission accepts PSE’s calculation of 3,198,752 MWh as the Company’s renewable energy target for 2023 and adopts Staff’s recommendations as set forth in paragraph 9 of this Order.

ORDER

THE COMMISSION ORDERS:

- 20 (1) The Commission accepts the calculation of 3,198,752 MWh as the 2023 renewable energy target for Puget Sound Energy.
- 21 (2) Puget Sound Energy has identified eligible renewable resources sufficient to supply at least 15 percent of its load for 2023.
- 22 (3) Puget Sound Energy has complied with the June 1, 2023, reporting requirements pursuant to WAC 480-109-210.
- 23 (4) Puget Sound Energy's final compliance report must list certificate numbers for every renewable energy credit that Puget Sound Energy retired in the Western Renewable Energy Generation Information System and details about which certificates were used for its voluntary renewable energy programs in 2023.
- 24 (5) The Commission finds that Clearwater Wind I and Golden Hills Wind Farm LLC facilities are eligible renewable resources for purposes of complying with the RPS requirements of the EIA.
- 25 The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Lacey, Washington, and effective August 24, 2023.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

AMANDA MAXWELL
Executive Director and Secretary