

## Allowance Allocation to Electric Utilities for the First Compliance Period (Updated)

The process to provide no cost allowances to eligible electric utilities is outlined in WAC 173-446-230. Electric utilities that are subject to the Clean Energy Transformation Act (CETA) are eligible for no cost allowances to mitigate their compliance cost exposure (“cost burden”) from the program. This is determined by forecasting the generation resource supply that serves each utility’s retail electric load. These forecasts of supply (electricity generation sources) and demand (retail electric load) must be derived from sources approved by either the governing boards of consumer-owned utilities or, in the case of investor-owned utilities, the Utilities and Transportation Commission. The hierarchy of eligible sources to serve this purpose include dedicated forecasts completed for the cap-and-invest program, integrated resource plans, or a utility’s Clean Energy Implementation Plan (CEIP) developed for CETA.

The Utilities and Transportation Commission (UTC) elected to approve supply and demand forecasts for the investor-owned utilities. Please see the following dockets at the UTC web site for more information: Avista, Docket UE-220770; PacifiCorp, Docket UE-220789; and Puget Sound Energy, Docket UE-220797.

Ecology is responsible for using these approved supply and demand forecasts to translate the forecasted greenhouse gas emissions portfolio associated with a utility’s retail load into the “cost burden effect” for that utility, expressed in the equivalent quantity of allowances. By receiving no cost allowances, a utility is able to mitigate both the direct costs of the program they may incur through their own generation used to serve their customers, as well as indirect costs when compliance with the program occurs further upstream from the utility (e.g., when electricity is imported into the state by another party). For the first compliance period no cost allowances received by electric utilities may be used for compliance, banked for future use, transferred to electrical generation facilities, or consigned to auction for the benefit of ratepayers. These no cost allowances may not otherwise be sold or traded to other entities.

The initial no cost allowance allocation was posted on April 24, 2023. This version reflects new updates allowed under WAC 173-446-230 (2)(j) and is current as of September 27, 2023. The updated allowance allocations for the “cost burden effect” for electric utilities for the first compliance period are as follows:

### Summary of Updated Allowance Allocations to Electric Utilities for 2023-2026 (Mid-Year Update)

“Cost Burden Effect” Allocation Amounts (does not include administrative costs)

<b>Electric Utility</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
Avista	1,940,434	1,672,626	1,419,682	913,909
Benton County PUD #1	120,731	120,361	135,477	TBD*
Benton REA	21,869	21,663	21,606	21,646
Big Bend Elec Coop	49,154	37,983	21,236	21,067
Blaine, City of	3,014	2,975	2,942	2,908
Centralia, City of	13,059	12,647	12,449	12,279
Chelan PUD	226,451	227,378	227,239	220,803
Cheney, City of	12,176	5,457	5,546	5,631
Chewelah, City of	801	792	780	771
Clallam County PUD #1	24,607	24,260	23,920	23,597
Clark County PUD #1	1,020,697	1,033,054	1,056,902	877,215
Columbia REA	29,413	29,385	30,976	32,583
Coulee Dam, City of	648	643	635	629

Cowlitz County PUD #1	263,910	278,608	315,280	318,247
Douglas County PUD #1	631,614	664,084	704,789	58,639
Eatonville, City of	1,053	1,044	1,029	1,017
Ellensburg, City of	7,826	7,766	7,668	7,594
Elmhurst Mutual P & L	10,460	10,338	10,233	10,127
Ferry County PUD #1	2,802	2,709	2,622	2,554
Franklin County PUD #1	140,118	140,609	141,274	TBD*
Grant County PUD #2	2,151,094	2,298,835	2,324,944	2,363,716
Grays Harbor PUD #1	70,462	69,495	68,705	68,273
Inland P & L	96,461	78,087	40,076	39,887
Jefferson County PUD #1	14,572	14,469	14,352	14,225
Kittitas County PUD #1	4,430	4,389	4,355	4,320
Klickitat County PUD #1	36,819	21,062	23,284	23,400
Lakeview L & P (WA)	9,632	9,551	9,419	9,320
Lewis County PUD #1	114,464	102,999	106,037	109,253
Mason County PUD #1	3,300	3,238	3,182	3,126
Mason County PUD #3	26,255	26,303	26,382	26,452
McCleary, City of	1,199	1,191	1,185	1,180
Milton, Town of	2,114	2,087	2,057	2,031
Modern Elec Coop	8,567	8,482	8,413	8,343
Nespelem Valley Elec Coop	2,751	2,722	2,687	2,657
Ohop Mutual Light Company	3,629	3,574	3,525	3,477
Okanogan County Elec Coop	2,402	2,389	2,365	2,347
Okanogan County PUD #1	123,337	114,264	114,541	18,585
Orcas P & L	8,798	8,727	8,611	8,525
Pacific County PUD #2	18,159	18,039	17,954	17,858
<i>PacifiCorp</i>	2,489,384	2,206,442	1,951,113	1,052,210
Parkland L & W	4,302	4,240	4,185	4,140
Pend Oreille County PUD #1	53,499	55,033	57,903	5,519
Peninsula Light Company	22,616	22,035	21,497	21,034
Port Angeles, City of	15,294	15,327	15,378	15,423
<i>Puget Sound Energy</i>	6,642,604	6,003,582	5,561,608	3,711,273
Richland, City of	57,497	35,132	34,857	34,513
Ruston, Town of	206	203	199	196
Seattle City Light	403,397	395,505	388,207	382,200
Skamania County PUD #1	5,369	5,332	5,270	5,223
Snohomish County PUD #1	394,381	394,600	398,360	398,863
Steilacoom, Town of	1,483	1,462	1,443	1,425
Sumas, Town of	1,201	1,187	1,171	1,155
Tacoma Public Utilities	161,142	157,267	153,290	149,428
Tanner Elec Coop	3,699	3,650	3,608	3,565
Vera Irrigation District	12,730	8,538	8,375	8,261
Wahkiakum County PUD #1	1,708	1,678	1,651	1,624

Investor-owned utilities in *italics* \* = Most applicable source document only goes through 2025 (e.g., CEIP), so 2026 is TBD.  
Electric utilities are eligible for additional allowance allocation starting in 2024 for administrative costs not reflected here.