WSR 25-17-083
EXPEDITED RULES
DEPARTMENT OF COMMERCE
[Filed August 19, 2025, 3:47 p.m.]

Title of Rule and Other Identifying Information: WAC 194-40-060 Reporting fuel mix and greenhouse gas emissions, and 194-40-300 Documentation concerning coal-fired resources.

Purpose of the Proposal and Its Anticipated Effects, Including Any Changes in Existing Rules: The proposed rules align WAC with recent statutory changes to the Clean Energy Transformation Act (CETA) (chapter 19.405 RCW). The proposed rule removes greenhouse gas content reporting requirements consistent with the repeal of the reporting requirements under HB 1955 (2024). The proposed rule language removes provisions intended to provide regulatory clarity for utility implementation requirements of the no coal-fired standard. These clarifications are no longer needed following enactment of HB [EHB] 1329 (2025). Finally, the proposed language adds reporting requirements adopted by the legislature in HB [EHB] 1329 (2025).

Reasons Supporting Proposal: This rule implements a statute (RCW 19.405.070) that was repealed in HB 1955 (2024) and statutes (RCW 19.405.030, and 19.405.100) that were modified in HB [EHB] 1329 (2025).

Statutory Authority for Adoption: RCW 19.405.100.

Statute Being Implemented: RCW 19.405.070, 19.405.030, and 19.405.100.

Rule is not necessitated by federal law, federal or state court decision.

Name of Agency Personnel Responsible for Drafting: Austin Scharff, 1011 Plum Street S.E., P.O. Box 42525, Olympia, WA 98504-2525, 360-764-9632; Implementation: Department of Commerce, 1011 Plum Street S.E., P.O. Box 42525, Olympia, WA 98504-2525, 360-407-6000; and Enforcement: Attorney General, 1125 Washington Street S.E., P.O. Box 40100, Olympia, WA 98504-0100, 360-725-6200.

This notice meets the following criteria to use the expedited adoption process for these rules:

Adopts or incorporates by reference without material change federal statutes or regulations, Washington state statutes, rules of other Washington state agencies, shoreline master programs other than those programs governing shorelines of statewide significance, or, as referenced by Washington state law, national consensus codes that generally establish industry standards, if the material adopted or incorporated regulates the same subject matter and conduct as the adopting or incorporating rule.

Content is explicitly and specifically dictated by statute.

This notice meets the following criteria to use the expedited repeal process for these rules:

The statute on which the rule is based has been repealed and has not been replaced by another statute providing statutory authority for the rule.

NOTICE

THIS RULE IS BEING PROPOSED UNDER AN EXPEDITED RULE-MAKING PROCESS THAT WILL ELIMINATE THE NEED FOR THE AGENCY TO HOLD PUBLIC HEARINGS, PREPARE A SMALL BUSINESS ECONOMIC IMPACT STATEMENT, OR PROVIDE RESPONSES TO THE CRITERIA FOR A SIGNIFICANT LEGISLATIVE RULE. IF YOU

OBJECT TO THIS USE OF THE EXPEDITED RULE-MAKING PROCESS, YOU MUST EXPRESS YOUR OBJECTIONS IN WRITING AND THEY MUST BE SENT TO Rikki Fruichantie, Washington State Department of Commerce, 1011 Plum Street S.E., P.O. Box 42525, Olympia, WA 98504-2525, phone 206-613-7558, email Rikki.Fruichantie@commerce.wa.gov, BEGINNING August 20, 2025, at 8:00 a.m., AND RECEIVED BY October 21, 2025, at 5:00 p.m.

August 19, 2025
Amanda Hathaway
Rules Coordinator

RDS-6440.1

AMENDATORY SECTION (Amending WSR 21-02-039, filed 12/29/20, effective 1/29/21)

WAC 194-40-040 Performance and compliance reporting for the GHG neutral standard and 100((%)) percent clean electricity standard. (1) Each consumer-owned utility and each investor-owned utility must submit an interim performance report by July 1, 2026, and by July 1, 2030, documenting the utility's progress during the prior interim performance period in reaching compliance with the GHG neutral standard beginning in 2030.

