



Renewable Energy on Vashon Island

Dear Vashon-Maury Island Resident and Neighbor:

As you may know, the Institute for Environmental Research and Education (IERE) is a Vashon-based nonprofit organization. We support environmental decision making based on factual information. We obtain and help others obtain the knowledge and skills they need to make better environmental decisions. You can get more information about us at www.iere.org.

We believe that to be truly sustainable a community should make as much energy as it uses—and that that energy should be from renewable resources. Having local renewable energy sources would be a big help during emergencies, too. Last year, we did a study that showed we have enough energy to run the island on only locally produced energy.

By running the island, we mean all energy use—cars, ferries, heating and electricity included. Our best potential energy sources are (in order of available energy) solar, wind, biomass and tidal power. Details are at <http://www.iere.org/documents/EnergyIndependentCommunities.pdf>.

We have had lots of support in the community for achieving our Energy Independent Vashon vision. Individual islanders, Sustainable Vashon, the community council and the newspapers and Voice of Vashon all helped support our efforts. But we want to get a more complete view of islander's opinions. We need your advice about if and how we should move forward.

We want to know whether the island at large supports sustainable energy and if that support is strong, we want to know your opinion about how we as a community should pursue generating renewable energy.

One of the major obstacles that renewable energy must overcome before it is accepted in the market is the issue of cost. Renewable energy currently costs more than energy from fossil fuels for three reasons.

1. There are massive subsidies (about \$5 Billion/year) for fossil fuel companies like Exxon and coal mining companies. While there are some subsidies for renewable energy, they are tiny by comparison, and have to be reauthorized every year through the federal budgeting process.
2. The technology for renewable energy generation is not as well developed as fossil fuel technology, although this is changing rapidly. Solar power, for example, uses the same technology as computers. It follows a similar cost curve and is getting cheaper all the time.
3. The price we pay for fossil fuels does not take into account the external costs of its use, such as the health cost of air and water pollution or the ecological damage due to mining and burning the fuels.

The greatest financial advantage that renewable energy has over fossil fuels is its stable cost structure. Unlike fossil fuel, the cost of renewable energy (the sunshine, wind and currents) won't go up over time. Most of the cost of renewable energy is in the capital investment, with operating costs (which vary with inflation) being quite low. And of course, renewable energy is non-polluting, so it has few societal costs. All that means that renewable energy may be more expensive, but its costs are pretty stable, unlike fossil fuel energy.

Who owns electricity generation also has an effect on the costs, because different ownership schemes have different cost structures imbedded in them, as well as different financial, political and regulatory drivers. Choosing the ownership type will have an impact on the island for a long time, so we want your input on this issue. We basically have three options:

1. Renewable energy could be made by independent power producers (IPP's). **IPP's are for-profit businesses**, and are responsive to the owners of the IPP. They are highly regulated by the state. IPP's depend on commercial money to produce power, and so have higher costs of energy than other kinds of power producer. As a result, their rates are typically higher than other kinds of power producers. Decisions about the power produced by an IPP would be made by the IPP, not by island citizens.
2. We could form a producer's co-op. **Co-ops are not-for-profits that serve their members**. Co-ops can borrow money at lower rates. Since they are not-for-profits they cannot get the tax rebate advantages provided by the federal government to IPP's and in some cases to governmental power producers, but generally their energy comes cheaper than that produced by an IPP. A Co-op would provide electrical service exclusively. Co-op members vote for a board of directors democratically, and the board makes the management decisions.
3. We could form a Public Utility District (PUD). A **PUD is a quasi-governmental body that serves the community**. It can issue bonds or tax property to get its funding, so its costs of energy are typically lower than an IPP's. A PUD is responsible to the public and has a board of commissioners who are publicly elected. PUD's can do other things besides provide electricity. They can assist in developing a broad array of community services such as water, wastewater, transportation, telecommunications and energy services.

Your responses to this questionnaire will help us develop a plan moving forward. Thanks so much for your time in filling it in. Then just drop it by, or into the mailbox or fax it to us at 206-279-1570.

Rita Schenck, Executive Director, IERE

Vashon Renewable Energy Questionnaire

- 1) Do you think the island **should** pursue energy independence?
 - Yes
 - No
- 2) Would you be willing to pay more for renewable energy produced locally? (Prices would be higher, but would remain stable).
 - No, 7 cents per kilowatt hour is enough
 - Yes, 2 cents per kilowatt hour more
 - Yes 5 cents per kilowatt hour more
 - Yes, 10 cents per kilowatt hour more
- 3) Renewable energy should be produced by

- An Independent Power Producer (IPP)
- A producer's co-op
- A Public Utility District (PUD)

4) What kinds of renewable energy do you think are OK?

- Wind
- Solar
- Biomass burning (e.g. wood waste or septic waste)
- Tidal

5) Would you like to know more about IERE's Energy Program?

- No
- Yes Name: _____ phone: _____

email: _____

6) Any comments or suggestions would be much appreciated! If you like you can call us at 463-7430, or email us at staff@iere.org.

You can fax this to 206-279-1570, or drop it by at 17917 Vashon Hwy, or fold and tape it closed and mail it. NOT mailing it saves us 97 cents, and so would help us out.