

Bruce A. Harrell

A RESOLUTION of the City Council of the City of Seattle finding the 2008 Regional Dialogue Power Sales Agreement with Bonneville Power Administration in compliance with Washington State's greenhouse gas emission performance standard as detailed in R.C.W. 80.80.040.

5/29/09 BH, RC AYE
6-1-09 Adopted 8-0 (Excused: McIver)

Introduced: 5-18-09	By: Harrell
Referred: 5-18-09	To: Energy and Technology
Referred:	To:
Reported: 6-1-09	
Passed: 6-1-09	Signed: 6-1-09
Filed: 6-8-09	Published: Title 3p

LAW DEPARTMENT

RESOLUTION 31137

1
2
3 A RESOLUTION of the City Council of the City of Seattle finding the 2008 Regional Dialogue
4 Power Sales Agreement with Bonneville Power Administration in compliance with
5 Washington State's greenhouse gas emission performance standard as detailed in R.C.W.
6 80.80.040.

7 WHEREAS, the City Light Department ("City Light") currently purchases power from
8 Bonneville Power Administration ("BPA") pursuant to a Block and Slice Power Sales
9 Agreement, BPA Contract No. 00PB-12176, which expires on September 30, 2011; and

10 WHEREAS, on September 29, 2008 the City Council passed Ordinance No. 122805 authorizing
11 City Light's execution of a seventeen-year power purchase agreement with BPA; and

12 WHEREAS, in November 2008, BPA offered a new power purchase agreement ("2008 Regional
13 Dialogue Power Sales Agreement") to City Light that defines City Light's obligations to
14 purchase and BPA's obligations to supply power to City Light during the period from
15 October 1, 2011 to December 21, 2028; and

16 WHEREAS, as part of the State of Washington's initiatives to control greenhouse gas emissions,
17 City Light's governing body must determine that the generation associated with any long-
18 term financial commitment to base-load electric generation will not exceed the
19 greenhouse performance standard set pursuant to R.C.W. 80.80.040; and

20 WHEREAS, City Light, in consultation with the Washington State Department of Ecology,
21 determined that the greenhouse gas emissions associated with the 2008 Regional
22 Dialogue Power Sales Agreement will produce an average of approximately 182.025
23 pounds of greenhouse gases per megawatt hour, which is well below the standard of
24 1,100 pounds per megawatt hour set by the Department of Ecology pursuant to R.C.W.
25 80.80.040 (Attachments 1, 2, 3 and 5); and

26 WHEREAS, on November 13, 2008, Councilmember Bruce Harrell conveyed his approval of
27 Attachment 3 by a memorandum to City Light's Superintendent, Jorge Carrasco
28 (Attachment 4); and



1 WHEREAS, in a special session of the City Council's Energy and Technology Committee on
2 November 20, 2008, Councilmember Harrell stated for the public record that he
3 determined that the City's 2008 Regional Dialogue Power Sales Agreement meets the
4 requirements of R.C.W. 80.80.040; NOW, THEREFORE,

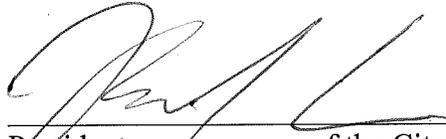
5 **BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE**
6 **MAYOR CONCURRING, THAT:**

7 Section 1. The City Council affirms the determination of its Energy and Technology
8 Committee Chair, Councilmember Bruce Harrell, and finds that City's Regional Dialogue Power
9 Sales Agreement meets the greenhouse gas performance standard for electric utilities set forth in
10 R.C.W. 80.80.040.

