

UTC Comment form for Energy Independence Act Rulemaking, Proposed WAC 480-109, Docket UE-131723

Submit this form by 5 PM Monday, Oct. 6, 2014 via the Commission’s Web portal at www.utc.wa.gov/e-filing or by e-mail to records@utc.wa.gov.

Comments on behalf of: _Snohomish PUD #1_ Commenter: _Zac Yanez_ E-mail: zcyanez@snopud.com Phone: _425-783-1762_
Name of Organization or “self”

In the first column, fill in the section or subsection of interest in the rule. In the next columns provide the specific text, proposal for change, and rationale.

Comment 1	Current Text	Proposed Text	Rationale for proposed change
Regarding WAC 480-109-210 (2)(a) (ii) (C)	Subtract the revenue from the sales of any renewable energy credits and energy from eligible facilities; and	Subtract the revenue from the sales of any renewable energy credits and/or any revenue from the sale of non-power attributes associated with energy from eligible facilities; and	The current language double counts the value/cost of renewable energy. The language in 480-109-210 (2)(a)(i)(D) accounts for the energy value/cost from the eligible renewable resource. For example a utility that that owns or contracts for an eligible renewable resource with annual levelized cost of \$25 million and alternate resource (energy and capacity) of \$10 million would have an incremental cost of \$15 million. That utility is valuing the non-renewable or energy attributes, at \$15 million. If the utility were to actually sell the energy in any given compliance year for \$10 million, <i>the current language would yield an incremental cost of \$5 million.</i> In this way the methodology would be double counting the \$10 million in energy value. It is being counted in the original incremental cost and again in the reporting step. The proposed language makes it clear that only revenues from the sale of the RECs and non-power attributes are to be subtracted from the incremental cost calculation. This is because these cost/value has not been accounted for in the original incremental cost calculation.