



CRS

center for
resource
solutions

March 2, 2011

Washington State Senate Environment, Water and Energy Committee
422 J.A. Cherberg Bldg.
P.O. Box 40466
Olympia, WA 98504-0466

RE: HB 1712 An act relating to null power; and amending RCW 19.29A.010 and 19.29A.060.

Dear Committee Members:

The Center for Resource Solutions (CRS) appreciates the opportunity to comment on HB 1712. We applaud the Washington State Legislature for recognizing the importance of null power disclosure in fuel mix reporting, and appreciate the Legislature taking the time to create clear guidance on such an important issue. CRS is a nonprofit organization that creates policy and market solutions to advance sustainable energy and mitigate climate change. CRS administers Green-e® Energy, the nation's leading independent certification and verification consumer protection program for renewable energy sold in the voluntary market. Green-e Energy certifies and verifies over two thirds of the U.S. voluntary renewable energy market and an even higher proportion of U.S. voluntary renewable energy certificate (REC) sales. CRS' role in this market is to protect the voluntary consumer against double counting and false claims, and ensure the purchaser of renewable energy that they are receiving the environmental attributes that they were promised.

The cornerstone of the Green-e Energy program is the prevention of double claims of renewable energy and renewable energy attributes. For RECs used in Green-e Energy certified products, the Green-e Energy National Standard explicitly prohibits "any expressed or implied environmental claims made pursuant to electricity coming from a renewable energy resource, environmental labeling or disclosure requirements."¹ While CRS supports the overall intent of HB 1712, as currently written the inclusion of null power in the definition of renewable resource and the ambiguous nature of the definition of null power constitutes a potential double claim of renewable energy attributes, which would likely confuse and mislead consumers reading such a disclosure and would violate the rules of the Green-e Energy program.

¹ Green-e Energy National Standard Version 2.0, http://www.green-e.org/docs/energy/Appendix%20D_Green-e%20Energy%20National%20Standard.pdf

In order for a renewable energy generator to be eligible to supply RECs in a Green-e Energy certified product, they must legally attest that “the electricity that was generated with the attributes was not separately sold, separately marketed or otherwise separately represented as renewable energy”² by any entity other than the purchaser. If HB 1712 passes, generation owners in Washington whose null power was defined elsewhere as renewable would no longer comply with the requirements set forth in the Green-e Energy National Standard and in the Green-e Energy Renewable Generator Registration Form and Attestation and thus would become ineligible to sell their RECs into a Green-e Energy certified product.

CRS suggests removing null power from the definition of renewable resource, and amending the definition of null power to not include the word renewable. We suggest instead defining null power and nonpower attributes as follows:

"Null power" means electricity that has been separated from its nonpower attributes.

"Nonpower attributes" means all environmentally related characteristics, exclusive of energy, capacity, reliability, and other electrical power service attributes, that are associated with the generation of electricity, including but not limited to the facility's fuel type, geographic location, vintage, and avoided emissions of pollutants to the air, soil, or water, and avoided emissions of carbon dioxide and other greenhouse gases.

If passed in its current form, HB 1712 could negatively impact the clean energy industry in Washington. The voluntary renewable energy market provides a significant revenue stream for Washington generators. In 2009, over 1,000,000 unique megawatt-hours (MWh) of renewable energy generated in Washington were sold into Green-e Energy certified products. There were approximately 36,700 retail customers of Green-e Energy certified renewable energy located in Washington, who purchased nearly 800,000 MWh in Green-e Energy certified sales. If HB 1712 were to pass, REC providers both in Washington and nationally would turn to out of state RECs for their green power products, and the role of Washington generators in this market would be diminished.

CRS urges you to consider the impact of HB 1712 on Washington renewable energy generators and customers and to ensure that the renewable energy industry continues to thrive in Washington. Thank you for accepting and considering our comments. Please do not hesitate to contact us should you have questions regarding the Green-e Energy program or the impact of HB 1712 on the voluntary renewable energy market in Washington.

² Green-e Energy Renewable Generator Registration Form and Attestation, http://www.green-e.org/verif_docs.html

Sincerely,

A handwritten signature in black ink, appearing to read "Jennifer Martin". The signature is written in a cursive, flowing style.

Jennifer Martin
Executive Director
Center for Resource Solutions