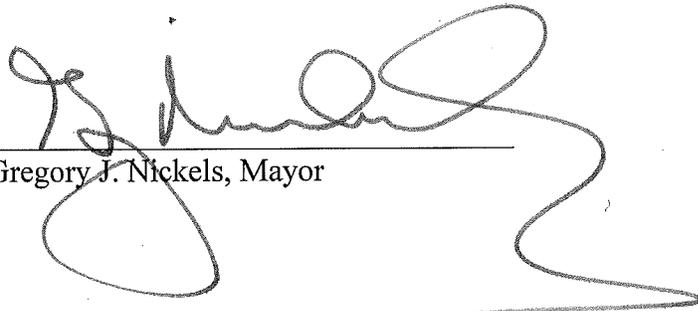
11 Section 2. Any act consistent with this resolution that was taken prior to its effective date
12 is hereby ratified and confirmed.
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28



1 Adopted by the City Council the 1st day of June, 2009, and signed
2 by me in open session in authentication of its adoption this 1st day
3 of June, 2009.

4
5
6 
7
8 President _____ of the City Council

8 THE MAYOR CONCURRING:

9
10 
11 _____
12 Gregory J. Nickels, Mayor
13

14 Filed by me this 8th day of June, 2009.

15
16 
17 _____
18 City Clerk
19

20 (Seal)
21
22
23
24
25
26
27
28



1 Attachment 1: October 8, 2008 letter from Stuart H. Clarke, Jr. to Jorge Carrasco

2 Attachment 2: November 7, 2008 memorandum from Jorge Carrasco to Bruce Harrell

3 Attachment 3: November 7, 2008 letter from Jorge Carrasco to Jay Manning

4 Exhibit A to Attachment 3: Determination of Compliance under ESSB 6001/RCW 80.80
5 and WAC 173-407-300

6 Attachment 4: November 13, 2008 memorandum from Bruce Harrell to Jorge Carrasco

7 Attachment 5: November 24, 2008 letter from Sarah Rees to Jorge Carrasco

8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28





Department of Energy

Bonneville Power Administration
Seattle Customer Service Center
909 First Avenue, Suite 380
Seattle, Washington 98104-3636

RECEIVED

OCT 10 2008

SUPERINTENDENT'S OFFICE

POWER SERVICES

October 8, 2008

Attachment 1

In reply refer to: PSW/Seattle

Jorge Carrasco, Superintendent
Seattle City Light
P.O. Box 34023
700 - 5th Avenue, Suite 3300
Seattle, WA 98124-4023

Dear Jorge:

On April 17, 2007, the Washington State Legislature passed a law (ESSB 6001/RCW 80.80) establishing a greenhouse gas emission performance standard for retail electric utilities. It is the Bonneville Power Administration's (BPA) understanding that this law forbids such utilities from entering into long-term (5 years or more) contracts for baseload power from power plants with emissions that exceed the average greenhouse gas emissions of a natural-gas-fired combustion turbine generator (1,100 lb./MWh). Long-term contracts for power of mixed origins (i.e., hydro, nuclear and unspecified power) are assigned a "system mix" emissions factor that cannot exceed the emission performance standard.

The governing boards of Public Utilities are responsible for making a determination that any generation supplied under a long-term commitment for baseload electric generation meets this emissions performance standard in any and all years of the contract. BPA's Regional Dialogue Contracts, being long-term financial commitments for generation of specified (hydro, nuclear and renewables) and unspecified (e.g., power acquired to supply customer load beyond the amount of power supplied by the existing Federal Base System (FBS)) origins, may be subject to this emission performance standard. Because BPA supplies federal power to many customers that are subject to ESSB 6001/RCW 80.80, BPA is providing information herein about the generation resources that the agency intends to use to meet its expected Regional Dialogue Contract load obligation. This information should enable customers to complete an analysis (based on their own projections of load growth and generation acquisitions) of the life-of-contract emissions.

For the purposes of this emissions estimate, it must be understood that BPA markets power generated primarily by a system of federally owned hydroelectric resources and one non-federal nuclear power plant (the existing Federal Base System, or FBS). These resources are referred as Tier 1 rate resources for purposes of BPA's tiered rates methodology. The decision to purchase power from BPA at Tier 2 rates, to serve load beyond what Tier 1 rate resources can serve, is up to the customer, not BPA. Thus, potential emissions from power supplied by BPA to customers to serve "above high water mark" loads are not calculated herein.



