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See attached



August 4, 2023

Sent via E-mail

Attention: Luke Martland
Department of Ecology
Air Quality Program
P.O. Box 47600
Olympia, WA 98504-7600

RE: Stakeholder Process for Electricity Markets Rulemaking

On July 25, 2023, the Department of Ecology (Ecology) announced that it is soliciting informal comments for the Electricity Markets Rulemaking under the Climate Commitment Act (CCA) through August 16, 2023. The Public Generating Pool (PGP), a trade association representing nine consumer-owned utilities that own and operate their own generating resources in Oregon and Washington, applauds Ecology for opening this rulemaking well in advance of the October 1, 2026, statutory deadline. This rulemaking will be critical to ensuring that Washington's cap-and-invest program is incorporated into wholesale organized electricity markets in a way that advances the goals of the CCA at the least cost and enables full participation of Washington entities in organized markets. PGP appreciates the opportunity to comment.

On July 25th and August 2nd, Ecology staff hosted informational meetings on the rulemaking that included an introduction by the Regulatory Assistance Project (RAP) to greenhouse gas (GHG) reporting and accounting frameworks in the two Day Ahead Markets currently in development in the West: the California Independent System Operator's Extended Day Ahead Market (CAISO EDAM) and the Southwest Power Pool's (SPP) Markets+ Initiative. Ecology has expressed that these two informational meetings will be followed by a listening session on August 17th and two draft rule language input meetings in October 2023.

While PGP greatly appreciates the introductory presentation by the RAP, we believe that establishing a common technical and policy understanding of GHG design issues in the proposed Day Ahead Markets and existing Western Energy Imbalance Market (WEIM) through a collaborative process is foundational to the development of draft rule language. Consistent with the March 17th joint linkage process letter to Ecology, PGP believes that more public process, including participatory and collaborative stakeholder meetings and discussion, as well as technical expertise, is necessary and critical to avoiding unintended consequences.

To that end, PGP **strongly encourages** that Ecology provide opportunities for public presentations by and direct public dialogue with [CAISO's GHG Coordination Working Group](#) leads and [SPP's Markets+ GHG Task Force](#) staff in advance of the October draft rule language input meetings. These informational

presentations should be paired with opportunities for roundtable discussion of each market operator's GHG design framework(s) among stakeholders. In the case of the CAISO, discussion should focus on both the current WEIM design and the proposed design for the EDAM. These stakeholder engagement opportunities could be facilitated by a neutral third-party entity, such as the RAP, with participation and input from the Utilities & Transportation Commission (UTC) and the Department of Commerce as well as Ecology. In addition to informational level-setting presentations by CAISO and SPP staff, PGP also recommends that Ecology provide opportunities for stakeholder presentations of alternative perspectives on issues germane to the rulemaking. Precedent for this approach to stakeholder engagement as part of an agency rulemaking exists in the Department of Commerce's robust stakeholder process for its Clean Energy Transformation Act rulemakings (see sample workshop agenda and stakeholder presentation materials [here](#)).

In addition, PGP respectfully requests that Ecology publish a work plan for this phase of the rulemaking akin to the [CCA Work Plan](#) published by the UTC for its dedicated workshop series, including the anticipated dates for public meetings and informal comment deadlines.

PGP is not requesting an extension of time for the rulemaking or simply additional unidirectional meetings and "listening sessions" hosted by Ecology. Rather, PGP is proposing a more robust public process within the "Rule Announcement" phase that is geared toward fostering collaboration and discussion on challenging issues among stakeholders. This approach should ultimately save time and effort by ensuring that the initial draft rules are informed by a collaborative process, likely to be supported by stakeholders, and are technically feasible and legally sound.

Thank you for the opportunity to provide initial input on the Electricity Markets Rulemaking. PGP looks forward to continued dialogue with Ecology as implementation of the CCA progresses.

Sincerely,

/s/ Mary Wiencke

Mary Wiencke

Executive Director

Public Generating Pool