

The following definitions to be changed in WAC 480-100-605

"Nonpower attributes" or "NPA" means all environmentally related characteristics, exclusive of energy, capacity reliability, and other electrical power service attributes, that are associated with the generation of electricity including, but not limited to, the facility's fuel type, geographic location, vintage, qualification as a renewable resource, and avoided emissions of pollutants to the air, soil, or water, and avoided emissions of carbon dioxide and other greenhouse gases. Nonpower attributes do not include any aspects, claims, characteristics, and benefits associated with the on-site capture and destruction of methane or other greenhouse gases at a facility through a digester system, landfill gas collection system, or other mechanism, which may be separately marketable as greenhouse gas emission reduction credits, offsets, or similar tradable commodities. However, these separate avoided emissions may not result in or otherwise have the effect of attributing greenhouse gas emissions to the electricity.

The following definitions to be added to WAC 480-100-605

(#) "Attribution" means a mechanism in a centralized electricity market that deems generation to states or zones that is not specific to a utility or other load-serving entity.

(#) "Market Allocation" means a non-dispatch-based accounting or reporting framework mechanism that operates after the dispatch of a centralized electricity market and that assigns generation and emissions to utilities or other load-serving entities participating in a centralized electricity market based on resources dedicated to those entities and market purchases.

(#) "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).

(#) "Centralized electricity market" means a wholesale electricity market that facilitates the purchase and sale of electricity between multiple participants.

(#) "Resource Allocation Framework" means a system or protocol that allows for the market allocation of specific resources dispatched in a centralized electricity market that the Commission has determined to have sufficient safeguards against the double counting of nonpower attributes.

(#) "Vintage" means the month and year in which electricity and its associated RECs are generated; in the case of an NPA, the month and year which the associated electricity is generated.

NEW SECTION

WAC 480-100-6XXa Use of RECs or NPAs other than unbundled RECs to comply with the greenhouse gas neutral standard.

(1) In order to designate a REC or NPA for primary compliance under RCW 19.405.040(1)(a) or to demonstrate progress towards an interim target established under RCW 19.405.060(1), a utility must comply with the requirements of this section. The requirements of this section apply to all RECs that are retired and NPAs from nonemitting resources that are reported to meet primary compliance.

(2) Each electric utility must retire any RECs associated with renewable or nonemitting electricity claimed for compliance. The vintage of the RECs being retired must be dated within the four-year compliance period for which the RECs are being claimed, whether for primary or alternative compliance.

(3) If a tracking system identified by the Washington Department of Commerce creates RECs for a resource that falls under the definition of nonemitting electric generation in RCW 19.405.020(28), a utility must obtain, verify, track, and retire those RECs in the same manner as RECs from renewable resources.

(4) For resources that do not generate RECs, a utility must demonstrate sole ownership of all NPAs associated with the electricity claimed towards primary compliance. The NPAs claimed towards primary compliance must be associated with electricity generated within the four-year compliance period for which the NPAs are being claimed, whether for primary or alternative compliance.

(5) Unless a REC or NPA is compliant with subsection (6) of this section, the utility must acquire the RECs or NPAs with the electricity associated with the RECs or NPAs in a single transaction through ownership or control of the generating facility or through a contract for purchase or exchange.

(6) RECs or NPAs associated with electricity generated by a renewable or nonemitting resource dispatched in a centralized electricity market are eligible to count towards a utility's primary compliance if:

(a) a market allocation of electricity to the utility occurs as a result of the centralized electricity market's resource allocation framework; and, if the utility does not already own the associated RECs or NPAs, the utility separately acquires the RECs or NPAs associated with the renewable or nonemitting electricity resulting from the allocation of the resource to the utility in the centralized electricity market, or

(b) the attribution of the electricity to Washington occurs as a result of the

centralized electricity market's resource allocation framework; and, if the utility does not already own the associated RECs or NPAs, the utility separately acquires the RECs or NPAs associated with the renewable or nonemitting electricity resulting from attribution of the resource to Washington in the centralized electricity market.

(7) The electricity associated with the RECs or NPAs must be consistent with WAC 480-100-650 (1)(d).

(8) A utility may retire a REC or demonstrate ownership of an NPA for the purpose of primary compliance only if the utility demonstrates that there is no double counting of that REC, NPA, or the associated clean energy within another load-based program in Washington or other jurisdictions. At a minimum, this requires that:

(a) any bilateral sale of electricity with its associated RECs or NPAs must include terms stating that the sale is of specified renewable or nonemitting electricity, and in the absence of such terms, the sale is presumed to be unspecified electricity, and

(b) any electricity generated by a renewable or nonemitting resource and offered for sale by the utility in a centralized electricity market shall not be offered as specified power, and the utility must ensure that the associated RECs or NPAs are not transferred to another entity.

