

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of

PUGET SOUND ENERGY'S

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

DOCKET UE-200504

ORDER 01

APPROVING COMPLIANCE WITH
ELIGIBLE RENEWABLE ENERGY
TARGET REPORTING
REQUIREMENTS FOR 2020

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 2020, for example, may be demonstrated as late as June 1, 2022. 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 is the initial resource-adequacy filing made by Puget Sound Energy (PSE or Company) for its 2020 obligation. The Commission will consider PSE’s compliance with its 2020 target when PSE requests such a finding. The Company must make this request through a filing in this docket no later than June 1,

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).

2022.

4 On June 1, 2020, PSE filed with the Commission its 2020 RPS Report, which identified a 2020 target of 3,114,782 megawatt-hours (MWh). On July 22, 2020, PSE filed a revised RPS report and supporting workpapers that included additional documentation for the facilities the Company is requesting the Commission approve as eligible. Table 1, below, summarizes PSE's 2020 target and the total amount of resources that the Company had acquired by January 1, 2020:

Table 1: PSE's 2020 Renewable Resource Target and Compliance Plan

2020 Target (MWh)	Incremental Hydro (MWh)	Wind (MWh)	Purchased RECs (unbundled)	Total Resources in 2020 (MWh)
3,114,782	88,091	3,694,729	229,704	4,012,524

5 PSE seeks an order from the Commission confirming that the Company has complied with the Commission's EIA reporting requirements and accepting the Company's calculations and eligibility of the renewable resources identified in the RPS Report for 2020.

6 On June 4, 2020, the Commission issued a Notice inviting interested persons to file written comments on PSE's RPS Report. During the comment period, the Commission received written comments from Commission staff (Staff) and written comments from the NW Energy Coalition (NVEC). NVEC's primary criticism concerned the level of redactions associated with the unbundled REC contracts PSE supplied as workpapers to its 2020 RPS report. Specifically, the degree of redactions prevented NVEC from mapping eligible facilities to the relevant contracts and verifying said contracts were signed by January 1, 2020.⁵

7 Staff resolved NVEC's concerns with PSE's 2020 RPS report by subsequently following up with the Company. In future RPS plan reports, PSE agreed to more fully disclose REC contract documentation enabling stakeholders to independently verify when relevant contracts were signed and to map eligible facilities to the relevant contracts.⁶

8 Based on the information that the Company provided in its RPS Report and supplemental filing, Staff believes that PSE correctly calculated its 2020 RPS target,

⁵ WAC 480-109-200(2).

⁶ Email to staff from Chris Schaefer, PSE, August 20, 2020.

and that it has acquired sufficient resources to meet that target.

9 Ahead of the 2020 plan year, PSE executed contracts for unbundled RECs, the majority of which came from 13 facilities that have not been used previously for RPS compliance. All facilities are located in the Pacific Northwest and are eligible for use against RPS compliance by any utility in Washington:⁷

- 1 Camp Reed Wind Park.
- 2 Golden Valley Wind Park.
- 3 Meadow Creek Wind Farm – Five Pine Project.
- 4 Meadow Creek Wind Farm – North Point Wind Farm.
- 5 Nine Canyon Wind Project – Nine Canyon Phase 3.
- 6 Oregon Trail Wind Park, LLC – Oregon Trail Wind Park.
- 7 PaTu Wind Farm.
- 8 Roseburg LFG.
- 9 Salmon Falls Wind Park, LLC.
- 10 Sawtooth Wind Project.
- 11 Thousand Springs Wind Park, LLC – Thousand Springs Wind Park.
- 12 Tuana Gulch Wind Park, LLC – Tuana Gulch Wind Park.
- 13 White Creek Wind 1 – White Creek.

10 The Commission has not yet explicitly approved use of these 13 facilities. Staff recommends that the Commission approve the eligibility of the facilities listed above because the facilities meet the statutory eligibility requirements.⁸

11 Commission rules require the Company to document its use of renewable resources under various renewable energy programs in its annual report. This information needs to be updated for final compliance, and Staff asks the Commission to require PSE to do so, listing details about program usage in the final 2020 compliance report, allowing Staff to determine whether its resources meet EIA requirements.

