



January 26, 2022

Filed Via Web Portal

ATTN: Cooper Garbe
Department of Ecology
Air Quality Program
P.O. Box 47600
Olympia, WA 98504-7600

RE: Rulemaking – Informal Comment Period on Climate Commitment Act Program Rule, Chapter 173-446 WAC

The Public Generating Pool—which represents eleven consumer-owned utilities that own and operate approximately 8,000 megawatts of generating resources in the state and purchase approximately 45 percent of Bonneville Power Administration’s preference power—appreciates the extension of the informal comment period for the Climate Commitment Act (CCA) Program rulemaking, Chapter 173-446 WAC. PGP submitted an initial round of informal comments for this rulemaking on December 1, 2021; we reiterate our initial comments and submit these additional comments for your consideration. PGP has also joined and reiterates the Joint Utility comments (dated January 26th) that address issues such as the calculation of the electric power sector baseline, the allocation of no-cost allowances to electric utilities, auction mechanics, and the banking of allowances.

In addition, we recommend the following changes and considerations for inclusion in the CCA program rules.

1. The rules should preserve and reflect the ability for Bonneville Power Administration (BPA) to voluntarily elect to comply with the program.

The draft rules [WAC 173-446-040(3)(e)(ii)] appear to eliminate the option for BPA to be considered the electricity importer and first jurisdictional deliverer (FJD) for the purpose of allotting covered emissions to BPA power purchases. This provision is inconsistent with the statutory language of the CCA, which allows BPA to choose to voluntarily comply with the program and thereby be considered the electricity importer [RCW 70A.65.010(27)(e)]. The draft rules should be modified to align with statute.

The draft rules also omit the ability for allowances to be transferred between BPA and electric utilities and used for direct compliance [RCW 70A.65.120(6)]. Implementing this statutory provision in the program rules will enable greater efficiencies in administration of the CCA Program for BPA and its utility customers.

2. The rules for the allocation of no-cost allowances to electric utilities must explicitly consider the impact of economy-wide electrification.

RCW 70A.65.120(7) requires that “rules establishing the allocation of allowances to consumer-owned utilities and investor-owned utilities [...] consider the impact of electrification of buildings, transportation, and industry on the electricity sector.” The draft rules do not currently reflect any consideration of economy-wide electrification in the allocation of allowances to electric utilities and should be amended in order to reflect this statutory requirement.

Thank you for your consideration of our comments. We look forward to further engaging with the Department of Ecology during the formal rulemaking process.

Sincerely,

/s/ Mary Wiencke

Mary Wiencke
Executive Director
Public Generating Pool