

## The Energy Authority (Chris Weber)

Please find attached TEA's comments. Thank you!

Climate Pollution Reduction Program  
Washington Department of Ecology  
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## Re: Feedback requested on draft amendments to the section “Calculation methods for electric power entities” in the Reporting of Emissions of Greenhouse Gases Rule – WAC 173-441-124

TEA appreciates the opportunity to comment on the proposed amendments to WAC 173-441-124 and commends Ecology for the significant work reflected in this draft. We are broadly supportive of the proposed changes, which represent meaningful improvements to the reporting framework for electric power entities. Our comments are intended to be constructive and to assist Ecology in identifying areas where additional clarity may be needed before the 2027 emissions year effective date.

We wish to flag three topics not explicitly addressed in the proposed rules that we believe warrant attention as implementation approaches – these topics shape our thinking as Ecology continues to refine the program:

### **Linkage with California and linked jurisdiction identification**

The proposed rules include accounting treatment for imports from linked jurisdictions, including a zero-emissions designation for such imports under WAC 173-441-124(2)(q)(ii). We support this treatment. However, the rules do not yet establish an operational framework for how reporting entities are to identify whether a given import originates from a linked jurisdiction — particularly for electricity transacted through centralized markets such as EDAM or the western energy imbalance market, where settlement data does not currently disaggregate imports by the compliance program status of the underlying resource.

We recognize that linkage implementation is an active and complex process, and we understand that Ecology is engaged with CARB on these questions. We would encourage Ecology to consider whether supplemental guidance on linked jurisdiction identification for centralized market transactions will be needed before January 1, 2027, given the compressed timeline between any linkage effective date and the start of the first emissions year covered by these rules.

### **EDAM and Markets+ transition**

The proposed rules retain transitional reporting provisions for the western energy imbalance market through emissions reporting year 2026, but do not establish a replacement framework for electric power entities with Washington obligations participating in the extended day ahead market or Markets+ beginning in 2027. These two markets present distinct situations. EDAM has already launched, and the PacifiCorp balancing authority area joined on May 1, 2026, with

additional balancing authority areas expected to follow. Washington electric power entities transacting within or across EDAM-participating balancing authority areas may already have reporting obligations that the current transitional framework does not clearly address. Markets+ is currently targeted for launch in October 2027, meaning participants will be operating outside a functioning day-ahead market for the first ten months of the 2027 emissions year, and the reporting framework for Markets+ transactions will need to be in place before that launch. We are aware that Ecology has been engaged in stakeholder processes around GHG treatment in both markets and appreciate that work. We flag these gaps here to underscore that reporting entities will benefit from clarity as early as possible ahead of the 2027 effective date.

### **WA-CA reporting coordination**

As Washington and California move toward linkage, transactions in shared centralized markets will be subject to reporting obligations in both jurisdictions. We encourage Ecology to continue its coordination with CARB on attribution methodologies to ensure consistent treatment of shared transactions across the two programs.

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## **1. WAC 173-441-124(2)(f)(xiii) — Pro rata attribution for bulk unspecified centralized market imports**

We support the addition of WAC 173-441-124(2)(f)(xiii), which appropriately places the reporting obligation for bulk unspecified centralized market imports with the load-serving entity rather than with intermediaries such as scheduling coordinators.

We anticipate that the pro rata attribution methodology will be developed and administered by the relevant market operators, with reporting entities turning around that data to Ecology through the standard reporting and verification process. We encourage Ecology to remain engaged with CAISO and SPP on how these attribution methodologies develop, to ensure that the reporting and verification framework can accommodate the data that market operators will provide to reporting entities.

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## **2. Principal/agent distinctions — resource-side and load-side obligations**

We support the treatment reflected in WAC 173-441-124(2)(f)(xii) and WAC 173-441-124(2)(f)(xiii), where the reporting obligation flows to the Washington retail provider or retail end user in BPA backstop situations and pro rata allocation of bulk unspecified centralized market imports. This appropriately distinguishes the load-side obligation — which should follow the entity with underlying load responsibility — from the resource-side deemed market importer construct, where the scheduling coordinator or participating resource entity is the correct compliance principal. We encourage Ecology to ensure this distinction is carried through consistently in verification guidance.

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### **3. Composite source accounting and aggregated zero-emissions generation sources — WAC 173-441-124(3)(a)(xii) and WAC 173-441-124(3)(a)(xiii)**

We support the addition of both the aggregated zero-emissions generation source provision in WAC 173-441-124(3)(a)(xii) and the composite source accounting method in WAC 173-441-124(3)(a)(xiii). These provisions offer useful optional tools for entities operating aggregated resources with interdependent physical characteristics, and we believe they reflect a practical understanding of how these systems operate.

We read these provisions as optional paths that complement rather than replace existing specified source reporting practices, and we encourage Ecology to confirm this reading. We also encourage Ecology to provide clarity on how competing claims are to be resolved where one entity claims a specified source directly under existing practices and another entity claims the same underlying generation through the composite source accounting framework or aggregated zero-emissions source provision. The seller warranty requirement in WAC 173-441-124(3)(a)(iv) addresses chain of title within a single claim but does not clearly resolve conflicts between claims made through different methodologies. Guidance on this question would reduce the risk of duplicative claims and inconsistent verification outcomes.

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### **4. Linked jurisdiction identification for centralized market imports — WAC 173-441-124(2)(q)(ii)**

We support the zero-emissions treatment for imports from linked jurisdictions reflected in WAC 173-441-124(2)(q)(ii). As noted in our preamble comments, however, the practical application of this provision for centralized market transactions will depend on the availability of sufficient settlement data to identify linked jurisdiction origin. We encourage Ecology to consider this question as linkage implementation proceeds.

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### **5. Potential drafting error — WAC 173-441-124(2)(pp)**

We note that the draft rule assigns the subsection label (pp) to two distinct definitions: "electricity wheeled through the state" and "market purchaser." We encourage Ecology to review this in drafting the final rule, with "market purchaser" renumbered as WAC 173-441-124(2)(qq) consistent with sequential order.

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## **Closing**

TEA thanks Ecology for the opportunity to provide comments on the proposed amendments to WAC 173-441-124 and for the thoughtful work reflected in this draft rulemaking. We are supportive of the direction these amendments take and hope our comments are useful as Ecology moves toward finalizing the rule. We would welcome the opportunity to discuss any of



the topics raised in these comments at Ecology's convenience. Please do not hesitate to reach out with any questions.

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Sincerely,

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