

RESOLUTION NO. 07-13203

A RESOLUTION REGARDING FOSSIL FUEL GENERATION EFFICIENCY UNDER SECTION 111(d)(13) OF THE PUBLIC UTILITY REGULATORY POLICIES ACT, AS AMENDED BY THE ENERGY POLICY ACT OF 2005

**FACTUAL BACKGROUND AND REASONS FOR ACTION**

The Public Utility Regulatory Policies Act (PURPA) was enacted in 1978 to encourage 1) the conservation of energy supplied by electric utilities, 2) the optimization of the efficiency of use of facilities and resources by electric utilities, and 3) equitable rates to electric consumers (Section 101). On March 11, 1980, the District adopted a “Procedures Manual for Hearings under the Public Utility Regulatory Policies Act of 1978” by Resolution No. 80-6248. The District complied with the requirements of PURPA 1978 by holding a public proceeding to consider adoption of a series of standards under Section 111 and Section 113 of PURPA. A “Final Order on Hearings Conducted Pursuant to the PURPA of 1978” was adopted by the Board of Commissioners on April 28, 1980 by Resolution No. 80-6286.

The Energy Policy Act of 2005 (EPAAct 2005) was enacted on August 8, 2005. Section 1251 of EPAAct 2005 amends Section 111(d) of PURPA to require utilities to consider a new standard to “...develop and implement a 10-year plan to increase the efficiency of its fossil-fuel generation.” (Section 111(d)(13)).

Pursuant to EPAAct 2005, the District was required to begin considering the PURPA fossil fuel generation efficiency standard by August 8, 2007 and to make a determination by August 8, 2008 as to whether it is appropriate to adopt the standard, in whole or in part, and develop and implement such plan to increase the efficiency of fossil-fuel generation, or to not adopt the standard.

To initiate consideration of this standard, District staff made a presentation to the Commission on July 30, 2007. The presentation described the proposed standard and set forth a recommendation that it not be adopted because it is not applicable to the District. On August 5, 2007, a legal advertisement notifying customers that this standard would not be adopted appeared in The Wenatchee World. On October 19, 2007, an additional legal advertisement notifying customers of a hearing scheduled for November 19, 2007 appeared in The Wenatchee World. In addition, display advertisements inviting public comment and participation were placed in The Wenatchee World on August 5 and November 4, 2007. The advertisement informed the public of a public hearing to be held at 2:00 p.m. on November 19, 2007. No public comment was received, and there were no requests for intervention. The legal notices and the public comment have been submitted for the hearing record.

On November 19, 2007, the properly noticed public hearing was held. Staff made a presentation to the Commission, recommending that the fossil fuel efficiency standard not be adopted. The District complied with the public notice and hearing procedures set forth in Resolution Nos. 80-6248 and 80-6286.

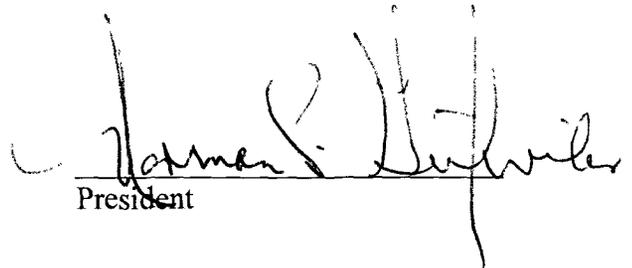
District staff recommends that PURPA standard 111(d)(13) is not applicable to the District and should not be adopted.

**ACTION**

IT IS RESOLVED BY THE COMMISSION of PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY that:

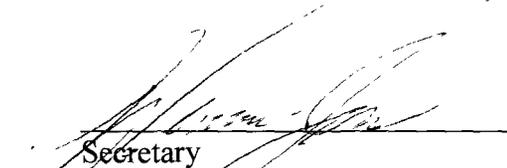
Section 1. Pursuant to section 1251 of the EPA Act 2005, the Commission has determined that PURPA standard 111(d)(13) is not applicable to the District and therefore is not adopted.

Dated this 3rd day of December, 2007.

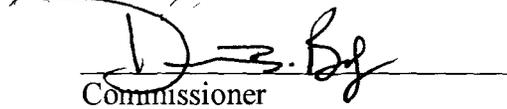
  
\_\_\_\_\_  
President

ATTEST:

  
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Vice President

  
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Secretary

  
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Commissioner

  
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Commissioner

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