

**Virginia State Corporation Commission  
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**Case No. PUE-2016-00051**

Public Comment

November 8, 2016

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November 8, 2016

State Corporation Commission  
Tyler Building  
1300 E. Main St.  
Richmond, VA 23219

RE: Case No. PUE-2016-00051

Dear State Corporation Commissioners:

As major employers and large electricity consumers in Virginia, we write to support progress to date, and to express our support for increased and diversified renewable energy supplies in Virginia. We also write to ask for an explicit legal framework allowing companies choices to procure, lease, and access renewable energy resources from the state's utilities and from private third-party sellers.

As global companies providing products and services to consumers around the world from our operations in Virginia, we value not only a reliable and affordable electricity supply but also a clean one. Our companies, like many other leading U.S. businesses, have set public goals to reduce carbon emissions and operate using renewable energy. Our ability to access power from renewable resources is essential to our corporate energy strategies.

Major businesses often use multiple policy mechanisms to procure renewable energy depending on financing, suitability of a site, length of contract, and a variety of additional considerations that may be different for each company. States that have expanded and opened access to renewable energy are particularly attractive to businesses—offering up a diversified energy system, improved air quality, and greater long-term price stability.

We are encouraged by the progress that has been made in Virginia. Renewable energy projects made possible by companies located in Virginia are already delivering numerous benefits. The deals signed to date are producing tax revenue, jobs, and other economic benefits, and send a strong signal to other companies that barriers to corporate renewable procurement in Virginia are not insurmountable. These projects also reflect constructive engagement by Virginia's utilities and other key stakeholders. We see an opportunity to build upon this hard work and momentum by further expanding options for companies to procure renewable energy in the Commonwealth.

Virginia would meet the needs of a wide range of companies by allowing choice—including options to pursue power purchase agreements (PPAs), negotiate direct arrangements, and opt-into cost-competitive renewable energy tariffs, subscribe to community solar, and pursue other policy mechanisms tailored to the needs of large buyers.

First, Virginia should provide broader freedom for companies to enter into PPAs. Virginia currently lacks the explicit legal framework to allow companies like ours to enter into renewable energy contracts with non-utility energy service providers through third-party financing or PPAs. Third-party PPAs allow companies to procure energy without making major capital expenditures up front or taking on the risk associated with operation and maintenance.

Second, Virginia utilities should also offer a cost of service based renewable energy tariff for large buyers, allowing customers to opt-in to a portfolio of renewable energy generation delivered by their regulated utility. The goal of this tariff should be to provide customers with easy access to cost-effective renewable energy with low transaction costs and a fixed energy component that provides price certainty and avoids fuel price volatility without impacting other ratepayers.

While these two changes are key to expanding our options to pursue renewable energy, it is also important that Virginia's regulated utilities and the State Corporation Commission avoid limiting companies to a fixed set of purchasing pathways. Renewable energy tariffs, third-party PPAs, and

other policy mechanisms should not preclude other competitive opportunities that can drive innovation, reduce costs, and expand new renewable energy opportunities in the state.

We encourage additional robust dialogue between Virginia utilities and their customers to identify innovative solutions for corporate renewable energy purchasing that minimize overall costs without impacting non-participating ratepayers. The Corporate Renewable Energy Buyers' Principles<sup>1</sup> may serve as a basis for these dialogues.

As some of the largest electricity consumers in Virginia, we support increasing the supply of renewable energy available through utilities and from third parties. We want utilities to provide their customers with affordable, reliable, and clean energy, and we believe this is possible with policies that increase Virginia's profile as a place to do business. All Virginians will benefit through new investments, tax revenue, jobs, and infrastructure upgrades that accompany the resulting advanced energy growth. This makes Virginia a more attractive place to do business for the growing list of companies that have set greenhouse gas reduction and renewable energy commitments.<sup>2</sup>

We invite the state's utilities, third party providers, and policymakers to collaborate with us on opportunities to meet our mutual objective of increasing the cost-effective supply of renewable energy in Virginia.

Sincerely,



To contact the signatories of this letter, please contact [goldroberts@ceres.org](mailto:goldroberts@ceres.org).

cc:

Governor Terry McAuliffe

Members of the Virginia Senate Committee on Commerce and Labor

Members of the Virginia House Committee on Commerce and Labor

<sup>1</sup> [www.buyersprinciples.org](http://www.buyersprinciples.org)

<sup>2</sup> <http://www.worldwildlife.org/publications/power-forward-2-0-how-american-companies-are-setting-clean-energy-targets-and-capturing-greater-business-value>