(2) Each consumer-owned utility and each investor-owned utility must submit a compliance report by July 1, 2034, and within six months of the end of each subsequent GHG neutral compliance period, documenting the utility's compliance with the GHG neutral standard during the GHG neutral compliance period and its progress in reaching compliance with the 100((%)) percent clean electricity standard beginning in 2045.

(3) Each consumer-owned utility and each investor-owned utility must submit a compliance report by July 1, 2046, and by July 1st of each year thereafter, documenting the utility's compliance with the 100((%)) percent clean electricity standard.

(4) Each report required under subsections (1) and (2) of this section must be submitted using a form provided by commerce and must include the following information for the relevant interim performance period or GHG neutral compliance period:

(a) The amount of renewable resources and nonemitting electric generation used during the period, as a percentage of retail electric loads, compared to the target amount established and reported in the CEIP of the utility for that period.

(b) The amount of conservation and energy efficiency resources acquired during the period, compared to the target amount established and reported in the CEIP of the utility for that period.

(c) The amount of demand response resources acquired during the period, compared to the target amount established and reported in the CEIP of the utility for that period.

(d) The amount of electricity used from renewable resources, in megawatt-hours, compared to the target amount established and reported in the CEIP of the utility for that period.

(e) The amount of electricity used from nonemitting resources, in megawatt-hours over the period.

(f) Identification of any resources subject to the requirements of WAC 194-40-340 and acquired during the period and demonstration that the acquisition was consistent with the requirements of WAC 194-40-340.

(g) A detailed report of any use of each of the following alternative compliance options:

(i) Alternative compliance payments;

(ii) Unbundled renewable energy credits;

(iii) Credits from energy transformation projects;

(iv) Electricity from the Spokane municipal solid waste to energy facility (if it is determined to provide a net reduction in GHG emissions).

(h) A report to demonstrate whether and how, consistent with RCW 19.405.040(8) and the utility's CEIP for the period, all customers are benefiting from the transition to clean energy. The report must provide:

(i) Results for each indicator established in the CEIP;

(ii) An explanation of how the specific actions taken by the utility are consistent with the requirements in RCW 19.405.040(8); and

(iii) An analysis of whether the forecasted distribution of benefits and reductions of burdens accrued or are reasonably expected to accrue to highly impacted communities, vulnerable populations, and all other customers.

(i) For each specific action identified in the CEIP for the period, pursuant to WAC 194-40-200(1), a summary of the actions taken and their results.

(j) For any measurement of achievement reported under (a) through (e) of this subsection that is less than the respective target established in the CEIP, an explanation of the variation from target and any intended actions to offset the variation in the next period.

(k) The information required under WAC 194-40-230(4), if the utility relied on the incremental cost provision in RCW 19.405.060 (4)(a) during the period.

(l) Any other information necessary to demonstrate compliance with the requirements of CETA that are applicable during the period.

(5) Each consumer-owned utility must include in each report required under subsections (1) and (2) of this section a report of the number of unspecified electricity contracts with terms greater than 31 days used to serve Washington retail customers during the prior interim performance period or GHG neutral compliance period. The consumer-owned utility must report for each such contract the duration and purpose of the contract and the specific months included in the contract.

AMENDATORY SECTION (Amending WSR 21-02-039, filed 12/29/20, effective 1/29/21)

WAC 194-40-300 Documentation concerning coal-fired resources. ((~~(1)~~)) Each utility must publish by June 1, 2027, and each year thereafter, an attestation by a properly authorized representative of the utility certifying that the utility's allocation of electricity for Washington retail electric load in the prior calendar year did not include any electricity generated at a coal-fired resource. The utility must provide additional documentation as the auditor may require.

((~~(2) A transaction to purchase electricity, where the source is unknown at the time of purchase, for a term not to exceed thirty-one days, is not a coal-fired resource for the purposes of this rule.~~

~~(3) A utility must not engage in a series or combination of short-term transactions for unspecified electricity for the purpose of avoiding the restrictions on use of coal-fired resources under RCW 19.405.030(1).~~))

REPEALER

The following section of the Washington Administrative Code is repealed:

WAC 194-40-060	Reporting fuel mix and greenhouse gas emission.