



Department of Energy

Bonneville Power Administration
P.O. Box 3621
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In reply refer to: DI-7

The Bonneville Power Administration (BPA) appreciates the opportunity to provide comments on the Washington Department of Ecology's (Ecology) proposed approach for the GHG emissions content in electricity as presented at the January 14 Clean Energy Transition Act (CETA) stakeholder meeting. BPA has voluntarily reported its fuel mix to the Washington Department of Commerce (Commerce) for years and understands this rulemaking may have implications for that fuel mix disclosure and CETA compliance for BPA's Washington preference customers or investor-owned utilities purchasing from BPA. Accordingly, BPA seeks further clarification and discussion around the application of transmission losses to the proposed calculation of emissions.

Given that CETA applies to retail sales, BPA requests additional discussion and clarification on the relevance of including transmission losses in the calculation of emissions. RCW 19.405.040 states "it is the policy of the state that all retail sales of electricity to Washington retail electric customers be greenhouse gas neutral by January 1, 2030" and that utilities must "use electricity from renewable resources and nonemitting electric generation in an amount equal to one hundred percent of the utility's retail electric loads..." "Retail electric load" is defined as "the amount of megawatt hours of electricity delivered in a given calendar year by an electric utility to its Washington retail electric customers." Transmission losses arise in a wholesale setting, not retail. Thus, including transmission losses appears inconsistent with the statute.

If Ecology arrives at a determination to include transmission losses in the calculation, Ecology's proposed methodology is overly simplistic and requires further clarification in order to accurately account for transmission losses. For example, Ecology's proposed approach could lead to unintended consequences for, but not limited to, the following scenarios:

- **Gross or net generation from specific generating facilities.** For BPA, this includes the hydropower generation from the Federal Columbia River Power System and nuclear generation from the Columbia Generating Station. Since BPA reports gross generation measured at the meter at the individual project, it would be inappropriate to calculate transmission losses. Ecology's proposed calculation would result in overstating generation from these carbon-free facilities.
- **Unspecified market purchases.** Generally, these purchases do not include transmission losses from the generating source to point of delivery. However,

practices can vary by Balancing Authority Area. Some flexibility is needed to avoid double counting losses. Any proposed approach that embeds transmission losses in the emissions factor does not allow for this flexibility.

Additionally, BPA's long-term power sales agreements allow its preference customers to purchase transmission losses for customers' non-federal resource (e.g. market purchase) from BPA. In such instances, careful consideration is needed to avoid double counting losses and identifying the correct fuel type and emissions factor attributable to the transmission losses.

Given the complexities of this subject and the overall question around applicability of transmission losses under CETA, BPA requests that staff leads from Ecology and Commerce spend more time at a future workshop discussing transmission losses if Ecology and Commerce continue to pursue including transmission losses in the GHG reporting requirements for CETA. Please feel free to contact myself at 503.230.4358 or Liz Klumpp at 360.943.0157 if you have any questions.

Thank you,



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