For the benefit of BPA's customers that expect to hold Regional Dialogue Contracts with BPA and that are subject to the Washington State requirements, BPA is providing the following report on the resources we expect to use in meeting Tier 1 commitments in Regional Dialogue Contracts:

BPA has calculated dedicated generation supply based on an estimate of the FBS and other resources available in a critical water year. This supply will be sold to Public Utilities under the Regional Dialogue Contract as power generated primarily by BPA's existing FBS or "Tier 1" rate resources. BPA estimates that its total "Tier 1" rate related sales will be 7,299 aMW for the life of the contract. The generation that BPA expects to use to meet its Tier 1 rate related obligations under the Regional Dialogue Contract is detailed in the chart below. This chart includes generation from FBS hydro power plants, nuclear generation (Columbia Generating Station-CGS), cogeneration (from the James River Wauna Cogeneration facility – a high-efficiency facility, exempt from Oregon Energy Facility Siting Council site certificate requirement, that uses approximately 99% biomass as a fuel), and wind resources (purchased under contract from the Klondike, Foote Creek, Condon and Stateline wind facilities). The supply of these resources varies slightly in even and odd years, as the CGS Nuclear facility undergoes refueling in odd years – a process which reduces expected generation from that facility. Also, BPA intends to distribute the RECs associated with the wind power to its customers (including "Environmental Preferred Power" customers).

Expected Tier 1 Rate System Resources 2012-2028*

Resource	Even Years (2012-2028)			Odd Years (2013-2027)		
	Supply (aMW)	%	Emissions Rate lbs/MWh	Supply (aMW)	%	Emissions Rate lbs/MWh
Hydro (FBS)	6500	89.05	0	6605	90.48	0
Nuclear (Columbia Generating Station)	736	10.08	0	631	8.65	0
Cogeneration (Wauna - 99% biomass)	16	0.22	0	16	0.22	0
Wind (with RECs)	47	0.65	0	47	.65	0
Unspecified	0	0%	2,600**	0	0%	2,600**
Total	7299	100%		7299	100%	

* Based on LARIS Study 54, 1958 Water Year

** Emission Rate based on ESSB 6001 /RCW 80.80 requirements for unspecified resources – these are not actual expected emissions associated with unspecified resources.



It is important to note that BPA buys and sells power throughout the year to meet short term generation deficits and surpluses. These purchases do not alter the agency's stack of long term or baseload resources used to meet its obligations. However, *if* one assumes that the purchased power becomes part of BPA's unspecified resource supply and clean attributes associated with the power sold leaves BPA's system, then BPA's resource mix calculations would shift from the above. BPA's system mix reports, submitted on a voluntary basis to the state of Washington each year, demonstrate that these balancing purchases lead BPA's system mix to include an average of 7% "unspecified" resources (net of "unspecified" wind resources). The chart below adjusts the first set of figures to incorporate these expected balancing purchases in BPA's Tier 1 rate related system resources. The 2,600 lb/MWh emission rate assigned to "unspecified" resources does not reflect BPA's estimate of actual emissions associated with those resources – rather it is the emission rate that ESSB 6001/RCW 80.80 ascribes to unspecified purchases. Actual emissions associated with these unspecified resources would be significantly lower.

Expected Tier 1 Rate System Resources, 2012-2028*
With Adjustments to Reflect 7% Unspecified Balancing Purchases from Market

Resource	Even Years (2012-2028)			Odd Years (2013-2027)		
	Supply (aMW)	%	Emissions Rate lbs/MWh	Supply (aMW)	%	Emissions Rate lbs/MWh
Hydro (FBS)	5989	82.05	0	6094	83.48	0
Nuclear (Columbia Generating Station)	736	10.08	0	631	8.65	0
Cogeneration (Wauna - 99% biomass)	16	.22	0	16	.22	0
Wind (with RECs)	47	.65	0	47	.65	0
Unspecified	511	7.00	2,600**	511	7.00	2,600**
Total	7299	100%		7299	100%	

* Based on LARIS Study 54, 1958 Water Year

** Emission Rate based on ESSB 6001 /RCW 80.80 requirements for unspecified resources – these are not actual expected emissions associated with unspecified resources.



