# **NEW SECTION**

The following definitions apply throughout WAC 480-100-670, -675, and -680:1

- (1) "Primary compliance" means the portion of the greenhouse gas neutrality standard contained in RCW 19.405.040(1)(a) that cannot be met through the alternative compliance options under RCW 19.405.040(1)(b).
- (2) "NPA" means nonpower attributes as defined in RCW 19.405.020(29).
- (3) "REC" means renewable energy credit as defined in RCW 19.405.020(31).
- (41) "WREGIS" means the "Western Renewable Energy Generation Information System" ("WREGIS") is the renewable energy credit tracking system for purposes of verification of renewable energy credits under chapter 19.405 RCW.
- (5) "Unbundled NPA" means an unbundled renewable energy credit as defined in RCW 19.405.020(38) or the NPA of electricity generated from a nonemitting electric generation resource that is sold, delivered, or purchased separately from electricity.
- (2) "Clean electricity market" means an organized wholesale electricity market that provides for the specified attribution of renewable and nonemitting electricity.
- (3) "Interim performance period" means either of the following periods:
- (a) From January 1, 2022, until December 31, 2025; and
- (b) From January 1, 2026, until December 31, 2029.

### **NEW SECTION**

WAC 480-100-6XX Use of NPAs-renewable energy and nonemitting electric generation other than unbundled RECs to comply with the greenhouse gas neutral standard.

1)(a) Except as provided in (b) of this subsection, each utility must verify and document by the retirement of RECs all electricity from renewable resources used to meet a target in an interim performance period or to comply with the requirements of RCW 19.405.040 (1) or 19.405.050 (1).

(b) A utility is not required to comply with (a) of this subsection for electricity from renewable resources used to meet a target in an interim performance period if:

(i) The energy source for the generating facility is water;

<sup>&</sup>lt;sup>1</sup> Suggest adding additional definitions to 480-100

- (ii) The generating facility is not registered in WREGIS or the WREGIS account holder for the generating facility verifies that no RECs have been created for the electricity used to meet CETA requirements; and
- (iii) The utility owned the generating facility or purchased the electricity directly from the owner of the facility or, in the case of federal generating facilities, from the Bonneville Power Administration (BPA).
- (2) Each utility using a REC under this chapter must document the following:
  - (a) The REC represents the output of a renewable resource;
  - (b) The utility acquired the REC and the electricity associated with the REC in a single transaction through ownership or control of the generating facility or through a contract for purchase or exchange;
  - (c) The vintage of the REC is a year within the applicable interim performance period or compliance period; and
  - (d) The utility provides evidence the REC has been retired within WREGIS.
- (3) A utility may use any REC retired to comply with RCW 19.285.040 (1) for the purposes identified in subsection (2) of this section if the REC vintage year is within the compliance period or interim performance period identified in subsection (2) of this section.
- (4) Any utility using nonemitting electric generation to comply with a requirement under RCW 19.405.040 (1) or 19.405.050 (1) must demonstrate that it owns the nonpower attributes of that electricity and that it has committed to use the nonpower attributes exclusively for the stated compliance purpose.
- (5) A utility may demonstrate ownership of nonpower attributes using contractual records or attestations of ownership and transfer by properly authorized representatives of the generating facility, all intermediate owners of the nonemitting electric generation, and a properly authorized representative of the utility.
- (6) A utility may demonstrate ownership of the nonpower attributes of the nuclear portion of BPA's electricity product by relying on a representation of a properly authorized representative of BPA stating the nonemitting percentage of its electricity product and verifying that BPA did not separate the nonpower attributes associated with the nuclear generation.
- (1) A utility may use an NPA other than an unbundled NPA to comply with the requirements of RCW 19.405.040 (1)(a) or to demonstrate performance compared to an interim target established under RCW 19.405.060(1) only if the utility complies with the requirements of this section. The requirements of this section apply to all renewable energy credits and nonpower attributes of nonemitting resources that are retired to meet primary compliance that cannot be met through the alternative compliance options under RCW 19.405.040(1)(b).

