



Washington Electric Cooperative, Inc

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Judith Whitney, Clerk
Vermont Public Utility Commission
112 State Street
Montpelier, VT 05620-2701

Case No. 17-5257-INV: Standard Offer Program Exemption Revisions 30 VSA 8005 a(k)(2)(B)

Dear Ms. Whitney:

Washington Electric Coop (WEC) is filing comments in the Standard Offer proceeding in response to memorandum issued on November 28, 2018 by the Vermont Public Utility Commission. The PUC included potential revisions to the text of 30 V.S.A. § 8005a(k)(2)(B).

PUC staff is considering three potential changes to the statute. The first change is that eligibility for the exemption would be restricted to utilities that have previously qualified for an exemption under the statute as it presently exists. Thus, only Washington Electric Cooperative (“WEC”), Burlington Electric Department (“BED”), and Swanton Electric Department (“Swanton”) would be able to continue to qualify for the exemption. WEC supports this change. WEC worked hard early on to invest and build renewable sources of power and therefore keeping its exemption as an early adopter of renewable power is important to WEC.

The second change is that a utility must own and retire an amount of renewable energy attributes that is not less than the utility’s annual retail sales to qualify for the exemption. Under the current statute, a utility must obtain sufficient renewable energy but does not need to own the renewable energy attributes associated with that power. The revised statute would require a utility to obtain 100% of its power supply from renewable resources and retains the phrase “regardless of whether the provider owned the energy's environmental attributes” so that the utility has the flexibility to sell any renewable energy attributes from those sources. However, the utility must obtain an amount of other renewable energy attributes that is not less than the utility’s annual retail sales.

WEC currently purchases sufficient RECs to green back up its mix of power after selling high value RECs in the regional markets. By greening back up, it allows WEC to report to its members that its mix of power remains 100% renewable. WEC purchases sufficient renewable energy certificates to meet its retail load with 100% renewable power. However, if the cost of Class 2 RECs increased

dramatically WEC would like flexibility on this requirement. Therefore, WEC has concerns of making this a requirement.

The third change is to the reporting period used to qualify for the exemption. The new reporting period would be the calendar year ending December 31. This is intended to coincide with the utilities' reporting obligations under the Renewable Energy Standard. WEC supports this change assuming we can move the data to report further in the subsequent year to allow time to gathering and assemble data. A reporting time frame of March 31 would assist in the workload to report data which isn't available for a full month after the close of the year.

WEC appreciates the opportunity to respond and for your consideration in this matter. If you need additional information do not hesitate to contact us.

Sincerely,



Patricia H. Richards
General Manger