# Clean Energy Transformation Rule Chapter 173-444 WAC

#### **Public Hearing for Proposed Rule**

Melanie Forster

**Hearing Officer** 

October 6, 2020



# Agenda

- 1:35 p.m. Presentation about proposed rule
- 1:50 p.m. Questions & answers
- 2:05 p.m. Short break
- 2:10 p.m. Public comments/testimony
- Wrap up





### Washington Clean Energy Transformation Act (CETA) Goals

- By 2045, all electricity used in Washington will come from clean energy (renewable or nonemitting) resources.
- By 2030:

At least 80% of electricity comes from clean energy
For up to 20% of electricity, use these alternatives:

- Buy unbundled renewable energy credits
- Pay penalty fuel types & technologies
- Invest in Energy Transformation Projects (ETPs)
- Use electricity from waste-to-energy facility



# **Scope of the Rule**

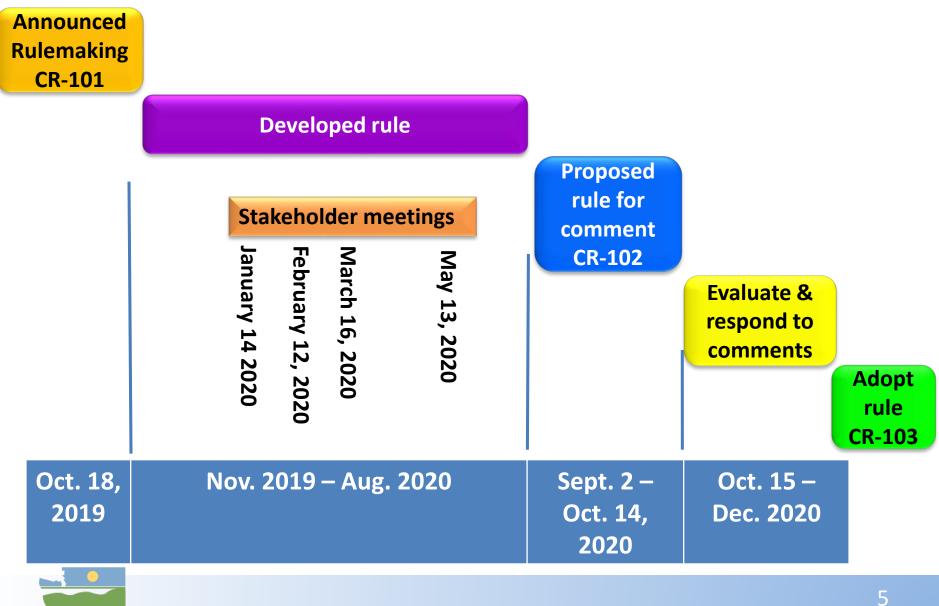
- CETA requires Ecology to adopt rule by January 1, 2021 that establishes:
  - o Calculation for greenhouse gas (GHG) emissions content in electricity (RCW 19.405.020(22) and RCW 19.405.070)
  - Requirements for Energy Transformation Projects (ETPs) (RCW 19.405.020(18), RCW 19.405.040, RCW 19.405.100)
- The proposed rule applies to electric utilities and establishes:

Part I: Calculation methods for GHG emissions in electricity
 Part II: Framework requirements for ETPs

 Ecology is consulting with Washington Utilities and Transportation Commission and Washington Department of Commerce



# **Rulemaking Timeline**



### **Proposed Rule – GHG Emissions Calculation**

- WAC 173-444-040 GHG emissions calculation method
- Establishes methods only, no reporting requirements
- Developed with Commerce and UTC; compatible with Fuel Mix Disclosure
- Uses existing reporting and calculation systems:
   oEPA

oU.S. Energy Information Administration (EIA)

- Includes method for transmission losses, but not typical to use it
- Includes emission factor for unspecified electricity from statute



### **Proposed Rule – Energy Transformation Projects**

Part II establishes the framework requirements for ETPs:

- WAC 173-444-060 Process for identifying eligible project categories
- WAC 173-444-070 Process and requirements for developing comprehensive protocol

   The comprehensive protocol sets the methodologies,
  - standards, & procedures for eligible project categories.
- WAC 173-444-080 Procedures for validation, verification, monitoring, & reporting on ETPs

   Validation of project plans – Ecology or third-party
   Verification (implemented projects) – third-party



# **Invited to Comment on Proposed Rule**

#### Public comment period:

• September 2, 2020 – October 14, 2020

Three ways to submit comments:

- In this public hearing
- Online: <u>http://aq.ecology.commentinput.com/?id=DNfCV</u>
- Mail to:

Washington Department of Ecology, Air Quality Program Attn: Debebe Dererie P.O. Box 47600 Olympia, WA 98504-7600



# **More Information and Contact**

#### • Rulemaking website

https://ecology.wa.gov/Regulations-Permits/Laws-rulesrulemaking/Rulemaking/WAC-173-444

#### Contact

Debebe Dererie debebe.dererie@ecy.wa.gov 360-407-7558 or 360-688-8103 (mobile)

 To stay informed, join our e-mail notification list: <u>http://listserv.ecology.wa.gov/scripts/wa-</u> <u>ECOLOGY.exe?A0=ECOLOGY-CLEAN-ENERGY-UPDATES</u>



