



JOINT WORKSHOP AND DISCUSSION AGENDA With Washington State Department of Commerce Treatment of Energy Storage for Compliance with RCW 19.405.030 Through 19.405.050 June 22, 2021, starting at 9 a.m. Hosted via online webinar, details below

Background and Summary

The Washington State Department of Commerce (Commerce) and Washington Utilities and Transportation Commission (Commission) are developing rules implementing certain sections of the Clean Energy Transformation Act (CETA),¹ specifically provisions of Chapter 19.405 RCW. The Commission filed the CR-101 for this rulemaking under Docket UE-210183. In response to the Commission's notice issued on May 3, 2021, stakeholders filed comments in the docket pursuant relating to the treatment of energy storage for compliance with RCW 19.405.030 through RCW 19.4054.050. This workshop allows Commerce, the Commission and interested stakeholders to further explore this topic in a collaborative environment.

Webinar Instructions

This is a webinar-only meeting. Parties may participate by telephone, but participation by computer will make it easier to facilitate the discussion. Link: <u>Click to join meeting</u> <u>https://wastatecommerce.zoom.us/j/86354894145?pwd=V28reEZLWINwMEh5Q0dZdUhtZVN</u> <u>Ddz09</u> Password: Energy Join by phone: (253) 215-8782; conference ID: 890 9305 6157#; passcode: *521222#

Agenda Items

1. Scope and Process for the Issues and Workshop9:00 - 9:10

Kyle Frankiewich, Regulatory Analyst Glenn Blackmon, Commerce Energy Policy Manager

¹ E2SSB 5116, Laws of 2019, ch. 288.

2. Commissioner Remarks and Introductions 9:10 – 9:15

3. Opening remarks and summary of comments

Persons and organizations that filed comments will have a brief opportunity (about 3 minutes) to summarize filed comments and describe key concerns or desired outcomes related to the energy storage component of this rulemaking. If you or your organization did not file comments but would like to make opening remarks, please contact Kyle Frankiewich or Glenn Blackmon using the contact information provided at the end of this notice.

4. Break

5. Panel Discussions – "Problem Solving Pods"

Three to four stakeholders will be asked to join in a discussion of the specific topics below followed by questions and discussion by all workshop attendees.

- a. **Track the sources of electricity used in charging.** Some stakeholders propose that storage resources track the electricity used in charging or demonstrate that 100% is renewable. Other stakeholders have stated that it is impossible to track the source of electricity used for charging. Is it any harder or easier to track electricity for charging than to track electricity for end uses? What benefits would result from tracking the source of electricity for charging? Would it be feasible to apply a tracking requirement to non-utility operators of storage resources?
- b. **Ignore storage activities and focus on generation and load.** Some stakeholders have proposed that storage charging and discharging be disregarded in determining CETA compliance. Instead compliance would be determined by comparing generation to load. No RECs would be retired for the energy losses in charging/discharging, and these RECs would be available for compliance. Would this policy provide a useful incentive to deployment of storage resources? Or would it open a loophole in the GHG neutral standard by allowing additional fossil generation?
- c. Effect on storage and generation resource choices. If the accounting rules disregard storage activities, would this policy discourage development of higher efficiency storage technologies, since energy losses in charging/discharging are not accounted for? Would it discourage development of renewable resources with greater capability to meet peak demand and a diverse combination of renewables that better matches the load profile, since compliance is based on total generation not the relationship between generation output and load?
- d. **Demonstrating delivery of renewable generation.** Stakeholders have noted that storage allows the delivery of electricity to load at a different time from when it is generated. If the accounting rules disregard storage activities, would a utility be able to demonstrate that its load was served using renewable generation (if so required)?

10:05 - 10:15

10:15 - 11:50

6. Next Steps: Commerce and UTC

11:50 - 12:00

Kyle Frankiewich, Regulatory Analyst Glenn Blackmon, Commerce Energy Policy Manager

- a. Update on rulemaking(s), comments and information gathering
- b. Additional workshops

The Commission is committed to providing reasonable accommodations to participants with disabilities at its facilities. If you need a reasonable accommodation for this workshop, please contact the Commission at least one business day prior to the workshop by calling 1-360-664-1132 or by sending an email to human_resources@utc.wa.gov. For TTY service, please call the Washington Relay Service at 7-1-1 or 1-800-833-6384.

If you have questions regarding the workshop or this rulemaking, please contact use the contact information below:

- Kyle Frankiewich, Regulatory Analyst, Commission Staff email: <u>kyle.frankiewich@utc.wa.gov</u> phone: (360) 664-1316
- Glenn Blackmon, Energy Policy Manager, Department of Commerce email: <u>glenn.blackmon@commerce.wa.gov</u> phone: (360) 339-5619