

Issue Brief February 2010

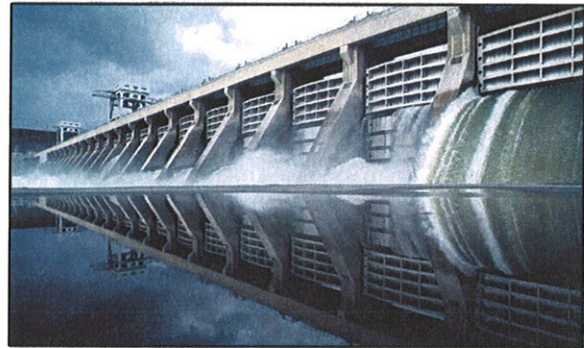
WPUDA proposes guidelines for renewable energy mandate

The Washington Public Utility Districts Association supports greater development of renewable resources and increased energy efficiency, but has concerns about a federal Renewable Electricity Standard/Renewable Portfolio Standard that prescribes the same targets, schedules, and eligible resources to all states.

We believe that state and local governments are better able to craft an RES/RPS that takes into account factors such as access to renewable energy resources, status of supply/demand, and impact on consumers.

However, recognizing there is considerable support in Congress for a federal standard, WPUDA urges Congress to adhere to the following principles should it consider adopting a mandate that applies to consumer-owned utilities:

- **Existing State Renewable Requirements:** Utilities in Washington already must comply with a state RPS of 15 percent by 2020 and should not be subject to redundant or conflicting federal requirements, which would result in higher prices for consumers.
- **Exempting small utilities:** Small utilities should be exempt, as they would be under S. 1462 and H. R. 2454, which is based on retail energy sales of 4 million megawatt-hours per year.
- **Comparable Incentives for Public Power:** Congress must ensure that the level of federal financial incentives available to consumer-owned utilities, through the Clean Renewable Energy Bond (CREB) and Renewable Energy Production Incentive (REPI) programs, are comparable to the level of support provided to private utilities and developers under the Production Tax Credit (PTC) and the Investment Tax Credit (ITC).



- **Provide Equal Treatment of Hydropower:** Hydropower is a renewable energy resource and all hydropower should be treated as such, not just “incremental hydropower.”
- **Carefully consider grid reliability and security when implementing an RES:** WPUDA is concerned about the potential reliability and safety of the interconnected electric grid, with the addition of new and intermittent resources. Congress should authorize a study on the impact of intermittent generation resources on the reliability and security of the grid to assess what level of renewable energy can be absorbed without compromising the reliability of electric deliverability.