Department of Energy



Bonneville Power Administration P.O. Box 3621 Portland, Oregon 97208-3621

INTERGOVERNMENTAL AFFAIRS

In reply refer to: DI-7

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

Glenn Blackmon Washington Department of Commerce P.O. Box 42525 Olympia, WA 98504-2525 Emailed to: ceta@commerce.wa.gov

Re: Docket UE-210183, Comments by the Bonneville Power Administration on Electricity Markets and Compliance with the Clean Energy Transformation Act (CETA)

Dear Ms. Maxwell and Mr. Blackmon,

Thank you for the opportunity to share Bonneville Power Administration's (BPA) comments to the Washington Utilities and Transportation Commission's (Commission) Oct. 12, 2021 Notice of Opportunity to Comment, undertaken in coordination with the Department of Commerce (Commerce). Bonneville is taking this opportunity to describe Bonneville's annual calculation of its system fuel mix, applicable to wholesale power system sales to utilities, including Washington investor-owned and consumer owned utilities, and to comment on some of the proposed rule language.

BPA is a federal power marketing administration not regulated by CETA. However, BPA sells low-carbon electricity to utilities, a port, and federal agencies in Washington equaling roughly one-half of the electricity consumed in the state. BPA is reiterating some of the points that it has shared in earlier comments during the CETA rulemaking proceedings as BPA believes they continue to relate to the proposed rule language on the interpretation of use.

BPA sells power from a system of resources. BPA's current power sales in the wholesale market and under its long-term power contracts are sourced from the same mix of resources – as

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disclosed in BPA's annual system fuel mix reporting - for every megawatt-hour it sells throughout the western states. This system mix of power is composed of an integrated and interconnected system of federal hydroelectric plants, one non-federal nuclear power plant, a variety of small non-federal resources, and wholesale power market purchases. Bonneville sells power produced by this set of pooled resources to satisfy an open obligation to supply all the power needs of requesting Pacific Northwest regional power customers – municipal utilities, public utility districts, electric cooperatives, and investor-owned utilities – net of their non-federal resources or non-federal power supplies that are dedicated to serve each utility's load. BPA compiles data, on an annual basis, that discloses the electricity output from each of these generators and all power purchase contracts and market purchases on which Bonneville relies to meet its power and transmission obligations. BPA has voluntarily shared this annual system fuel mix data with Washington energy policy staff for roughly twenty years.

The language that Commerce outlines in either of its proposed draft rules WAC 194-40-320 or WAC 194-40-410 and/or the language that the Commission proposes in WAC 480-100-650 (1) and WAC 480-100-650 (2)(d) appears to be a reasonable way to interpret the standard, 'using a combination of nonemitting electric generation and electricity from renewable resources...' as it appears in RCW 19.405.040 (1)(a). This appears to permit Washington utilities to use data from BPA's annual system fuel mix in their reporting for CETA.

Thank you for the opportunity to provide comments. BPA appreciates the constructive, on-going discussions with the Commission, Commerce, and other parties as Washington implements CETA. If you have questions for BPA, please let me know.

Sincerely,

Elizabeth C. Klumpp Washington Liaison

Bonneville Power Administration

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