Please feel free to contact me at (206) 220-6760 with any questions about these figures.

Sincerely,

A handwritten signature in black ink, appearing to read "Stuart H. Clarke, Jr.", with a stylized flourish at the end.

Stuart H. Clarke, Jr.
Senior Account Executive

cc: Raymond Camacho, Power Management Executive
Steve Kern, Power Supply & Environmental Affairs Officer
Cindy Wright, Strategic Advisor





Gregory J. Nickels, Mayor

Seattle City Light

Jorge Carrasco, Superintendent

November 7, 2008

TO: Councilmember Bruce Harrell
FR: Jorge Carrasco, Superintendent, Seattle City Light *J. Carrasco*
RE: Determination of Bonneville Power Administration's Power Sales Agreement's Compliance under Washington State's Greenhouse Gas Performance Standard

Attached please find a letter that I will be sending to Jay Manning, Director of the Washington Department of Ecology.

The purpose of the letter is to inform the Department that Seattle City Light, on behalf of its governing board, finds the upcoming Bonneville Power Administration's Power Sales agreement in compliance with Washington's greenhouse gas performance standard (RCW Chapter 80.80).

Seattle City Light has been working with BPA staff to document that the power we receive from these contracts will meet the applicable emission standard. We obtained such documentation from BPA in early October which shows that the BPA contracts will fall well below the emission standard required under the law. On November 3, 2008, City Light staff received verbal confirmation from the Department of Ecology that they concur with BPA's data.



700 Fifth Avenue, PO Box 34023, Seattle, WA 98124-4023

Tel: (206) 684-3000, TTY: (206) 233-7241, Fax: (206) 625-3709

An equal employment opportunity, affirmative action employer. Accommodations for people with disabilities provided upon request.

Attachment 2 to SCL RCW 80.80 Compliance RES





Gregory J. Nickels, Mayor

Seattle City Light

Jorge Carrasco, Superintendent
November 7, 2008

Via Facsimile /Original by Mail

Mr. Jay Manning, Director
Washington State Department of Ecology
P.O. Box 47600
Olympia, WA 98504

**RE: RCW Chapter 80.80 Consultation
Power Sales Agreement with BPA**

Dear Director Manning:

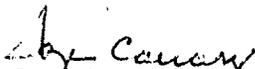
On behalf of Seattle City Light's governing board, The Seattle City Council, I am writing to further our consultation process with the Department of Ecology as required under R.C.W. 80.80.070 regarding a proposed long-term power supply contract with the Bonneville Power Administration (BPA). As you know, Seattle City Light is currently evaluating a seventeen-year Slice/Block contract with BPA and BPA has specifically required that this contract must be executed by December 1, 2008.

Based on an analysis by BPA of the resources it will use to serve these contracts, we have determined that the contracts will meet the requirements of R.C.W. 80.80. Attached for your convenience is a summary of BPA's analysis of its resources regarding the applicable emission standards.

In early consultation with the Department of Ecology, Seattle City Light received verbal concurrence that the BPA data appropriately demonstrates that the contract will fall well below the applicable emission standards. The purpose of this letter is to request written concurrence with this determination. We would appreciate receiving it by November 17th, 2008 in order to meet the contract execution deadline imposed by BPA.

Thank you for your time and continued cooperation. Should you have any questions, please feel free to contact Peggy Duxbury at Seattle City Light at (206)375-5494.

Sincerely,


Jorge Carrasco

cc: Tom Todd, Department of Ecology

Attachments: 1) BPA Correspondence
2) Summary Findings



700 Fifth Avenue, PO Box 34023, Seattle, WA 98124-4023
Tel: (206) 684-3000, TTY: (206) 233-7241, Fax: (206) 625-3709

An equal employment opportunity, affirmative action employer. Accommodations for people with disabilities provided upon request.



