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State Of WASH.  
UTIL. AND TRANSP.  
COMMISSION

November 12, 2021

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

RE: Docket UE-210183: Relating to Electricity Markets and Compliance with the Clean Energy Transformation Act

Dear Ms. Maxwell,

The Western Power Trading Forum<sup>1</sup> (WPTF) appreciates the opportunity to provide comments to the Washington Utilities and Transportation Commission (the Commission) on the draft rules relating to “use” of renewable and non-emitting electricity under the Clean Energy Transformation Act (CETA).

The Commission’s proposed interpretation of ‘use’ has five key components:

- Establishment of delivery requirements for renewable and non-emitting generation that would require that eligible resources be located within a utility’s service area or balancing authority area, or deliver electricity into BPA’s system, the footprint of an organized energy market in which the utility participates, or another agreed point for subsequent delivery to the utility;
- Creation of a new category of renewable energy credit (REC), a “retained REC” that represents a bundled REC obtained with underlying electricity, but from which the underlying electricity has been separated and sold as unspecified.
- Recognition of retirement of retained RECs as acceptable for compliance with the CETA’s 80% and 100% electricity standard (“primary compliance”);
- A requirement that investor-owned utilities include analysis in their annual clean energy progress reports of the hourly matching of renewable and non-emitting generation to load to demonstrate due diligence in resource planning and acquisition; and
- Initiation of review, and possible revision of the rule, taking into account the utilities’ hourly analysis, by September 2024.

WPTF generally supports the Commission’s proposed approach. Specifically, allowing RECs where the associated electricity has been sold as unspecified to be used for primary compliance without limitation, the delivery requirements for eligible renewable resources and the hourly analysis provide a reasonable compromise between the positions of various stakeholders. More

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<sup>1</sup> WPTF is a diverse organization of over 90 members comprising power marketers, generators, investment banks, public utilities and energy service providers, whose common interest is the development of competitive electricity markets in the West.

importantly, the framework for compliance would work well with evolving wholesale energy markets and would not hinder utility participation in organized markets.

However, we are concerned with the proposal to review the program rules in 2024, a mere three years from now and before the 80% clean energy standard even goes into effect. New renewable resources typically require long-term financing for project viability. The possibility that the CETA program rules will change prior to 2030 will create significant program uncertainty that will complicate long-term contracting of renewable resources. We urge the Commission to drop this provision.