



CRS

center for
resource
solutions

February 16, 2011

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

RE: S.1506.1 Prohibiting the use of tradable evidence of nonpower attributes as a declared resource for electric utility fuel mix disclosures.

Dear Committee Members:

The Center for Resource Solutions (CRS) appreciates the opportunity to comment on S-1506.1. 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. This includes representing the energy from which RECs are derived as renewable in calculating another entity’s product or portfolio resource mix for the purposes of marketing or disclosure.”¹ Thus, the representation of null power (electricity generated by a renewable generator from which the renewable attributes have been sold off separately) as renewable for the purposes of electric utility fuel mix disclosures is not allowed by Green-e Energy. Likewise, it is considered best practice for customer disclosure, Renewables Portfolio Standard compliance, and green power accounting that RECs are required in order to identify electricity as coming from renewable sources, and that null power not be labeled as renewable.

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

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

attributes was not separately sold, separately marketed or otherwise separately represented as renewable energy”² by any entity other than the purchaser. If S-1506.1 passes, and RECs are no longer used as a declared resource for electric utility fuel mix disclosures, generation owners in Washington whose null power is represented as renewable for utility fuel mix disclosures 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.

This could severely 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 S-1506.1 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 S.1506.1 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 S-1506.1 on the voluntary renewable energy market in Washington.

Sincerely,

A handwritten signature in black ink, appearing to read "Jennifer Martin".

Jennifer Martin
Executive Director
Center for Resource Solutions

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