Big Bend Electric Cooperative, Inc.

1373 N. Hwy 261
PO Box 348
Ritzville, WA 99169-0348

Telephone: (509) 659-1700
Fax: (509) 659-1404
www.bbec.org

December 5, 2025

Department of Ecology
Climate Pollution Reduction Program
P.O. Box 47600, Olympia, WA 98504-7600

Re: Cap-and-Invest: Electric Utility Allocation, Nov. 13th Workshop Comments

Big Bend Electric Cooperative (Big Bend) is commenting on the Washington Department of Ecology's (Ecology) Cap-and-Invest Electric utility allocation public workshop held on November 13th, 2025. These comments are addressing Ecology's requested specific feedback in the presentation slide deck:

1. Allocation design (slide 29)
2. Administrative allocation (slide 36)
3. Consignment requirements (slide 40)
4. Forecast details (slide 45)

Allocation design

On slide 26, Ecology proposed to publish the v2027-2030 allocation schedule in October 2026. Big Bend is in support of having this information as soon as possible with the understanding of potential future adjustments as described in the guidance issued under Publication 25-14-108. It is our understanding that a utility can request an adjustment, if needed, to support unforeseen load growth that results in a divergent cost burden. Big Bend supports the question posed in TEA's December 1 comments requesting clarification on the "15% divergence" guideline stated in the said guidance.

On slide 28, Ecology proposed to have a single BPA ACS emission factor of 0.05 MTCO2e/MWh for the 2027-2030 allocation schedule. While, this would be administratively simple and would provide stability, this could result in over/under allocations based on the actual ACS factor calculated. The BPA allocation calculation should stay tied to CARB and have consistency with the CA Carbon Market.

Administrative allocation

Big Bend is in support of a standardized allocation to mitigate administrative costs and in particular, Concept 1, as well as the distribution of the allowances in a manner that allows for the ability to use these allowances for the first compliance period obligation.

Consignment requirements

On slide 39, Ecology proposes the clarification of WAC 173-446-230(6) and WAC 173-446-425. Big Bend is in support of clarifying that a utility does <u>not</u> have to consign no-cost allowances if the utility will be using no-cost allowances for direct compliance obligations or for transfer to a federal power market administration. Said differently, utilities who are registered in CITSS, should NOT be required to consignment no-cost allowances as those allowances may be necessary for future compliance obligations. Each utility should be able to make those business decisions individually.

BBEC does agree with TEA's suggestion that unclaimed allowances, by virtue of no utility registration in CISS, should be consigned into auction at the end of a compliance period so that those distributed no-cost allowances can be utilized by other entities for compliance obligations.

Forecast details

On slide 46, BBEC agrees with Ecology that forecasted load should be the total retail sales including the applicable losses as this is the amount of electricity that must be obtained by the utility to serve our members.

Sincerely,

Christina Wyatt
Manager of Power Supply