



# Cap-and-Invest: Electricity Imports and Centralized Electricity Markets

May 5, 2026

# Workshop materials

- This meeting is being recorded.
- Slides and recording will be posted on [Cap-and-Invest Program Updates and Linkage rulemaking webpage](#).
- [Submit written comment](#), until 11:59 p.m. PT on May 20, 2026.
- Ecology invites interested parties to meet with Ecology staff in addition to or as an alternative to submitting written comment. Please contact [CCAelectricity@ecy.wa.gov](mailto:CCAelectricity@ecy.wa.gov) if interested in a meeting.

# Additional materials

- [Draft rule WAC 173-441-124](#) released 4/20/26
- Previous discussions
  - 2/20/26: [Feedback requested on electricity import and centralized electricity markets \(CEMs\) concepts](#)
  - 6/26/25: [Electricity import workshop](#)
    - Electricity importer definition, wheels, balancing energy, reporting timelines, emissions leakage, GHG Zone
  - 3/6/25: [Electricity import workshop](#)
    - CEMs and e-tags, GHG Zone, unspecified imports in CEMs, emissions leakage
  - 9/19/24: [Electricity import workshop](#)
    - Wheels, balancing energy
- [Proposed Amendments to California's Regulation for the Mandatory Reporting of Greenhouse Gas Emissions](#)
- [EPE Whitepaper](#) and [Ecology response](#)

# Ecology staff introductions

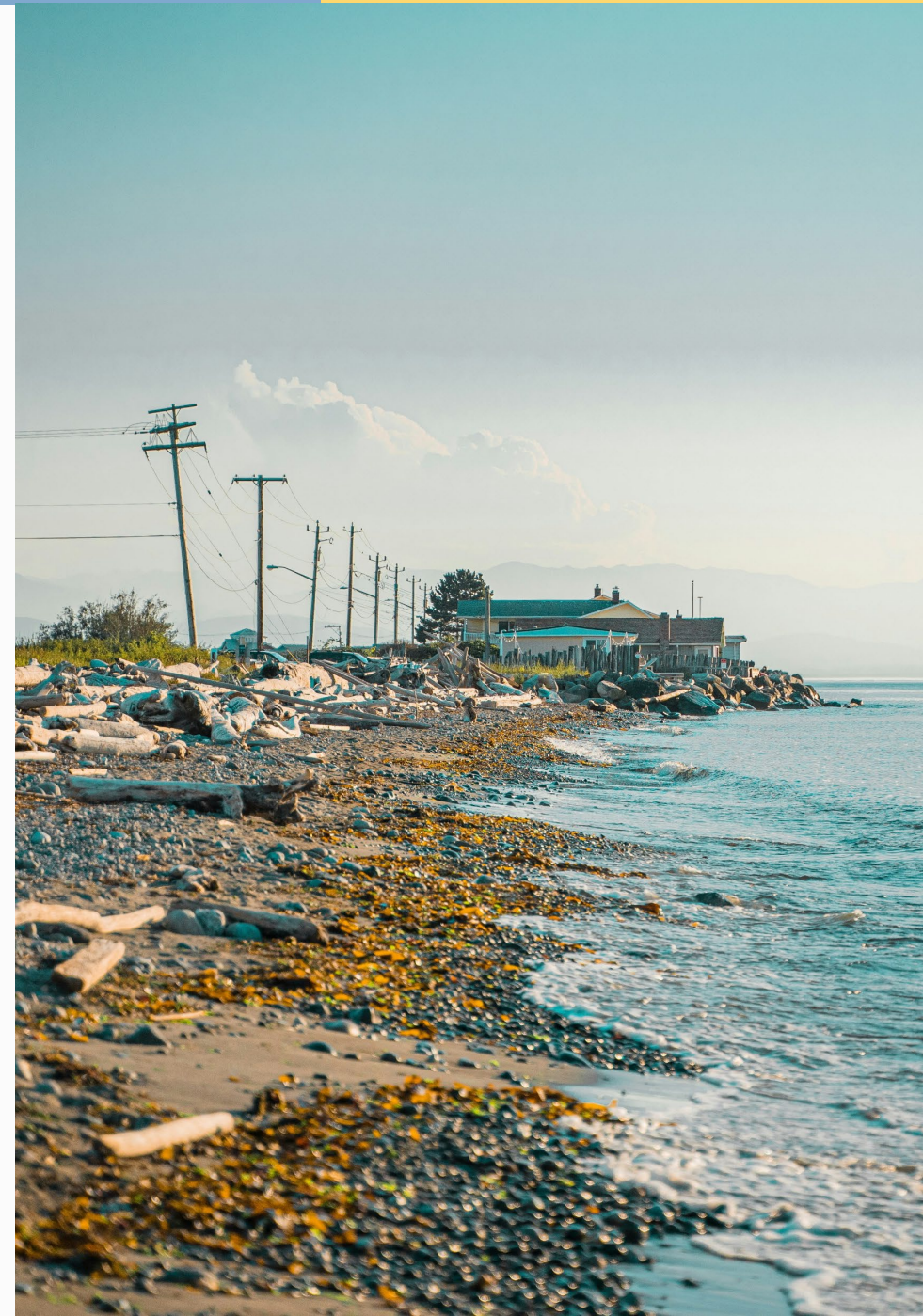
- Nikki Harris – Facilitator/Technical Host, CPRP Rulemaking Coordinator
- Camille Sultana – Cap-and-Invest Environmental Planner
- Madeleine Tran – GHG Reporting & Verification Engineer

