

RESOLUTION NO. 1657

A RESOLUTION of Public Utility District No. 1 of Okanogan County, Washington (the "District") Opposing a Carbon Tax.

WHEREAS, three carbon tax bills have been introduced in the 2018 legislative session; and

WHEREAS, while the three carbon tax bills propose different rates of taxation, escalation rates, exemptions, and uses of revenue, they all constitute an energy tax by taxing the carbon content of fossil fuels and electricity consumed within Washington State; and

WHEREAS, electricity is a basic human need, fundamental to our ratepayers' lives and businesses. Ensuring that the District's services remain competitive is essential to supporting the economic prosperity of our community; and

WHEREAS, the District's source of electricity is primarily non-carbon hydro. However, a small portion (approximately 6%) of the District's wholesale power from Bonneville Power Administration is purchased on the open market and may include electricity generated by coal and natural gas; and

WHEREAS, since the District has no control over how or where the electricity it purchases on the market is generated, a carbon tax will only serve to penalize the District's ratepayers yet have no effect on ratepayers' ability to decrease the carbon content of the power portfolio serving them; and

WHEREAS, a carbon tax will harm Okanogan County families, especially middle and lower income families due to the fact that lower income families pay a greater percentage of their incomes on nondiscretionary expenses like fuel for their cars and energy to heat their homes; and

WHEREAS, a carbon tax will harm Okanogan County businesses by driving up energy prices, forcing businesses to choose between passing on higher costs to consumers or lost profits. A carbon tax will make local businesses less competitive, with jobs and production potentially lost to areas with less restrictive rules, resulting in a worse overall environmental impact; and

WHEREAS, the District Board of Commissioners is committed to continuing its involvement in pursuing efficient and effective carbon reduction strategies that are least cost and promote the greatest benefit to our ratepayers; and

WHEREAS, the District Board of Commissioners believes that the District should take a formal position with respect to the proposed carbon tax bills to better inform its ratepayers of the potential impacts of those bills if voted into law, and to advocate the official District position;

NOW, THEREFORE, BE IT RESOLVED that the Commission hereby resolves to protect Okanogan County ratepayers by opposing the imposition of a carbon tax in the State of Washington.

APPROVED AND ADOPTED by the Commission of Public Utility District No. 1 of Okanogan County, Washington, at a regular meeting this 5th February, 2018.



Jerry Asmussen, President



William C. Colyar, Vice President

ATTEST:



Scott Vejraska, Secretary

APPROVED as to form:



Heidi E. Appel, General Counsel