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pse.com

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

Re: Puget Sound Energy's Comments Relating to Electricity Markets and Compliance with the Clean Energy Transformation Act "Use" Rules; Docket UE-210183

Dear Director Killip,

Puget Sound Energy (PSE) respectfully submits these comments in response to the Washington Utilities and Transportation Commission's (Commission) July 18, 2025, Notice of Opportunity to File Written Comments on Draft Rules (Notice) on its proposed update to its "Use" rules. The proposed rules interpret and implement the "use" of electricity to comply with Washington's Clean Energy Transformation Act (CETA)<sup>1</sup>. The Commission's rules address the prohibition on double counting for nonpower attributes and interpret the 'use' of energy in a centralized energy market.

PSE supports the proposed rules issued in the Notice and appreciates staff's engagement, responsiveness, and work on the complex discussions around CETA integration with centralized electricity markets. The proposed rules strike the right balance to support regional market participation and create a pathway for PSE customers to experience the benefits of a day-ahead market. Additionally, PSE values the clarity provided by the proposed rules. This clarity enables utilities to work towards implementing the significant transformation envisioned by CETA.

With respect to the new proposed reporting language in the annual Clean Energy Progress Reports in the reporting and compliance rules<sup>2</sup>, the Commission asks utilities to provide this data for the first time in the July 2026 Clean Energy Progress Report. However, due to the existing reporting rules<sup>3</sup> the utility will not file an annual Clean Energy Progress Report in 2026, the same year in which they submit a Clean Energy Compliance Report, which is also due July 1, 2026. Therefore, the Commission should consider clarifying that the new language proposed in subsection (3)(l) must be provided beginning July 1, 2027.

<sup>&</sup>lt;sup>1</sup> Title 19, Chapter 405 of the Revised Code of Washington

<sup>&</sup>lt;sup>2</sup> WAC 480-100-650 (3)

<sup>&</sup>lt;sup>3</sup> WAC 480-100-650 (3), "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, [...]"

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## (3) Annual clean energy progress reports.

[...]

- (l) Beginning July 1, 20267, and each year thereafter, the following information on at least a monthly basis, in megawatt hours:
  - (i) The total amount of renewable or nonemitting energy that is generated or purchased, categorized by resource type, justified by associated RECs or NPAs;
  - (ii) 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;
  - (iii) The total load served by the utility before line losses;
  - (iv) The retail load served by the utility; and
  - (v) The total amount of energy storage resource charging and discharging, for supply-side resources owned or contracted by the utility, categorized by resource type.

PSE appreciates the opportunity to comment on the draft rules and is committed to the state's clean energy transformation and to making progress toward meeting the 2030 and 2045 long-term CETA standards.

Please contact Jessica Zahnow at (971) 200-6026 or <u>jessica.zahnow@pse.com</u> for additional information about this filing. If you have any other questions, please contact me at (425) 462-3051.

Sincerely,

## /s/ Wendy Gerlitz

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