

From: Schwartz, Howard (COM)
Sent: Friday, November 04, 2011 4:32 PM
To: UTC DL Records Center
Cc: Beaton, Rebecca (UTC); Murray, Chuck (COM); Usibelli, Tony (COM)
Subject: Docket File U-111663.

This is a brief comment regarding one section of the Puget Sound Energy's Petition for a Declaratory Order referenced above. I do not want to comment directly on PSE's petition but only note what I regard as an erroneous reading of the Energy Independence Act, RCW 19.285.

In Section 29 of the petition, PSE argues that in order to qualify for the apprenticeship credit may own either the bundled power and REC or the REC from the generating facility and argues that this is in contrast to the requirement regarding eligible distributed generation where the power and REC cannot be severed. The petition cites two sections of RCW 19.285.40 in support of this argument. However, neither of the sections, RCW 19.285.040(2)(b)(i) or (2)(f)(i) establish such a requirement. As the subsequent section (2)(b)(ii) makes clear, to claim the double credit for distributed generation you must either own the bundled REC and power or just own the REC. This is standard procedure for all eligible renewable energy (except incremental hydro where no RECs may be created.) Similarly, (2)(f)(i) is part of another restatement of the general principal that you can't double count the power if someone else owns the REC and you can't count the REC if someone else is claiming the power as renewable. Nowhere is it stated that you can't the separate the REC from the power; after all, that is whole point of the REC. In the case of eligible renewables from fresh water (incremental hydro and new hydro in irrigation canals), the statute states, 19.285.30(17) that RECs can't be created at all.

So my purpose in writing this is make sure that an erroneous interpretation of the Energy Independence Act does not go unchallenged and thus be picked up by someone else and repeated in another forum or procedure.

--Howard Schwartz

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