

## RESOLUTION NO. 1475

### A RESOLUTION OF THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF OKANOGAN COUNTY BEGINNING CONSIDERATION OF STANDARDS IN THE ENERGY INDEPENDENCE AND SECURITY ACT OF 2007

#### RECITALS:

1. The Federal Energy Independence and Security Act of 2007 (EISA) was enacted on December 19, 2007. The EISA amended the Public Utility Regulatory Policies Act of 1978 (PURPA) to require unregulated utilities, such as the District, with annual retail sales greater than 500 million kilowatt hours to consider four new PURPA standards and one additional non-PURPA standard. The District sold 622 million kilowatt hours of electricity at retail in 2007.

2. The stated purposes of PURPA are to encourage – (a) conservation of energy supplied by electric utilities; (b) the optimization of the efficiency of the use of facilities and resources by electric utilities; and (c) equitable rates to electric consumers.

3. The four new PURPA standards are as follows: (a) Integrated Resource Planning (EISA Section 532(16)); (b) Rate Design Modifications to Promote Energy Efficiency Investments (EISA Section 532(17)); (c) Consideration of Smart Grid Investments (EISA Section 1307(16)); and (d) Smart Grid Information (EISA Section 1307(17)). All of the four new PURPA standards amend PURPA Section 111(d).

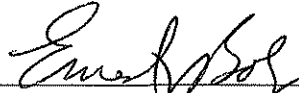
4. The additional non-PURPA standard does not amend PURPA but is included in the EISA. It is the following: (a) Additional Incentives for Recovery, Use, and Prevention of Industrial Waste Energy (EISA Section 374).

5. The required consideration for the four PURPA standards must begin by December 19, 2008 and be completed with a Commission determination by December 19, 2009. The non-PURPA standard does not have a specified date to begin consideration.

6. It is in the best interests of the District to begin consideration of the aforementioned four PURPA standards and the one non-PURPA standard as described in the EISA. Beginning the consideration of these five standards by December 19, 2008 is consistent with the purposes and requirements of PURPA and the EISA.


**NOW, THEREFORE, BE IT RESOLVED** by the Commission of Public Utility District No. 1 of Okanogan County, Washington, that the District's General Manager is hereby directed to begin the consideration of standards described in Recitals 3 and 4 in order to inform the Commission in preparation for a determination prior to December 19, 2009.

**ADOPTED** this 16th day of December, 2008.

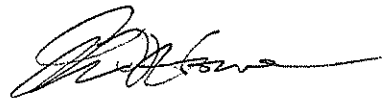
  
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Ernest J. Bolz, President

  
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Trish Butler, Vice President

**ATTEST:**

  
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David A. Womack, Secretary

**APPROVED:**

  
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Michael D. Howe, Legal Counsel