# Goals of draft rule release, workshop, comment period

- Electric power entity (EPE) reporting rules are complex
- Ensure parties have adequate time to consider suite of potential updates to WAC 173-441-124
- Early opportunity for Ecology to provide clarifying information
- Early opportunity for Ecology to digest complex feedback
- By providing this early opportunity for review and feedback, proposed rule (released with the CR-102) may not reflect feedback provided through May 20th. If parties believe proposed rule does not reflect recently submitted feedback, please resubmit during the formal comment period.

# Goals for workshop today

- Summarize changes in draft rule
- Provide clarification and answer technical questions
- Will take questions throughout to facilitate active discussion



# Agenda

- Minor updates
- General requirements
- Addressing administrative burden

# Minor clarifying updates

- 173-441-124: Revise any references to "energy imbalance market" to "western energy imbalance market"
- 173-441-124(2)(gg): Revise definition of retail sales to clarify it does not include losses or self-consumption
- 173-441-124(2)(oo): Add definition for "dynamic tag"
- 173-441-124(3)(c): Revise incorrect or incomplete references to rule
- 173-441-124(3)(c)(i): Delete duplicative language

# General requirements

- 173-441-124
  - Specify start date for new EPE reporting rules, emissions year 2027
  - EPEs would report under existing rules in 173-441-124 for emission years 2025 and 2026
- 173-441-124(1)(d)
  - Add new provision for balancing authorities to sign data sharing agreements
  - Enables Ecology to develop mapping of Washington POR/PODs as requested by reporters
- 173-441-124(3) and (3)(h):
  - Allow qualifying EPEs to submit qualifying existing reports per RCW 70A.15.2200(5)(a)

# Addressing administrative burden

- 173-441-124(3)(a)(xii)
  - Add new provision enabling specified imports reported from "aggregated zero-emissions generation sources"
  - Modeled after framework proposed by CARB in their Mandatory Reporting Regulation (MRR)
  - Helps accommodate naturally interconnected sources and contracts between multiple integrated generation sources
- 173-441-124(3)(f)
  - Revise specified source registration requirements by deleting subsections to simplify process
  - Similar to revisions proposed by CARB

# Adding BPA backstops: Non-federal resources

- 173-441-124(2)(b)
  - Revise "deemed market importer" definition to add backstop for BPA where BPA is the market participant for non-federal resources
  - Adds: "If a federal power marketing administration is the market participant on behalf of non-federal resources, then the resource owner or operator is the deemed market importer"
  - Assumes resource owner/operators have affirmed a willingness for the non-federal resource to be attributed to the WA GHG zone

## Specific feedback requested:

Where BPA is the market participant for non-federal resources, will the resource owners/operators control whether the resource can be offered to the WA GHG Zone? Or can the decision be made by BPA without approval from the resource owner/operator?

