



November 12, 2021

VIA ELECTRONIC FILING

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

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State Of WASH.
UTIL. AND TRANSP.
COMMISSION

Re: Docket UE-210183, First Draft of Rules on “Use” for the Clean Energy Transformation Act

Dear Ms. Maxwell:

The Northwest Requirements Utilities (“NRU”), Washington Public Utility Association (“WPUDA”), Pacific Northwest Generating Cooperative (“PNGC”), and Washington Rural Electric Cooperative Association (“WRECA”) appreciate the opportunity to provide written comments in response to the first draft rules interpreting “use” for the Clean Energy Transformation Act (“CETA”) released by the Washington Utilities and Transportation Commission (“Commission”).

INTRODUCTION

As organizations, both associations and member-owned joint operating entities, that represent consumer-owned utilities, rules promulgated by the Commission will not apply to our member utilities. We offer these written comments, however, to help inform the approach taken to rulemaking by the Washington Department of Commerce (“Commerce”).

Our member utilities rely wholly or in part on preference electricity contracts marketed by the Bonneville Power Administration (“BPA”). While most electricity products marketed by BPA are from renewable or nonemitting generation resources, BPA’s wholesale product may include anywhere from 3 to 12 percent unspecified market purchases each year, depending on the waterflow variability in the Columbia River Basin. BPA provides information on resources included in its wholesale product on an annual basis to its customers without providing hourly level detail. These particular facts inform our view of the draft rules.

Assuming the Commission and Commerce would establish complementary approaches to compliance, we support an acquisition-based approach for compliance and provide our reasoning related to our members’ utilization of BPA products. These comments do not address the additional reporting requirements that would solely apply to investor-owned utilities.

Draft WAC 480-100-650(1): Acquisition-based approach to compliance

Based on the notice issued by the Commission, we understand the intent for this section of the draft rules is to establish a planning and acquisition standard that requires utilities to acquire resources that are well-suited to meet load without precluding the use of those resources for other purposes. We believe the draft rules’ adoption of an acquisition-based approach to compliance with the Greenhouse Gas Neutral Standard aligns with the statute and utility system operations.

Importantly for our member utilities, it is our understanding that the acquisition-based approach would align with BPA’s current preference electricity products and processes, through which BPA provides an annual fuel mix report identifying the resources used to serve their utility customers per contractual obligations and conveys environmental attributes according to those contracts.

Furthermore, the language included in the Commission draft rules in WAC 480-100-650(1) is conceptually like the draft rule language offered by Commerce in 2020 (WAC 194-40-320 or WAC 194-40-410). While we prefer the approaches previously offered by Commerce for their simplicity and clarity, we would support any of the three approaches to demonstrating compliance that have been offered to date.

CONCLUSION

Thank you for considering these comments. Please contact us if you have any questions.

Thank you,

/s/ John Francisco

John Francisco
NRU

/s/ George Caan

George Caan
WPUDA

/s/ Kent Lopez

Kent Lopez
WRECA

/s/ Erin Erben

Erin Erben
PNGC