

Linkage Rulemaking Electricity Considerations

FEEDBACK REQUESTED

Ecology is accepting public comments on potential revisions to electricity topics for the linkage rulemaking. For more information on the linkage rulemaking, including the timeline and the current draft rule language, visit the linkage rulemaking webpage.

Submit comments by 11:59 pm on Dec. 20, 2024 at:

<https://ecology.commentinput.com/?id=KZc7tHYhu&utm>

Ecology is seeking comments to aid development of potential reporting rules and guidance for imported electricity specific to "electricity wheeled through the state" and "balancing energy". Ecology requests the reporting entities and interested parties provide feedback addressing the following topics.

Ecology requests that feedback consider Cap-and-Invest Program goals for the development of rules for electricity reporting including:

- Recognizing the complexity and liquidity of electricity flows within WA
- Providing consistent treatment for all electric power entities
- Protecting environmental integrity of the program, capturing imported emissions associated with serving WA demand, and protecting against emissions leakage
- Enabling linkage with other jurisdictions

"Electricity wheeled through the state"

SB 6058 adopted the following definition of "electricity wheeled through the state" in statute:

"Electricity wheeled through the state" means electricity that is generated outside the state of Washington and delivered into Washington with the final point of delivery outside Washington including, but not limited to electricity wheeled through the state on a single NERC e-tag, or wheeled into and out of Washington at a common point or trading hub on the power system on separate e-tags within the same hour.

In reference to "electricity wheeled through the state" on separate e-tags, Ecology requests interested parties provide feedback on:

- How should Ecology implement the term "common point"? Should "common point" include or refer to: a single Point of Receipt/Point of Delivery (POR/POD); any PORs/PODs within the same Balancing Authority Area (BAA) located entirely within WA; or something else?
- How should Ecology implement the term "trading hub" specific to the MID-Columbia (MID-C) area? Should trading hub refer to: the MID-C adjacency only; a broader set of PORs/PODs associated with MID-C transactions. If so, how should these be defined; or something else?
- For unspecified imports initially sinking at a trading hub, should "wheel throughs" be limited to occurring into and out of the same BAA at the trading hub. (e.g. An Electric Power Entity (EPE)

transacting at MID-C and sinking and sourcing from both BAA X and BAA Y, “wheel throughs” would have to be separately calculated for BAA X and BAA Y even if all source PORs/PODs are associated with the MID-C area).

Ecology also requests that Multijurisdictional Retail Providers (MJRPs) and interested parties provide feedback on:

- In the calculation of greenhouse gas emissions associated with imported electricity for MJRPs (i.e., MJRP emission factor calculation), should “wheel throughs” considerations be provided for unspecified electricity purchases sunk to an MJRP’s system?
- If so, should “wheel throughs” in the MJRP emission factor calculation align with implementation of “wheel throughs” on separate e-tags for electricity that is initially delivered to a point considered within WA?

“Balancing Energy”

Ecology requests multistate BAAs and interested parties provide feedback on the following topics. This information will help Ecology determine if and how balancing energy may be separately accounted for in electricity reporting as enabled by SB 6058.

For balancing energy provided to in-state generators by a MJRP, a multistate BAA without retail load in WA, or a federal system

- Is balancing energy provided by the multistate BAA associated with “system energy”?
- Would it be appropriate to apply a system emission factor or an unspecified emission factor to any balancing energy provided by the multistate BAA?
- Is balancing energy provided by the multistate BAA generally associated with certain resources (e.g. hydro power or centralized electricity market purchases)?
- Is balancing energy provided by the multistate BAA fully accounted for by other aspects of EPE reporting?

Ecology also requests feedback from MJRPs on some of the details of their specific MJRP reporting including

- Does the value reported as “WA Retail Sales, MWh” include all electricity provided by the system to WA state, including any balancing power provided to in-state resources, or only retail sales by the MJRP to WA customers?
- Do the resources included in the calculation of the MJRP emission factor (EF) include all resources contributing to system power, including system power used to provide balancing energy to in-state generators?
- Does the cost allocation method or cost allocation factor account for balancing energy provided to in-state generators separate from costs attributed to WA retail customers?