# Adding BPA backstops: BPA power supplied via a CEM

- 173-441-124(2)(f)(xii)
  - Add new provision to "electricity importer" definition to add backstop for BPA if BPA is the deemed market importer and has not joined the program.
  - Adds:
    - “(A) Where the imported electricity is contracted to a Washington retail provider or retail end user, the electricity importer is that retail provider or retail end user;
    - (B) Where the imported electricity is not contracted to a Washington retail provider or retail end user, the electricity importer is the retail provider or retail end user that receives a pro rata attribution of electricity;”
  - Retail end use customer already defined in rule: “means a residential, commercial, agricultural, or industrial electric customer who buys electricity to be consumed as a final product and not for resale.”
  - Intent is for “pro rata attribution” to only consider discrete “retail end users” when not served by a retail provider.

# General CEMs

- 173-441-124(2)(f)(xiii)
  - Add new provision to "electricity importer" definition to identify importer for bulk unspecified imports from a centralized electricity market via a “pro rata” method
  - Necessary to address unspecified attribution mechanism under M+
- 173-441-124(3)(b)
  - Revise Eq 124-1 to enable alternate transmission losses if already accounted for in CEM
- 173-441-124(2)(qq)
  - Add definition for "market purchaser“
  - Briefly, a utility that purchases or receives electricity from a CEM
- 173-441-124(3)(g)
  - Add new provision with additional reporting requirements for market purchasers
  - Data may help inform “pro rata” calculations

# Implementing wheel-throughs

- Implementation of wheel-throughs and removal of netting required by SB 6058
- 173-441-124(2)(mm)
  - Add definition for "common point"
- 173-441-124(2)(pp)
  - Add definition for "electricity wheeled through the state"
- 173-441-124(2)(q)(iv)
  - Revise definition of imported electricity to remove netting and add “wheeled through the state”
- 173-441-124(3)(a)(iii)
  - Remove "netting" mechanism and replace with "wheel through" mechanism
  - Will follow similar reporting construct as existing “netting” method

# General electricity importer definition

- 173-441-124(2)(f)(v)-(viii)
  - Revise "electricity importer" definition to clarify when various provisions do or don't apply
  - Intended to provide certainty and ensure consistent reporting across importers
- 173-441-124(2)(f)(xi)
  - Add new provision to "electricity importer" definition to capture imports scheduled to a discrete load in a MJRP BAA not served by the MJRP
  - Electricity importer would be identified on e-tag mirroring existing method applied to purchasing-selling entities
  - Draft language needs to be updated to clarify that the new provision only applies when electricity importer is not already identified under the existing electricity importer definition

# Composite source point of receipt (POR)

- Composite source POR framework proposed in EPE Whitepaper
- 173-441-124(2)(nn)
  - Add definition for "composite source point of receipt"
  - POR at which electricity generated by multiple facilities or units is aggregated
- 173-441-124(3)(a)(xiii)
  - Add new provision specifying composite source accounting method
  - Enables imported electricity delivered from a composite source POR unambiguously shown to be supported by Washington generation sources to not incur a compliance obligation
  - Requirements in rule and verified reporting necessary to ensure consistent application of framework and environmental integrity

## Specific feedback requested:

Are proposed requirements in rule (173-441-124(2)(f)(xi)) sufficient to ensure integrity and consistent use of composite source accounting method?

# Additional resources

- [Cap-and-Invest Program Updates and Linkage](#) (recent electricity workshops and feedback)
- [2024 Electricity Markets Rulemaking](#)
- [WAC 173-441-124](#) (electricity power entity/electricity importer reporting)
- [Stakeholder whitepaper on identifying imports](#)
  - [Ecology response to whitepaper](#)
- [Interim Guidance for Electric Power Entity Reporting](#)
- [Asset-controlling supplier \(ACS\) systems emission factor](#)
- [Entity-level reported and covered emissions](#)



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- Sign up for the [Cap-and-Invest electricity forums and CCA updates email list](#)
- Contact Camille Sultana with questions or interested in a meeting at [CCAElectricity@ecy.wa.gov](mailto:CCAElectricity@ecy.wa.gov)
- Contact Surabhi Subedi with questions about rulemaking at [CPRRulemaking@ecy.wa.gov](mailto:CPRRulemaking@ecy.wa.gov)

## Next steps