Exhibit A

**Determination of Compliance under ESSB 6001/RCW 80.80 and WAC 173-407-300
Bonneville Power Administration Power Sales Agreement**

BACKGROUND:

On April 17, 2007, the Washington State legislature passed a law (ESSB 6001) establishing a greenhouse gas performance standard for retail electric utilities. Under ESSB 6001, Seattle City Light and other utilities are forbidden from entering into long-term contracts (5-years or longer) for baseload power from power plants with emissions that exceed the ghg emission rate of the average natural gas combined cycle fossil plant (1,100 lb / megawatt hour). The purpose of the legislation, which Seattle City Light supported, was to discourage long-term investments on coal-fired power generation.

Some long-term contracts, including the upcoming BPA Regional Dialogue contract, include power purchases from mixed origins (i.e. hydro, nuclear and unspecified resources). These purchases are assigned a system mix emission factor that together can not exceed the ghg performance standard. BPA's Regional contract is a long-term contract (20 years) and therefore must comply with the standards set under ESSB 6001. Further, for consumer-owned utilities, ESSB 6001 states that governing boards that must insure compliance with the new requirements.

COMPLIANCE DETERMINATION UNDER ESSB 6001:

To demonstrate City Light's compliance with EESB 6001, below is a table that uses BPA's calculated dedicated generation supply based on an estimate of the Federal Base System and other resources available in an average water year. Additionally, BPA assumes its system mix to include an average of 7% unspecified resources, which are comprised of balancing purchases to meet short-term generation deficits between the Federal Based System and its power supply obligations under the Regional Dialogue Contracts. The supply from the resources varies slightly between even and odd years, reflecting refueling operations for the nuclear facility.

Based on the calculations in the table below, City Light concludes that the BPA contracts are in compliance with ESSB 6001, with a mixed emission rate is 182.025 lb /megawatt hour, below the 1100 lb/ megawatt hour rate standard. City Light staff has met with the Department of Ecology regarding this determination and the Department staff concurred with these calculations.

Resource	Even Years (2012-2028)			Odd Years (2013-2027)		
	Supply (aMW)	%	Emissions Rate lbs/MWh	Supply (aMW)	%	Emissions Rate lbs/MWh
Hydro (FBS)	6500	89.05	0	6605	90.48	0
Nuclear (Columbia Generating Station)	736	10.08	0	631	8.65	0
Cogeneration (Wauna – 99% biomass)	16	0.22	0	16	0.22	0
Wind (with RECs)	47	0.65	0	47	.65	0
Unspecified	0	0%	2,600**	0	0%	2,600**
Total	7299	100%		7299	100%	

700 Fifth Avenue, PO Box 34023, Seattle, WA 98124-4023
Tel: (206) 684-3000, TTY: (206) 233-7241, Fax: (206) 625-3709

An equal employment opportunity, affirmative action employer. Accommodations for people with disabilities provided upon request.





Bruce Harrell
Seattle City Councilmember

Attachment 4

November 13, 2008

TO: City Light Superintendent Jorge Carrasco
FR: Councilmember Bruce Harrell
RE: Approval of City Light's letter with respect to the pending power sales agreement with the Bonneville Power Administration

Dear Jorge:

I have received the letter you have drafted to Director Jay Manning of the Washington State Department of Ecology. I am sending you this communication as Chair of the Energy and Technology Committee to convey my approval of the letter.

Sincerely,

A handwritten signature in cursive script that reads "Bruce A. Harrell".

Bruce A. Harrell

An equal opportunity employer
600 Fourth Avenue, Floor 2, PO Box 34025, Seattle, Washington 98124-4025
Office: (206) 684-8804 Fax: (206) 684-8587 TTY: (206) 233-0025
email: bruce.harrell@seattle.gov
<http://www.seattle.gov/council/harrell/>

Attachment 4 to SCL RCW 80.80 Compliance RES





STATE OF WASHINGTON
DEPARTMENT OF ECOLOGY

PO Box 47600 • Olympia, WA 98504-7600 • 360-407-6000
711 for Washington Relay Service • Persons with a speech disability can call 877-833-6341

RECEIVED
DEC 01 2008
SUPERINTENDENT'S OFFICE

November 24, 2008

Attachment 5

Governing Board of Seattle City Light
c/o: Jorge Carrasco, Superintendent
Seattle City Light
700 Fifth Avenue
PO Box 34023
Seattle, WA 98124-4023

