

## 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**
<b>Total</b>	<b>7299</b>	<b>100%</b>		<b>7299</b>	<b>100%</b>	

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