



# City of Seattle

## Seattle City Light

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August 9, 2011

Submitted via email to [records@wutc.wa.gov](mailto:records@wutc.wa.gov)/ WUTC Records Center

Executive Director and Secretary  
Washington Utilities and Transportation Commission  
1300 South Evergreen Park Drive SW  
P.O. Box 47250  
Olympia, WA 98504-7250

Subject: Comments of Seattle City Light on Docket UE-110667

Thank you for the opportunity to provide additional comments pursuant to the notice issued by the Commission on July 29, 2011. Seattle City Light is the 10th largest public electric utility in the United States. It has some of the lowest cost customer rates of any urban utility, providing reliable, renewable and environmentally responsible power to nearly 1 million Seattle area residents. Seattle City Light has been greenhouse gas neutral since 2005, the first electric utility in the nation to achieve that distinction.

In its notice, the Commission invited comment on the definition of distributed generation contained in RCW 19.285, 030(9).

(9) "Distributed generation" means an eligible renewable resource where the generation facility or any integrated cluster of such facilities has a generating capacity of not more than five megawatts.

As discussed at the state legislature's House Energy Technology and Communications Committee's Legislative Focus Group meeting on July 27, 2011, Seattle City Light believes that this definition is overly restrictive.

First, because it incorporates by reference the definition of an eligible renewable resource at RCW 19.285.030(10) (which itself incorporates by reference the definition of renewable resource at RCW 19.285.030(18)) it is limited to a proscribed subset of energy generation technologies. Some of the exclusions were clearly intentional, such as most forms of hydroelectric generation, while others appear to have been oversights by the drafters of the initiative, such as anaerobic digestion of organic, municipal solid waste. Seattle City Light believes that there are additional forms of renewable generation, such as anaerobic digestion, that exists at a distribution scale and would not be controversial.

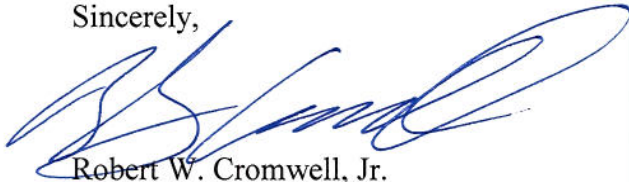


Second, the Energy Independence Act itself is limited to electric generation from a subset of renewable forms of electric generation. It does not address combined heat and power systems outside of a proscribed use of high-efficiency cogeneration owned and used by a retail electric customer to meet its own needs, as a form of conservation (RCW 19.285.040(1)(c)). The Commission should be aware that efforts to expand the definition or attempt to view the delivery of heat as well as electricity will raise a wide range of issues, including the inter-utility disputes that can arise from "fuel switching" incentives (electricity vs. natural gas).

The Commission also requested comment on the purpose or goal of distributed generation in Washington State. Recognizing that distributed forms of electric generation are rarely cost-effective in comparisons to other, carbon-free forms of electricity generation, Seattle City Light believes that the legislature should be very clear about the policy objectives it is seeking to achieve through its policies on distributed generation/energy and recognize the costs associated with such policies. As was raised at both the WUTC hearing and the House TEC focus group, the legislature must also determine how these projects will be funded and by whom. It must be recognized that the larger the projects, the more complex and expensive they become. Seattle City Light believes that specific goals, measurable outcomes and clarity on who pays need to be addressed for utilities to be able to provide appropriate input to better promote distributed generation.

Finally, Seattle City Light appreciates the opportunity to provide comments and apologizes for being one day late. If you believe Seattle City Light can be helpful while you work through the study please do not hesitate to contact me, [robert.cromwell@seattle.gov](mailto:robert.cromwell@seattle.gov) or (206) 684-3856.

Sincerely,



Robert W. Cromwell, Jr.

Director, Power Contracts & Resource Acquisition Division

RWC:sml

cc: Rose Feliciano  
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Glenn Atwood