Subject: New 20 Year Tier I Contracts from Bonneville Power Administration

Dear Mr. Carrasco:

In 2007, the Washington Legislature passed a law placing new requirements on all retail electric utilities. RCW 80.80 requires all retail electric utilities to ensure that any long-term contract of five years or longer for baseload power meets the emissions performance standard of 1,100 lbs/MWh of greenhouse gas emissions. RCW 80.80 also requires consumer-owned utilities to consult with Ecology to ensure that the proposed contract complies with the emissions performance standard. See RCW 80.80.70(2).

Ecology understands that you will be signing a new 20 year Tier I contract with the Bonneville Power Administration (BPA) soon. This contract will be subject to the requirements of RCW 80.80, which includes consultation with Ecology. To make this process easier, we are providing the requested consultation through this letter.

Some of the contracts between BPA utilities are named Load Following; others are called Slice and Block. We understand that you will use both types of contracts. Below is a discussion of how to produce the "Average emissions in lb/MWh" for each type of contract. The process for Load Following would be used to determine the "Average emissions in lb/MWh" for that portion of the total electricity to be provided by BPA. Likewise for the Slice and Block portion.

Load Following

Recently, BPA wrote to you explaining that for Load Following contracts, seven percent of the total mix of the electricity they provide is from unspecified resources. As we understand it, that number is for the current BPA system only. It does not include resources required to meet load



Mr. Carrasco
 November 24, 2008
 Page two

growth, should you choose to have BPA meet your load growth within this contract. In the rule implementing RCW 80.80, the default greenhouse gas emissions from an unspecified resource is 2,600 lbs GHG/MWh. See WAC 173-407-300(5). Using the formula in the rule, the beginning BPA total power mix for Load Following customers is 182 lbs GHG/MWh. This figure has been calculated using the formula provided in the rule as follows:

$$AE = \frac{(F_1 \times MWh_1) + (F_2 \times MWh_2) + (F_3 \times MWh_3) + \dots + (F_n \times MWh_n)}{Total\ MWh}$$

where:

- AE = Average emissions in lb/MWh
- F = Regulated greenhouse gases emissions factor in lb/MWh
- MWh = Total MWh purchased or generated by the utility's own generation capacity during the year
- Total MWh = Total MWh from all source types for that year

Using the “Expected Tier I Rate System Resources, 2012 – 2028, With Adjustments to Reflect 7% Unspecified Balancing Purchases from Market” table provided by BPA in their letter, the example calculation below uses the total amount of megawatt hours of electricity that BPA supplies; your calculation should be based on your projected purchases of megawatt hours you intend to buy.

Example data: BPA power mix

Power (MWh)	Source	GHG emissions factor (lbs/MWh)
5,989	Hydroelectric	0
736	Nuclear	0
16	Cogeneration - Biomass	0 ¹
47	Wind	0
511	Unspecified	2,600

¹ The cogeneration facility burns biomass for steam and power generation. Biomass is defined as a renewable fuel and therefore is considered in the rule to have a zero for its carbon emissions. Therefore, BPA has estimated zero for this value. For simplicity purposes you may treat this number as zero, but there in fact is a small amount of non-biomass fuel used to start the combustion process.



Mr. Carrasco
November 24, 2008
Page three

Applying these numbers to the equation above yields average greenhouse gas emissions of 182 lbs/MWh for the BPA power mix:

$$AE = \frac{(0 \times 5989) + (0 \times 736) + (0 \times 16) + (0 \times 47) + (2600 \times 511)}{(5989 + 736 + 16 + 47 + 511)}$$

$$AE = 182.05 \text{ lbs/MWh}$$

Note: your calculation should be based on your actual projected purchases of megawatt hours.

If you do not expect to have BPA meet Above-High-Water-Mark Load, then the emissions rate associated with the contract is significantly below the emissions performance standard of 1,100 pounds of greenhouse gases per megawatt and the contract meets the requirements of RCW 80.80.

