



Energizing Life in Our Communities

July 11, 2024

Bonneville Power Administration

Via email: TechForum@bpa.gov

RE: Comments regarding June 26, 2024 BP/TC-26 Workshop

Snohomish PUD (Snohomish) appreciates Bonneville Power Administration (BPA) staff efforts to engage with customers and stakeholders through the BP-26 and TC-26 workshop series. Snohomish offers the following comments on the **Washington State Cap-and-Invest Program Charge** topic presented at the June 26, 2024 workshop.

Snohomish is generally supportive of BPA’s proposal to carry forward the approach from BP-24. In light of uncertainty raised by Washington Initiative 2117, which would repeal the Cap-and-Invest Program, it does not make sense for BPA to make a decision on becoming the First Jurisdictional Deliverer (FJD) ahead of the BP-26 rate case. It is therefore appropriate to preserve optionality for BPA to become the FJD during the BP-26 rate period by including a Cap-and-Invest Program Charge in the BP-26 Power Rates.

Snohomish also supports BPA’s commitment to conduct a public process prior to any such decision to become the FJD, as there are several implications for BPA and its power customers. Specifically, Snohomish recommends that the public process include consideration of more details around the required transfer of no-cost allowances to BPA.

- **Volume of no-cost allowances to be transferred:** Utilities are allocated no-cost allowances based on utility forecasts of load and resources, while CCA compliance is based on actual emissions, which may differ from the allocated allowances. In addition, a utility’s forecasted purchases from BPA may only comprise a portion of its allocated allowances. Will the number of allowances that a utility must transfer to BPA be based on the allocation of no-cost allowances associated with the utility’s purchases from BPA, a BPA forecast of sales to the utility, actual sales to the utility, or some other measure? How would any backward-looking adjustment to a utility’s allocation be addressed?
- **Timing:** How will the timing of the determination of allowances owed to BPA and the actual transfer of allowances fit into Ecology’s timelines around allowance allocation and compliance?

While Snohomish believes these are important details to be addressed, they do not need to be determined now and can be worked through during the public process prior to BPA making an FJD determination.

Snohomish appreciates BPA’s consideration of these comments and looks forward to continued discussions in the BP-26 and TC-26 workshops.