WSR 26-16-087
POLICY STATEMENT
UTILITIES AND TRANSPORTATION COMMISSION

[Filed August 5, 2026, 9:18 a.m.]

Policy Statement Regarding Return on Power Purchase Agreements (PPA)

In 2019, the Washington state legislature enacted the Clean Energy Transformation Act (CETA). Subsection (2)(b) of RCW 80.28.410, one of the provisions amended by CETA, authorizes the Washington utilities and transportation commission (commission) to allow electric utilities to earn a rate of return on prudent costs incurred under PPAs.

On August 5, 2026, the commission issued a policy statement to provide guidance on the application of RCW 80.28.410 (2)(b) to utility requests for a return on PPAs. Through this statement, the commission seeks to address and mitigate utility bias toward utility-owned resources over PPAs and encourage further innovation in utility approaches to resource adequacy, reliability, affordability, and clean energy transformation for the benefit of Washington customers. This policy statement does not constitute an order binding upon either the commission or the parties that may come before it in future activities within this docket or formal proceedings, nor is this policy statement an enforceable rule.

A copy of the policy statement and associated proceeding materials may be obtained by accessing the commission website at www.utc.wa.gov or by contacting Stacey Brewster, Rules Coordinator, 621 Woodland Square Loop S.E., P.O. Box 47250, Lacey, WA 98503, phone 360-664-1149, email stacey.brewster@utc.wa.gov.