

Washington Utility and Transportation Commission,

On behalf of the Northwest CHP Advocates, I would like to express our sincere appreciation to Commissioners Sidran, Oshie and Jones and Dick Byers for taking valuable time to meet with us on June 27th. You asked for our feedback regarding language that would encourage cogeneration in Washington while maintaining a fair and equitable balance that would encourage development of new and enhance existing cogeneration in Washington State. Attachment I is an highlight summary of our recommendations. Attachments II & III summarize our specific recommendations in highlighted text. These recommended changes refer to the language included in *Resource Acquisition, Chapter 480-107 and Least Cost Planning Rulemaking, WAC 480-100-238; UE-030423 and UE-030311*.

In addition, we thought it would be useful to clarify Alan Meyer's comments regarding the imputed debt issue raised by investor owned utilities. Our final attachment is the article he referred to from *Standard & Poor's Utilities & Perspectives*. It gives detailed insight into the issue and it's impact on utility debt rating.

With the interest of Washington utility ratepayers in mind, we would be happy to answer any questions you may have and stand ready to meet with you, staff and any of the impacted parties to develop a win-win solution to these very important matters. We continue to strongly believe that "Cogeneration is simply the Right thing To Do".

Sincerely Yours,

John Ryan

On behalf of the NW CHP Advisors

Alan Meyer, Weyerhaeuser Company

John Willenbacher, King County

and

John Brookhyser, Cogeneration Coalition of Washington

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