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## **RE: Feedback on Centralized Electricity and Electricity Imports**

TransAlta Energy Marketing (U.S.) Inc. (TEMUS) appreciates the opportunity to submit feedback in response to the Washington Department of Ecology’s (Ecology) request on May 5, 2026 for comments on the updated draft of the rule language specific to electricity imports and centralized electricity markets ([WAC 173-441-124](#)).

TransAlta owns and operates over 700 MW of generation capacity in Washington and transacts physical and financial wholesale power across multiple markets including AESO, CAISO, Mid-C, DSW, SPP, PJM, MISO, ISO-NE, ERCOT, and NYISO, as well as trading in environmental markets across Canada and the US. Given its activities in Washington state and in connected electricity markets across the western United States, TransAlta has a vested interest in understanding the proposed impacts and requirements of linkage with the California electricity market.

### **Summary**

TEMUS appreciates Ecology’s efforts to gather early input from industry stakeholders regarding proposed rule revisions. Overall, TEMUS recommends that Ecology consider additional clarity regarding the definition of deemed importer, common point, composite source, and wheel-throughs.

### **Comments**

#### *Deemed Importer*

In addition, the term “scheduling coordinator” is not defined in the draft rules. Presumably Ecology intends this to be the entity authorized to interface with the centralized market and receive settlements. In the markets that the CAISO operates, including the Western Energy Imbalance Market (EIM) and the Extended Day-ahead Market (EDAM), the scheduling coordinator (SC) acts on behalf of resources (EIM) or market participants (EDAM). The equivalent term in Markets+ is “Market

Participant”.<sup>1</sup> In either case, the authorized entity could be interfacing with the market on behalf of owned assets, or acting as a third-party on behalf of other entities embedded in the market footprint. This third-party actor may or may not be contracted.

The definition of "deemed market importer" in 173-441-124(2)(b) determines which entity *legally* holds the carbon obligation for energy imported from a centralized market. The currently proposed definition assigns that obligation to the Scheduling Coordinator. TEMUS reiterates its previously submitted comments regarding this definition: in cases where the SC is acting on behalf of another entity, the proposed definition *legally* assigns the carbon obligation to a third-party instead of to the actual source of the emission.

#### *Common Point*

TEMUS supports the inclusion of a clear definition of a “common point” for determining wheels through the state. This definition is necessary to accommodate wheeled transactions that are forced to use redirected transmission, and therefore the Point-of-Receipt (POR)/ Point of Delivery (POD) on the e-tags may not match exactly even though energy is not sunk in Washington.

However, the second part of the definition (i.e. 173-441-124(mm)(ii)) is confusing and perhaps is intended to refer to a trading hub that is also a POD/POR but not a physical location, such as MIDC. If this is the intent of subsection (ii), it might be clearer to include a definition of “trading hub” and have subsection (ii) rely on that definition.

#### *Composite Source*

TEMUS also supports the addition of a definition of a “composite source”. TEMUS recommends that Ecology consider expanding this definition to include unspecified energy.

In addition, it is unclear whether a composite source could also be a common point. This could be possible in instances where a large generating facility is also a generation-only balancing area. If a composite source may also be a common point, then wheeling through a composite source would also not be classified as an import.

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<sup>1</sup> [markets plus dictionary may 2025.pdf](#)

### *Wheel-throughs*

TEMUS would appreciate additional clarity regarding the language in subsection 173-441-124(3)(a)(iii)(C), as it reads that importers must report to Ecology wheels of *unspecified* energy to:

1. Unlinked jurisdictions (i.e., Oregon), *or*;
2. Only linked jurisdictions (i.e., California) with rules addressing wheels through Washington.

Therefore, wheels of *unspecified* energy to linked jurisdictions *without rules specific to Washington state* would *not* be reported to Ecology.

Read in its entirety it is unclear as to whether this subsection aligns with the intent of Senate Bill (SB) 6058 to exempt wheel-throughs from carbon obligations.

TEMUS looks forward to collaborating with the Ecology and stakeholders on the important work to implement the Climate Commitment Act and linkage with other markets.

Yours truly,

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**TransAlta Energy Marketing (U.S.) Inc.**