

**BEFORE THE WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

In the matter of the Rulemaking to consider adoption of Markets and Compliance Requirements for the Clean Energy Transformation Act

DOCKET NO. UE-210183

NORTHWEST & INTERMOUNTAIN
POWER PRODUCERS
COALITION'S COMMENTS ON
DRAFT RULES

I. INTRODUCTION

The Northwest & Intermountain Power Producers Coalition (“NIPPC”) provides these Comments pursuant to the Washington Utilities and Transportation Commission’s (the “Commission”) November 4, 2024 Notice of Opportunity to Provide Comments (“Notice”) on draft rules issued November 4, 2024 (the “Draft Rules”). NIPPC continues to believe the Commission has broad discretion to interpret and implement the Clean Energy Transformation Act (“CETA”), including the long-disputed word “use”,¹ to best effectuate the legislative intent, which is for Washington State and particularly Washington’s electric utilities to decarbonize strategically and cost-effectively. NIPPC appreciates the opportunity to comment and supports the Commission’s removal of the monthly retirement requirement and various clarifications throughout the Draft Rules.

II. COMMENTS

A. Removal of the Monthly Retire Requirement

In the previous draft of the rules, NIPPC was concerned the rules required monthly retirement for compliance even though CETA has multiyear compliance

¹ See generally NIPPC Comments on Draft Rules (Nov. 12, 2021); NIPPC Comments for ‘Use’ Workshop (Feb. 16, 2024).

periods.² In the Commission’s Draft Rules, the Commission removed all references to monthly retirement. NIPPC supports the Commission’s removal of this monthly retirement requirement and believes the Draft Rules better align with CETA’s intent. CETA mandates a four-year compliance period. If a utility’s portfolio generates more clean energy in a given month than its monthly load requires, then the excess is not waste. Instead, the excess clean energy remains valuable towards the other 47 months of the compliance period. Thus, the Draft Rules do not de-value excess clean energy.

B. Double Counting Language Clarification

NIPPC had concerns that the previous draft of the rules on double counting was overbroad and would not recognize utilities could be reporting the same electricity and nonpower attributes for purposes of multiple programs such as CETA and the Energy Independence Act (“EIA”).³ In the Draft Rules the Commission added the clarification that double counting occurs when the renewable energy certificates (“RECs”), nonpower attributes or clean energy is used within another *load-based program*.⁴ NIPPC supports the Commission’s clarification here. A resource that complies with Washington’s renewable portfolio standard under the EIA should also be able to be used for compliance under CETA because the renewable portfolio standard is not a load-based program. This

² See NIPPC Comments on Draft Rules at 3-6 (May 10, 2024); see also Joint Comments of Avista, PacifiCorp, Puget Sound Energy, Alliance of Western Energy, Northwest & Intermountain Power Producers Coalition, and Western Power Trading Forum (June 21, 2024).

³ See NIPPC Comments on Draft Rules at 7-8 (May 10, 2024).

⁴ Compare 2024 Draft Rules 031924, WAC 480-100-6XX Use of [nonpower attributes] other than unbundled RECs to comply with the greenhouse gas neutral standard at Section 8 (Apr. 9, 2024) to Draft Use Rules at WAC 480-100-6XXa(8) (Nov. 4, 2024).

clarification ensures there will not be double counting, but allows CETA to align with other Washington programs like the renewable portfolio standard and the Climate Commitment Act. This will reduce costs to ratepayers and not create conflicting standards.

C. Revisions to Draft Rules on Competitive Markets

As noted in prior comments, NIPPC wholeheartedly supports the Commission’s goal of “uphold[ing] CETA’s statutory requirements while allowing for the efficient operation of energy markets.”⁵ NIPPC had general concerns with the last draft of the rules because some of the language was unclear.⁶ The Commission has made revisions throughout the Draft Rules, and NIPPC believes these revisions make the rules clearer. NIPPC is not opining on the specific language and reserves the right to respond to any concerns raised by other stakeholders.

D. Portfolio Planning Requirements

In the previous draft of the rules, NIPPC raised concerns that the rules were overbroad because they did not specify what plans were required under the portfolio planning requirements section.⁷ In the Draft Rules, the Commission clarified this section applies to the Integrated Resource Plan, Clean Energy Implementation Plan, Clean

⁵ *In Re Clean Energy Implementation Plans and Compliance with CETA, and Amending, Adopting, and Repealing WAC 480-100-238, Relating to Integrated Resource Planning*, Docket Nos. UE-191023 and UE-190698 (consolidated), Notice of Opportunity to File Written Comments at 3 (Nov. 5, 2020).

⁶ NIPPC Comments on Draft Rules at 2-3 (May 10, 2024).

⁷ NIPPC Comments on Draft Rules at 8 (May 10, 2024).

Energy Action Plan, or Integrated System Plan.⁸ NIPPC appreciates this clarification and reserves the right to raise additional questions as they emerge.

III. CONCLUSION

NIPPC appreciates the opportunity to comment, supports the Commission’s removal of the monthly retirement requirement and various clarifications throughout the Draft Rules, and looks forward to the Commission’s adoption of rules resolving the interpretation of “use.”

Dated this 27th day of November 2024.

Respectfully submitted,

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⁸ Draft Use Rules at WAC 480-100-6XXb(1) (Nov. 4, 2024).