

Information on adjustments to no-cost allowance allocation for electric utilities



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Background

The Climate Commitment Act (CCA) requires Ecology to allocate allowances to qualifying electric utilities to mitigate the cost burden of the Cap-and-Invest Program on Washington consumers of electricity ([RCW 70A.65.120\(1\)](#)). Under the CCA, electric utilities that are subject to the Clean Energy Transformation Act, Chapter 19.405 RCW, are eligible for allocation of no-cost allowances.

Ecology allocates no-cost allowances according to the electric utility allocation method, described in [WAC 173-446-230](#). This method incorporates forecasts of each utility's retail electric load and resource supply mix to estimate potential annual Cap-and-Invest Program compliance costs. Ecology may adjust the allocation of allowances to electric utilities, per WAC 173-446-230(2).

This document provides information on Ecology's implementation of allocation adjustments associated with the potential cost burden imparted in previous calendar years.

Publication History

- Nov. 20, 2024: Published information on implementation of adjustments associated with calendar year 2023.

Adjustment Implementation

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Regarding allocation provided to electric utilities to mitigate the potential cost burden of the Cap-and-Invest Program on Washington customers incurred for calendar year 2023, Ecology has determined:

- Except for adjustments made to account for administrative costs, Ecology will not initiate further adjustments to the allowance allocation schedule accounting for allocation methods, forecasts, or cost burden associated with calendar year 2023, including any adjustments made pursuant to WAC 173-446-230(2)(g). However, Ecology may make further adjustments for any entity with an adverse verification statement, per WAC 173-441-085.
- Ecology will not adjust previously allocated vintage 2023 allowances per WAC 173-446-230(2). Accordingly, Ecology will not request that a utility return previously allocated vintage 2023 allowances as part of any adjustment.
- An additional number of allowances will be allocated to account for administrative costs of the Cap-and-Invest Program associated with calendar year 2023, consistent with WAC 173-446-230(2)(h).

Contact

For questions related to the electric utility allocation, please email CCAUtility@ecy.wa.gov.

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