- (2) **WREGIS registration.** If WREGIS registers RECs for a resource that falls under the definition of nonemitting electric generation in RCW 19.405.020, a utility must verify, track, and retire those RECs in the same manner as RECs from renewable resources.
- \_(3) The amount of renewable or nonemitting energy that a utility retires for primary compliance in each month may not exceed the retail load served within the utility's Washington service territory within the same month.
- <u>(4) NPAs submitted for primary compliance shall be attributed to the month and year in which the NPA was generated.</u>
- (5) Unless the NPA complies with subsection (6) of this section, the utility must acquire the NPA and the electricity associated with the NPA in a single transaction through ownership or control of the generating facility or through a contract for purchase or exchange.
- (6) An NPA that is associated with electricity purchased as a specified renewable or nonemitting resource in an organized market but acquired in a separate transaction than the associated electricity is eligible to count towards primary compliance if:
- (a) the NPA is generated during the same month during which the utility purchased the associated electricity; and
- (b) the NPA was generated by the generator or balancing authority that the utility claims to be purchasing from. If no specific selling party is associated with the purchase, an NPA that was generated by a vendor supplying specified renewable or non-emitting electricity the utility purchases during that month is eligible.
- (7) The electricity associated with the NPA All renewable energy and nonemitting electric generation used for compliance with 19.405.040 or 19.405.050 must comply with WAC 480- 100-650 (1)(d).
- (8) A utility may retire an NPA for primary compliance only if the utility demonstrates that there is no use renewable energy and nonemitting electric generation for compliance with 19.405.040(1) or 19.405.050(1) only if no double counting of that NPAthe nonpower attributes has occurred. within Washington or programs in other jurisdictions. At a minimum, Tthis requires that any contract in which the utility sells electricity in a wholesale market sale by the utility made without its associated NPA-REC's or nonpower attributes must include terms stating it is a sale of unspecified electricity and that the seller is not transferring any of the NPAs-RECs or nonpower attributes. and the buyer may not represent in any form that that the electricity has any NPAs associated with it and that the buyer must include such provision in any sale of the electricity in an subsequent sale it makes.
- (9) A utility may use renewable and nonemitting electric generation for compliance with 19.405.040(1) or 19.405.050(1) if it is acquired in an organized electricity market and that organized electricity market provides for the association of RECs or nonpower attributes with specified renewable or nonemitting electric generation claimed by the utility.

(10) A REC is not eligible under this section if the utility sells or otherwise transfers ownership of the electricity associated with the REC in a transaction that (a) contractually specifies the source of the electricity by a fuel source designated as renewable or nonemitting electric generation under RCW 19.405.020 or (b) transfers the nonpower attributes of the electricity.

### **NEW SECTION**

# WAC 480-100-6XX Portfolio planning requirements to comply with the greenhouse gas neutral standard

- (1) When submitting any plan required by statute to the commission, Aa utility must demonstrate in its Integrated Resource Plan (IRP) and Clean Energy Implementation Plan or its Integrated System Plan (ISP) how its resource acquisition, resource retirement, and continued investment in and operation of existing resources meet its primary compliance obligation under RCW 19.405.040(1)(a), or other minimum percentage or retail electric load established by the commission through an approved interim target, with renewable or nonemitting electricity in each compliance period beginning January 1, 2030.
- (2) Each utility required under RCW 19.280.040(1) and WAC 480-100-620 to prepare an integrated resource plan or an integrated system plan under [1589] must demonstrate compliance with the requirement in subsection (1) of this section\_through, at a minimum, an by showing through an hourly analysis of that the expected renewable or nonemitting output of the preferred resource portfolio\_could be generated and delivered to serve at least 80 percent of expected retail electric load., and how this is intended to meet its primary compliance obligation under RCW 19.405.040(1)(a).
- (3) In the hourly analysis under subsection (2) Each utility must include in its IRP or ISP at least one scenario in which, the amount of renewable or nonemitting energy that a utility designates for primary compliance uses for compliance with 19.405.040(1) or 19.405.050(1) in each month hour may not exceed the load served by that utility within the same hour month under adverse risk conditions.

# **NEW SECTION**

WAC 480-100-6XX Use of NPAs?renewable energy and nonemitting electric generation to comply with the 100 percent renewable or nonemitting standard.

- (1) The amount of renewable or nonemitting energy that a utility counts towards compliance with 19.405.050(1) in each month may not exceed the load served by that utility within the same month.
- (2) **WREGIS** registration. If WREGIS registers and tracks[?] RECs for a resource that meets the definition of nonemitting electric generation in RCW 19.405.020, a utility must verify, track, and retire those RECs in the same manner as RECs generated/created/tracked? from renewable resources.
- (3) Except as provided in subsection (4) or (5) of this section, a utility may not retire an NPA to comply with the requirements of RCW 19.405.050(1) unless:

- (a) The utility acquired the NPA and the electricity associated with the NPA in a single transaction through ownership or control of the generating facility or through a contract for purchase or exchange; and
- (b) The utility did not use the associated electricity for any purpose other than supplying electricity to its Washington retail electric customers.
- (4) An NPA that is associated with electricity purchased as specified renewable or nonemitting energy in an organized market but is acquired in a separate transaction than the associated electricity is eligible if:
- (a) the NPA is generated during the same month during which the utility purchased the associated electricity; and
- (b) the NPA was generated by the generator or balancing authority that the utility claims to be purchasing from. If no specific selling party is associated with the purchase, an NPA that was generated by a vendor supplying specified renewable or nonemitting energy the utility purchases from during that month is eligible.
- (51) A utility may use any NPA renewable electricity or nonemitting electric generation to comply with the requirements of RCW 19.405.050(1) if:
  - (a) The renewable electricity or nonemitting generation complies with WAC 480-100-6XX Use of renewable energy and nonemitting electric generation; or
  - (ab) The utility acquired the NPA electricity through participation in a clean electricity market; and
  - (cb) The NPA is associated with electricity includes ownership of or rights to the associated nonpower attributes when the electricity is acquired through participation in a clean electricity market; or
  - (de) The utility obtained all electricity supplied to its retail customers from clean electricity markets.
- (6) For purposes of this section, "clean electricity market" means an organized wholesale electricity market that provides for the physical deliveryspecified attribution of renewable and nonemitting electricity.