If you expect BPA to meet any additional requirements above your High Water Mark within this contract, the emission figure will need to be recalculated for each year of the contract. This recalculation should be based on the generation resources that you expect to purchase from BPA. If BPA is expected to meet your entire load growth with renewables, then no additional emissions will be calculated. We can supply you with a spreadsheet to assist you with load growth calculations on request. If you have not already done so, you should do this forecasting prior to signing the BPA long term contract.

Slice and Block

BPA also explained in their letter that the current BPA system used to serve Slice and Block contracts does not contain any unspecified resources. Therefore, if your first year delivery is less than or equal to your High Water Mark, your BPA total power mix is zero lbs GHG /MWh.

Using the formula from the rule described in the example above, and applying the data supplied by BPA the example calculation below uses the total amount of megawatt hours of electricity that BPA supplies for Slice and Block contracts; your calculation should be based on your projected purchases of megawatt hours you intend to buy.



Mr. Carrasco
November 24, 2008
Page four

Example data: BPA power mix

Power (MWh)	Source	GHG emissions factor (lbs/MWh)
5,989	Hydroelectric	0
736	Nuclear	0
16	Cogeneration	0 ¹
47	Wind	0

Applying these numbers to the equation above yields average greenhouse gas emissions of zero lbs/MWh for the BPA power mix:

$$AE = \frac{(0 \times 5989) + (0 \times 736) + (0 \times 16) + (0 \times 47)}{(5989 + 736 + 16 + 47)}$$

$$AE = 0 \text{ lbs/MWh}$$

If BPA is expected to meet your entire load growth with renewables, then no additional calculation is necessary. However, if you expect that you would request service *under this contract* to meet all or a portion of your load growth, you should take further steps. You will need to estimate the emissions associated with the resources that BPA would be expected to use to meet that growth, using the formula cited above and assigning unspecified emission rates to any resources that cannot be identified. If you have not already done so, this forecasting should be done prior to signing the BPA long term contract.

Again, we can supply you with a spreadsheet to assist you with load growth calculations on request.

If you have any questions, you may call me at (360) 407-6823 or Alan Newman at (360) 407-6810. His e-mail address is anew461@ecy.wa.gov.

Sincerely,


Sarah Rees
Program Development Section Manager
Air Quality Program

TT:lb

cc: Peggy Duxbury, Seattle City Light



FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	DOF Analyst/Phone:
City Light	Sung Yang/386-0049	Karl Stickel/684-8085

Legislation Title:

A RESOLUTION of the City Council of the City of Seattle finding the 2008 Regional Dialogue Power Sales Agreement with Bonneville Power Administration in compliance with Washington State's greenhouse gas emission performance standard as detailed in R.C.W. 80.80.040.

• **Summary of the Legislation:**

In the proposed Resolution, the City Council finds that the City of Seattle's 2008 Regional Dialogue Power Sales Agreement with Bonneville Power Administration (BPA) is in compliance with Washington State's greenhouse gas emission performance standard. This legislation is needed to document the process through which the City recently evaluated the compliance of the proposed, long-term, power supply agreement in consultation with the Washington State Department of Ecology, as required by the Washington State Code.

• **Background:**

As part of the State of Washington's initiatives to control greenhouse gas emissions, City Light's governing board is required, pursuant to R.C.W. 80.80.070, to determine that the generation associated with any long-term financial commitment to base-load electric generation will not exceed the greenhouse performance standard set pursuant to R.C.W. 80.80.040. Pursuant to an exchange of letters between BPA, City Light, and the Washington State Department of Ecology, BPA has determined that the greenhouse gas emissions associated with the Regional Dialogue Power Sales Agreement will be well below the standard of 1,100 pounds per megawatt hour set by the Department of Ecology. The City Council determined in November 2008 that the City's Regional Dialogue Power Sales Agreement meets the requirements of R.C.W. 80.80.040, thus clearing the way for City Light to execute the new BPA contract as authorized pursuant to Ordinance No. 122805.

• *Please check one of the following:*

This legislation does not have any financial implications.