(9) NPAs may only be used to demonstrate progress towards primary compliance instead of a REC if the associated electricity has not generated a REC.

NEW SECTION WAC 480-100-6XXb Portfolio planning requirements to comply with the greenhouse gas neutral standard.

(1) When submitting an Integrated Resource Plan, Clean Energy Implementation Plan, Clean Energy Action Plan, or Integrated System Plan required by statute to the commission, a utility must demonstrate how its planned resource acquisition, resource retirement, and continued investment in and operation of existing resources are projected to meet its primary compliance obligation under RCW 19.405.040(1)(a), in addition to any other minimum percentage of 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 must meet the requirement in subsection (1) of this section through, at a minimum, an hourly analysis of the renewable or nonemitting output of the preferred resource portfolio, and how this is intended to meet its primary compliance obligation under RCW

19.405.040(1)(a), or other minimum percentage of retail electric load established by the commission through an approved interim target, under expected renewable output conditions. If a plan referenced in subsection (1) only includes one portfolio, for the purposes of this section that portfolio is the preferred portfolio.

(3) When submitting an Integrated Resource Plan, Clean Energy Implementation Plan, Clean Energy Action Plan, or Integrated System Plan required by statute to the commission, each utility must include a scenario, based on an hourly analysis, of how effectively the preferred portfolio in subsection 6XXb-(2) would achieve primary compliance obligations under low renewable output conditions.

NEW SECTION

WAC 480-100-6XXc Use of RECs and NPAs to comply with the 100 percent renewable or nonemitting standard. (1) In order to use a REC or NPA to comply with the requirements of RCW 19.405.050(1), a utility must:

(a) Ensure that any REC or NPA submitted for compliance is consistent with all requirements of WAC 480-100-6XXa, including the requirements specifically related to primary compliance; and

(b) Demonstrate that the utility did not use the associated electricity for any purpose other than supplying electricity to its Washington retail electric customers.

EDITING EXISTING SECTION

WAC 480-100-650 Reporting and compliance

(3) **Annual clean energy progress reports.** On or before July 1st of each year beginning in 2023, other than in a year in which the utility files a clean energy compliance report, the utility must file with the commission, in the same docket as its most recently filed CEIP, an informational annual clean energy progress report regarding its progress in meeting its targets during the preceding year. The annual clean energy progress report must include, but is not limited to:

(a) Beginning July 1, 2027, and each year thereafter, an attestation for the previous calendar year that the utility did not use any coal-fired resource as defined in this chapter to serve Washington retail electric customer load.

(b) Conservation achievement in megawatts, first-year megawatt-hour savings, and projected cumulative lifetime megawatt-hour savings.

(c) Demand response program achievement and demand response capability in megawatts and megawatt hours.

(d) Renewable resource capacity in megawatts, and renewable energy usage in megawatt hours and as a percentage of electricity supplied by renewable resources.

(e) All renewable energy credits and the program or obligation for which they were used (e.g., voluntary renewable programs, renewable portfolio standard, clean energy transformation standards).

(f) Verification and documentation of the retirement of renewable energy credits for all electricity from renewable resources used to comply with the requirements of RCW 19.405.040, 19.405.050, a specific target, or an interim target, except for electricity purchased from Bonneville Power Administration, which may be used to comply with these requirements without a renewable energy credit until January 1, 2029, as long as the nonpower attributes of the renewable energy are tracked through contract language.

(g) Nonemitting resource capacity in megawatts, and nonemitting energy usage in megawatt hours and as a percentage of total electricity supplied by nonemitting energy.

(h) The utility's greenhouse gas content calculation pursuant to RCW 19.405.070.

(i) An electronic link to the utility's most recently filed fuel mix disclosure report as required by RCW 19.29A.140.

(j) Total greenhouse gas emissions in metric tons of CO₂e.

(k) Demonstration of ownership of nonpower attributes for nonemitting generation using attestations of ownership and transfer by properly authorized representatives of the generating facility, all intermediate owners of the nonemitting electric generation, and an appropriate company executive of the utility; the utility may not

transfer ownership of the nonpower attributes after claiming them in any compliance report.

(l) The following information on at least a monthly basis, in MWh;

(i) The amount of renewable or nonemitting energy that the utility counts towards primary compliance, categorized by resource type, identified by the vintage of the associated RECs or NPAs;

(ii) The total load served by the utility before line losses;

(iii) The retail load served by the utility; and

(iv) The total amount of energy storage resource charging, for supply-side resources owned or contracted by the utility, that the utility fulfilled.

(m) The storage efficiency of the resources reported in subsection (l) of this section.

(n) Other information the company agreed to or was ordered to report in the most recently approved CEIP or biennial CEIP update.