

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of

PUGET SOUND ENERGY,

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

DOCKET UE-220405

ORDER 01

APPROVING COMPLIANCE WITH  
ELIGIBLE RENEWABLE ENERGY  
TARGET REPORTING  
REQUIREMENTS FOR 2022

**BACKGROUND**

- <sup>1</sup> The Energy Independence Act (EIA or Act)<sup>1</sup> 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.<sup>2</sup> 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.”<sup>3</sup>
- <sup>2</sup> The Commission has implemented these requirements by establishing a two-step compliance process.<sup>4</sup> 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 2022, 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.
- <sup>3</sup> The filing before the Commission in this Docket is the initial resource-adequacy filing made Puget Sound Energy (PSE or Company) for its 2022 obligation. The Commission will consider PSE’s compliance with its 2022 target when PSE requests such a finding.

---

<sup>1</sup> Chapter 19.285 RCW.

<sup>2</sup> RCW 19.285.060(6).

<sup>3</sup> WAC 480-109-210(3)(b).

<sup>4</sup> WAC 480-109-210(1) and (6).

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 May 31, 2022, PSE filed with the Commission its 2022 Annual Renewable Portfolio Standard Report (RPS Report), which identified a 2022 target of 3,084,363 megawatt-hours (MWh). Table 1, below, summarizes PSE’s 2022 target and the total amount of resources that the Company had acquired by January 1, 2022:

**Table 1: PSE’s 2022 Renewable Resource Target and Compliance Plan**

<b>2022 Target (MWh)</b>	<b>Incremental Hydro (MWh)</b>	<b>Wind (MWh)</b>	<b>Biomass (MWh)</b>	<b>2022 Eligible Renewable Resources (MWh)</b>
3,084,363	118,195	2,845,747	120,421	3,794,770

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 2022.

6 On June 2, 2022, PSE filed a replacement Attachment 9, WREGIS Active Generators, in support of its RPS Report.

7 On June 9, 2022, the Commission issued a Notice inviting interested persons to file written comments on PSE’s RPS Report. During the comment period, Commission staff (Staff) filed written comments. No other 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 2022 RPS target, and that it has acquired sufficient resources to meet that target.

9 In its RPS Report, PSE requested that the Commission consider two first-time facilities as eligible renewable resources for annual RPS compliance – Kettle Falls Woodwaste Plant (Kettle Falls) and Golden Hills Wind Farm (Golden Hills). This issue was addressed at the Commission’s August 11, 2022, open meeting, at which time PSE acknowledged that Kettle Falls does not meet the requirements necessary to utilize these RECs for EIA compliance purposes. Staff therefore does not recommend that the Commission

acknowledge that facility at this time. Kettle Falls is a biomass energy facility and, as such, its use is limited for EIA compliance.<sup>5</sup> Staff and the Company agree that Kettle Falls is not eligible for PSE's RPS compliance because Commission rule prevents a utility from using a biomass facility to satisfy its EIA obligations unless the utility owns or is directly interconnected with it, which PSE is not.<sup>6</sup> Because PSE does not intend to use Golden Hills for its 2022 RPS target, Staff believes that acknowledging it at this time is not appropriate.

10 Staff recommends that the Commission issue an order in this docket determining that:

- (1) PSE's 2022 renewable energy target is 3,084,363 MWh.
- (2) PSE has demonstrated that, by January 1, 2022, it acquired 3,084,363 MWh of eligible renewable resources sufficient to supply 15 percent of its load for 2022.
- (3) PSE has complied with the June 1, 2022, reporting requirements pursuant to WAC 480-109-210.

### **DISCUSSION AND DECISION**

11 The Commission accepts PSE's calculation of 3,084,363 MWh as the Company's renewable energy target for 2022 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 2022 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 2022.

12 The Commission agrees with Staff that neither the Kettle Falls nor Golden Hills facilities are eligible for consideration as renewable resources for annual RPS compliance at this time. As long as PSE is not interconnected with Kettle Falls, that facility will be ineligible per WAC 480-109-200(8). The Commission may consider Golden Hills's eligibility when PSE intends to use it to meet its target.

---

<sup>5</sup> RCW 19.285.040(2)(j).

<sup>6</sup> WAC 480-109-200(8).

### FINDINGS AND CONCLUSIONS

- 13 (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.
- 14 (2) PSE is an electric company and a public service company subject to Commission jurisdiction.
- 15 (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).
- 16 (4) PSE has properly calculated its renewable energy target for 2022 to be 3,084,363 MWh.
- 17 (5) By January 1, 2022, PSE had acquired sufficient eligible renewable resources to supply at least 15 percent of its load for the remainder of 2022.
- 18 (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 2022.
- 19 (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.
- 20 (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, 2022, target.
- 21 (9) This matter came before the Commission at its regularly scheduled meeting on September 15, 2022.
- 22 (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 3,084,363 MWh as the Company’s renewable energy target for 2022 and adopts Staff’s recommendations as set forth in paragraph 10 of this Order.

**ORDER**

**THE COMMISSION ORDERS:**

- 23 (1) The Commission accepts the calculation of 3,084,363 MWh as the 2022  
renewable energy target for Puget Sound Energy.
- 24 (2) Puget Sound Energy has demonstrated that, by January 1, 2022, it acquired  
3,084,363 megawatt-hours of eligible renewable resources sufficient to supply 15  
percent of its load for 2022.
- 25 (3) Puget Sound Energy has complied with the June 1, 2022, reporting requirements  
pursuant to WAC 480-109-210.
- 26 (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 2022.
- 27 (5) The Commission Secretary is authorized to accept or approve a filing that  
complies with the requirements of this Order.

DATED at Lacey, Washington, and effective September 15, 2022.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVE W. DANNER, Chair

ANN E. RENDAHL, Commissioner

MILTON H. DOUMIT, Commissioner