City of Seattle

Gregory J. Nickels, Mayor

Office of the Mayor

May 5, 2009

Honorable Richard Conlin
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Conlin:

I am transmitting the attached proposed Resolution finding that the City of Seattle's 2008 Regional Dialogue Power Sales Agreement with Bonneville Power Administration (BPA) is in compliance with Washington State's greenhouse gas emission performance standard. This legislation is needed to document the process through which the City recently evaluated the compliance of the proposed long-term power supply agreement in consultation with the Washington State Department of Ecology.

As part of the State of Washington's initiative to control greenhouse gas emissions, the City Council is required to determine that the generation associated with any long-term financial commitment to base-load electric generation will not exceed the greenhouse performance standard set pursuant to R.C.W. 80.80.040. Seattle City Light, in consultation with the Washington State Department of Ecology, determined that the greenhouse gas emissions associated with the 2008 Regional Dialogue Power Sales Agreement will produce an average of approximately 182.025 pounds of greenhouse gases per megawatt hour, which is well below the standard of 1,100 pounds per megawatt hour set by the Department of Ecology. The City Council determined in November 2008 that the City's Regional Dialogue Power Sales Agreement meets the requirements of R.C.W. 80.80.070, thus clearing the way for City Light to execute the new BPA contract as authorized pursuant to Ordinance No. 122805.

Thank you for your consideration of this legislation. Should you have questions, please contact Sung Yang at 386-0049.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read 'Greg Nickels', written over a large, loopy flourish that extends across the signature area.

GREG NICKELS
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

600 Fourth Avenue, 7th Floor, P.O. Box 94749, Seattle, WA 98124-4749

Tel: (206) 684-4000, TDD: (206) 615-0476 Fax: (206) 684-5360, Email: mayors.office@seattle.gov

An equal employment opportunity, affirmative action employer. Accommodations for people with disabilities provided upon request.



STATE OF WASHINGTON – KING COUNTY

--SS.

240122
CITY OF SEATTLE, CLERKS OFFICE

No.

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

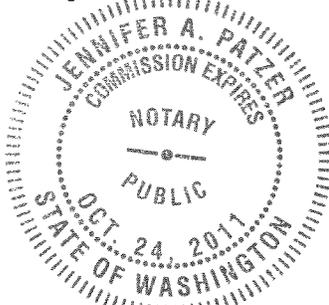
The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:31137 TITLE ONLY

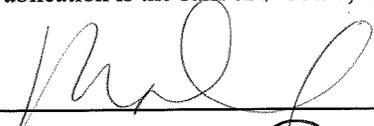
was published on

06/11/09

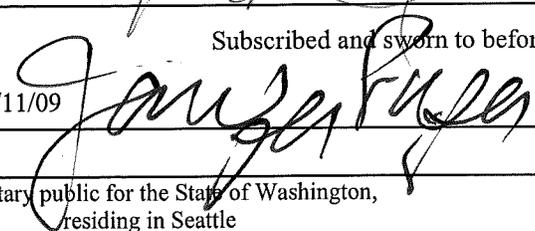
The amount of the fee charged for the foregoing publication is the sum of \$ 35.38, which amount has been paid in full.



Affidavit of Publication


Subscribed and sworn to before me on

06/11/09


Notary public for the State of Washington,
residing in Seattle

State of Washington, King County

City of Seattle

TITLE-ONLY PUBLICATION

The full text of the following resolutions, passed by the City Council on June 1, 2009, and published here by title only, will be mailed upon request, or can be accessed at <http://clerk.ci.seattle.wa.us>. For further information, contact the Seattle City Clerk at 684-8344.

RESOLUTION NO. 31137

A RESOLUTION of the City Council of the City of Seattle finding the 2008 Regional Dialogue Power Sales Agreement with Bonneville Power Administration in compliance with Washington State's greenhouse gas emission performance standard as detailed in R.C.W. 80.80.040.

Publication ordered by JUDITH PIPPIN,
City Clerk

Date of publication in the Seattle Daily
Journal of Commerce, June 11, 2009.

6/11(240122)