

# Tacoma Power

Tacoma Power comments on Chapter 173-441, Reporting of Emissions of Greenhouse Gases

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***Filed Via Web Portal***

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**RE: Rulemaking – Chapter 173-441 WAC, Reporting of Emissions of Greenhouse Gases**

On October 6, 2021, the Washington Department of Ecology (Ecology) issued form CR-102 (WSR 21-20-137) soliciting formal comments on proposed amendments to Chapter 173-441 WAC (Reporting of Emissions of Greenhouse Gases) by November 16, 2021. Tacoma Power appreciates this opportunity to submit written comments. Tacoma Power is a municipally-owned utility that serves more than 400,000 residents in the City of Tacoma, several surrounding cities, Joint Base Lewis McCord, and parts of unincorporated Pierce County. We serve our customers with 97 percent carbon-free electricity from our own hydroelectric electricity projects and through contract hydropower from the Bonneville Power Administration.

**Request that Ecology host a technical workshop to develop an interim solution for estimating emissions associated with EIM imports.**

Tacoma Power is a signatory on the Joint Utility comments that address the proposed reporting for the Western Energy Imbalance Market (EIM) or other centralized market transactions. Treatment of the EIM is a priority issue for Tacoma Power. We have made significant investments to join the EIM in March 2022, and we strongly support the recommendations made in the Joint Utilities comment on this issue. Tacoma Power's intent is not to exempt or delay the accounting of EIM emissions, but rather to urge Ecology to take immediate action to host a technical workshop where an interim solution for estimating emissions associated with EIM imports can be developed. This will require setting aside the current references to EIM purchases for the time being. We believe it will be invaluable to have the perspectives of the EIM entities, CAISO staff, and BPA in a technical work workshop. We hope that Ecology would do everything it can to facilitate their participation in the technical workshop so that stakeholders can have an informed discussion about options and data that exist to support an interim solution. With an

interim solution in place, Ecology will then have what it needs to initiate the EIM rulemaking as directed by the Legislature.

### **Clarifying the reporting timeline for electric power entities.**

In comments previously submitted by the PGP, it was recommended that Ecology move the reporting deadline for electric power entities to June 1 and the verification deadline to August 10. However, we recognize that the Washington statute specifically calls out March 31 as the reporting deadline. We hold a valid concern that the March 31 deadline sequence is not feasible and will create not only inefficiencies in the reporting process, but also any data submitted in the March 31 report would be incomplete or preliminary and therefore not of decision-making quality.

Along with PGP, we request that WAC 173-441-050(2)(b) (“Reporting requirements begin...”) be changed to specify the reporting initiation year for electric power entities as March 31, 2023 for 2022 emissions data. We believe this would be consistent with what Ecology staff indicated during the Public Hearing on the draft rule held November 9, 2021, that electric power entities will not be expected to submit their first report until March 31, 2023, for 2022 emissions data.

### **Technical concerns.**

WAC 173-441-030(3) provides that reporting is mandatory for an owner or operator of an electric power entity that imports or delivers 10,000 MTCO<sub>2e</sub> or more per calendar year in total GHG emissions from all applicable source categories listed in WAC 173-441-124.

Nonetheless, the “applicable source categories” provided in WAC 173-441-124(1)(a) that are to be used to determine the applicability of the mandatory reporting requirement are circular in relation to the defined subcomponents of the “electric power entity” itself. It is unclear whether this circularity is intentional, given that the remainder of WAC 173-441-124 refers not to the enumerated source categories (i.e., “electricity importers and exporters,” “retail providers,” and “BPA”), but rather to “specified”<sup>1</sup> versus “unspecified”<sup>2</sup> sources of electricity. Along with PGP, we recommend that, instead of equating applicable source categories with other electric power entities, Ecology delineate source categories by electricity product sources, such as specified versus unspecified sources.

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<sup>1</sup> WAC 173-441-124(2)(j) defines “specified source of electricity” or “specified source” to mean “a facility, unit, or asset controlling supplier that is permitted to be claimed as the source of electricity delivered. The reporting entity must have either full or partial ownership in the facility or a written power contract to procure electricity generated by that facility or unit or from an asset controlling supplier at the time of entry into the transaction to procure electricity.”

<sup>2</sup> WAC 173-441-124(2)(k) defines “unspecified source of electricity” or “unspecified source” to mean “a source of electricity that is not a specified source at the time of entry into the transaction to procure electricity.”

Once again, thank you for the opportunity to provide comments on Ecology's Rulemaking – Chapter 173-441 WAC, Reporting of Emissions of Greenhouse Gases. Tacoma Power looks forward to continued collaboration with Ecology and other stakeholder to work through implementation of the Carbon Commitment Act.

Sincerely,

*Lisa F Rennie*

Lisa Rennie

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