Department of Energy

Bonneville Power Administration
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Jeff Killip, Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, Washington 98503

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

Dear Mr. Killip:

The Bonneville Power Administration (BPA) submits these comments in response to the Washington Utilities and Transportation Commission's (UTC) November 2, 2024, Notice of Opportunity to File Comments on Draft Rules relating to electricity markets and compliance with the Clean Energy Transformation Act (CETA). BPA supports the UTC's decision to not include a monthly use cap and not further define "use" in this docket. This decision is consistent with the plain language of the statute, creates alignment between UTC and Washington Department of Commerce's rules, and supports Washington's transition to clean energy in a reliable and cost-effective manner.

BPA finds the draft rules relating to nonpower attributes (NPAs) to be slightly confusing. The current language talks about NPAs as if they are an instrument like a Renewable Energy Credit (REC). For example, WAC 480-100-6xxa (4) talks about the vintage of an NPA. As opposed to a REC, BPA has not thought of an NPA as a tangible certificate that would have a vintage. Rather, BPA has considered an NPA to be a statement about the nonpower attributes of a nonemitting resource. Given the federal system includes nonemitting (nuclear) generation, BPA requests further clarification on what the UTC means.

BPA appreciates the UTC's proposal to provide for a compliance pathway for renewable and nonemitting generation dispatched by an organized market and attributed to a utility in Washington. Given BPA may have federal system power attributed to load in Washington through an organized market, BPA requests further clarity on a few areas of the current language.

1) The proposed rules define a "Renewable Attribution Framework." The current attribution frameworks being developed by the CAISO and SPP enable attribution for any resources and are not limited to just renewable resources. Does "Renewable Attribution Framework" include those CAISO and SPP frameworks or is UTC referring to an attribution framework that is exclusively for renewable resources (and is not currently contemplated by either market

design)? If the UTC is referring to the former, BPA suggests the use the term "Resource Attribution Framework" instead.

2) The definition of "Renewable Attribution Framework" states that such a framework includes "protections against double counting." It is unclear to BPA if the currently contemplated CAISO and SPP market designs for attributing resources contain protections against double counting that would meet the UTC's proposed definition. If the UTC is intending the current attribution frameworks to qualify, BPA suggests that the UTC exclude "protections from double counting" or more precisely describe what the UTC intends by this qualifier.

3) WAC 480-100-6xxa (6) outlines two potential paths for compliance where electricity is attributed to the utility by an organized market's attribution framework. The first scenario states that "RECs or NPAs… are eligible to count towards a utility's primary compliance if the electricity is attributed to the utility by the organized electricity market's renewable attribution framework." More clarity is needed as to what the UTC intended with this and how it is distinguishable from the second scenario.

4) WAC 480-100-6xxa (8). In demonstrating that there is no double counting as it relates to an organized market, this section states that "the utility must not offer for sale in any organized electricity market the electricity without its associated RECs or NPAs characterized as a zero or non-GHG resource." This language is confusing because RECs are not transferred in the currently contemplated attribution frameworks. Is the UTC referring to a situation where the resource is attributed to a state (like California) as specified source zero-emissions electricity? Or does the UTC mean that a utility cannot indicate that the electricity should be counted as zero or non-emitting in a market-based residual emissions calculation, such as the residual mix outlined in SPP's tracking and reporting protocols?

We appreciate the UTC's work on these draft rules and time spent explaining the intent to BPA. Please contact me at 503.230.4358 or Melissa Skelton at mdskelton@bpa.gov if you have additional questions.

Sincerely,

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