

Clean Energy Resolution – WPUDA 18-01

WPUDA Board of Directors

A RESOLUTION to improve the environment through support for sensible state policies that reduce carbon emissions at the least cost to the citizens of Washington.

Whereas: The Washington Public Utility District Association represents 27 Public Utility Districts and one joint operating agency providing electricity, water, wastewater and wholesale telecommunications services to over 1.7 million citizens throughout the State of Washington.

Whereas: WPUDA members are community owned, not-for-profit entities that are directly accountable to the people they serve through their locally elected, nonpartisan board of commissioners.

Whereas: WPUDA members provide clean, safe, reliable, low-cost, and environmentally responsible utility services to their communities.

Whereas: The aggressive acquisition of low-cost of electric conservation by WPUDA members has largely offset growth in customer use for the past ten years and has had the secondary effect of limiting carbon emissions.

Whereas: Poorly crafted climate and energy policies could result in significant increases in the amount of money that Washington citizens and businesses pay for electric service.

Whereas: Climate and energy policies that unnecessarily increase the cost of electric service would most heavily impact vulnerable, low-income citizens.

Whereas: Recent analysis conducted by the Northwest Power and Conservation Council in the 7th Power Plan, BPA in their Rate Sensitivity Analysis, and E3 Inc., in their Low Carbon Scenario Analysis indicate that the most expensive and least effective carbon reducing strategies in the electric sector include: increasing Renewable Portfolio Standards above current levels; and, prohibiting the displacement of existing coal generation with natural gas generation.

Whereas: WPUDA believes that government regulatory policies should focus on strategies that achieve the greatest benefit at the least-cost to Washington state citizens.

Whereas: WPUDA involvement could help focus carbon reduction policy discussions on reducing carbon at the lowest cost, and broaden the set of stakeholders with whom utilities have positive working relationships, including environmental proponents of emissions reductions.

Now, therefore, be it RESOLVED by the Board of Directors of the Washington Public Utility Districts Association: The WPUDA supports least-cost policies by Washington State to reduce carbon emissions while maintaining electric system reliability and affordability and improving the environment

Further Resolved: In the event the state decides to pursue carbon reduction goals, WPUDA supports following the existing analysis for least cost path to meet carbon reduction goals including a reasonable price on carbon, subject to the following provisos:

- The proportion of eligible renewable resources utilities are required to acquire under current law (the Energy Independence Act) is not expanded and the alternative compliance mechanisms such as the cost cap and no load growth provisions are not amended
- The addition of natural gas resources as needed to serve load and maintain reliability of the grid are not restricted
- The efficient use and development of all carbon free resources including hydropower and nuclear power are encouraged and supported
- Electric sector revenues from a price on carbon should be retained by PUDs and other utilities (“recycled”) to reduce rate impacts and for investment in carbon reduction activities
- Financial support for research and development on supply-side and demand-side actions that reduce carbon is increased. This would include the advancement of building and appliance efficiency standards
- A plan is implemented to measure, evaluate and report the success of state policies in achieving carbon reduction at the least cost. This plan will also evaluate the public value and utility cost associated with the current fuel mix report (RCW 19.29A.050).

- Sensible accommodations, such as exemptions or multi-year phase-ins, for highly impacted, trade dependent entities and other sectors that may have significant exposures that would be economically disadvantaged.

Adopted by the WPUA Board of Directors – January 12, 2018