12 Staff recommends that the Commission issue an order in this docket determining that: (1) the 2020 renewable energy target for PSE is 3,114,782 MWh; (2) PSE has demonstrated that, by January 1, 2020, the Company acquired at least 3,114,782 MWh of eligible renewable resources, equivalent RECs, or a combination of the two, sufficient to supply at least 15 percent of its load for 2020; (3) PSE has complied with the June 1, 2020, reporting requirements pursuant to WAC 480-109-210; (4) Camp Reed Wind Park, Golden Valley Wind Park, Meadow Creek Wind Farm – Five Pine Project, Meadow Creek Wind Farm – North Point Wind Farm, Nine Canyon Phase 3, Oregon Trail Wind

⁷ RCW 19.285.030(12)(a) and (20).

⁸ RCW 19.285.030(12); WAC 480-109-060(12).

Park, PaTu Wind Farm, Roseburg LFG, Salmon Falls Wind Park, Sawtooth Wind Project, Thousand Springs Wind Park, Tuana Gulch Wind Park, and White Creek Wind 1 – White Creek are eligible renewable facilities for RPS compliance; and (5) in its final compliance report for 2020 required by WAC 480-109-210(6), PSE must provide details about which certificates were used for its various renewable energy programs.

DISCUSSION

13 The Commission accepts PSE’s calculation of 3,114,782 MWh as the Company’s renewable energy target for 2020 and determines that PSE has identified sufficient resources to be able to meet that target. The Commission will make its final determination about whether PSE has met its 2020 target when the Company requests such a finding, no later than June 1, 2022. 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 2020.

FINDINGS AND CONCLUSIONS

- 14 (1) The Commission is an agency of the state of Washington vested by statute with the authority to regulate the rates, regulations, practices, and accounts of public service companies, including electric companies.
- 15 (2) PSE is an electrical company and a public service company subject to Commission jurisdiction.
- 16 (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).
- 17 (4) PSE has properly calculated its renewable energy target for 2020 to be 3,114,782 MWh.
- 18 (5) By January 1, 2020, PSE had acquired sufficient eligible renewable resources to supply at least 15 percent of its load for the remainder of 2020.
- 19 (6) Camp Reed Wind Park, Golden Valley Wind Park, Meadow Creek Wind Farm – Five Pine Project, Meadow Creek Wind Farm – North Point Wind Farm, Nine Canyon Phase 3, Oregon Trail Wind Park, PaTu Wind Farm, Roseburg LFG, Salmon Falls Wind Park, Sawtooth Wind Project, Thousand Springs Wind Park, Tuana Gulch Wind Park, and White Creek Wind 1 – White Creek are eligible

renewable facilities for RPS compliance.

- 20 (7) 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 2020.
- 21 (8) 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.
- 22 (9) Pursuant to WAC 480-109-210(6), PSE must file a report no later than June 1, 2022, that lists the 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, 2020, target.

ORDER

THE COMMISSION ORDERS:

- 23 (1) The Commission accepts the calculation of 3,114,782 MWh as the 2020 renewable energy target for Puget Sound Energy.
- 24 (2) Puget Sound Energy has identified eligible renewable resources sufficient to supply at least 15 percent of its load for 2020.
- 25 (3) Camp Reed Wind Park, Golden Valley Wind Park, Meadow Creek Wind Farm – Five Pine Project, Meadow Creek Wind Farm – North Point Wind Farm, Nine Canyon Phase 3, Oregon Trail Wind Park, PaTu Wind Farm, Roseburg LFG, Salmon Falls Wind Park, Sawtooth Wind Project, Thousand Springs Wind Park, Tuana Gulch Wind Park, and White Creek Wind 1 – White Creek are eligible renewable facilities for RPS compliance.
- 26 (4) Puget Sound Energy has complied with the June 1, 2020, reporting requirements pursuant to WAC 480-109-210.
- 27 (5) 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 2020.

28 (6) The Commission Secretary is authorized to accept or approve a filing that
complies with the requirements of this Order.

29 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 September 10, 2020.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK L. JOHNSON
Executive Director and Secretary