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From: [Phil Rettger](#)
To: [Frankiewich, Kyle \(UTC\)](#); [Holland, Kevin](#); [Public Involvement \(UTC\)](#)
Cc: [Irion Sanger](#); [Mike Phillips](#)
Subject: Comments on UE-190663 from Sheep Creek Hydro, Inc. (Re: Avista Utilities)
Date: Sunday, October 20, 2019 5:51:45 PM

Sheep Creek Hydro Inc. (SCHI) is a 1400 kW QF hydro project owned and operated by the Phillips family of Northport WA, that has been selling reliable, green electricity to Avista (and it's predecessor WWP) under a 35-year contract since 1986.

SCHI submits the following comments to The WA UTC docket UE-190663 on Avista PURPA rates

1. These comments are specific to hydroelectric projects with a nameplate of 5 MW or less. While they may also be applicable to large projects or other sources of electricity, these comments are not intended for such projects.
2. Projects should be able to sell energy plus capacity, as separate commodities, and not including environmental attributes, unless additionally compensated for such attributes.
3. Energy sales should have the option to price at the posted mid-C price, without discount, regardless of the duration of the contract. As proposed this energy pricing option is only available for short term contracts which do not support sale of capacity. Mid-C, or its alternative is the market price so applying any discount (for example, 85% of mid-C, is contrary to PURPA.
4. Capacity, as proposed by Avista, is based on committed / contracted energy over critical months. The amount of delivered energy can be specified, measured, and monitored.
5. A project should be able to commit some (but less than or all) of its output to capacity, which can then be metered and verified and tested, to determine level of payment. Penalties can be established for failure to deliver the committed amount of energy/capacity.
6. We have no comments at this time on the capacity rates, other than the methodology should be clear and transparent. Currently we have seen no transparent methodology for the establishing the capacity rate.

Regards

For Sheep Creek Hydro Inc.
Phil Rettger