

STATE OF WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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September 13, 2023

NOTICE OF OPPORTUNITY TO FILE WRITTEN COMMENTS (By November 17, 2023)

Re: Rulemaking to update WAC 480-100 regarding investor-owned utility obligations under the Climate Commitment Act,

Docket U-230161

TO ALL INTERESTED PERSONS:

On September 13, 2023, the Washington Utilities and Transportation Commission (Commission) filed with the Code Reviser a Preproposal Statement of Inquiry (CR-101) to consider revisions to chapters 480-100 of the Washington Administrative Code (WAC) regarding the obligations of investor-owned utilities (IOUs) under the Climate Commitment Act (CCA).¹

In 2019, the Legislature enacted CETA, which requires IOUs to eliminate coal-fired electricity by 2025, to achieve carbon-neutrality by 2030, and to be carbon-free by 2045. CETA requires the Commission to review Clean Energy Implementation Plans (CEIPs) filed by IOUs, and it provides the Commission with broad -rulemaking authority.

More recently, in 2021, the Legislature passed the CCA to reduce greenhouse gas (GHG) emissions from a variety of covered entities. Also referred to as "Cap and Invest," the law establishes a declining cap on GHG emissions from covered entities and is intended to reduce state emissions by 95 percent by 2050. IOUs subject to CETA are provided "no cost" allowances to mitigate the cost impacts of the CCA on electricity customers. RCW 70A.65.120(1). The Department of Ecology (Department) must allocate no cost allowances to IOUs consistent with a forecast approved by the Commission, reflecting each IOUs supply and demand, as well as the cost burden resulting from inclusion of IOU under the CCA. RCW 70A.65.120(2).

In this rulemaking, the Commission seeks to consider whether WAC chapter 480-100 should be revised given the need for supply and demand forecasts to be submitted to the Department for

¹ RCW 70A.65.

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allocation of no cost allowances. The Commission specifically intends to consider potential revisions to WAC 480-100-620, WAC 480-100-640, and WAC 480-100-650, which set forth the requirements for Integrated Resource Plans (IRPs), CEIPs, and subsequent reporting and compliance.

The Commission seeks to consider other revisions or potential new sections for WAC chapter 480-100, addressing (1) the use of revenues collected from an IOU through the consignment and auction of no cost allowances for the benefit of ratepayers, and (2) the allocation methodology for any potential costs associated with IOUs implementation of the CCA.

The Commission filed the CR-101 under Docket U-230161. The Commission is engaged in an ongoing series of workshops in this Docket concerning the obligations of IOUs and the Commission under the CCA.

The CR-101, as filed with the Code Reviser, is available for inspection on the Commission's website at http://www.utc.wa.gov/casedocket/2023/230161. If you are unable to access the Commission's web page and would like an electronic copy of the CR-101 emailed to you, please contact the Records Center at (360) 664-1234 or at records@utc.wa.gov.

WRITTEN COMMENTS

Written comments on the CR-101, pursuant to WAC 480-07-250(3), must be submitted in electronic form, specifically in searchable .pdf format (Adobe Acrobat or comparable software). As provided in WAC 480-07-140(5), those comments must be submitted via the Commission's web portal at www.utc.wa.gov/e-filing. If you are unable to submit documents via the portal, you may submit your comments by email to the Commission's Records Center at records@utc.wa.gov or by mailing or delivering an electronic copy to the Commission's Records Center on a flash drive, DVD, or compact disc that includes the filed document(s). Comment submissions should include:

- The docket number of this proceeding (Docket U-230161);
- The commenting party's name; and
- The title and date of the comment or comments.

The Commission will post on its web site all comments that are provided in electronic format. The web site is located at http://www.utc.wa.gov/casedocket/2023/230161.

If you are unable to file your comments electronically, the Commission will accept a paper document. If you have questions regarding this rulemaking, you may contact Aaron Cahen at (360) 489-2666, or by email at aaron.cahen@utc.wa.gov, or Charlie Inman at (360) 664-1303, or by email at charlie.inman@utc.wa.gov.

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If you do not want to comment now, but do want to receive future information about this rulemaking, please notify the Executive Director and Secretary in one of the ways described above and ask to be included on the mailing list for Docket U-230161. <u>If you do not do this, you might not receive further information about this rulemaking.</u>

KATHY HUNTER

Acting Executive Director and Secretary