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December 12, 2006

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Secretary's Bureau
Pennsylvania Public Utility Commission
PO Box 3265
Harrisburg, PA 17105 - 3276

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Re.: Implementation of the Alternative Energy Portfolio Standards Act of 2004, Docket
No. L-00060180

Commissioners:

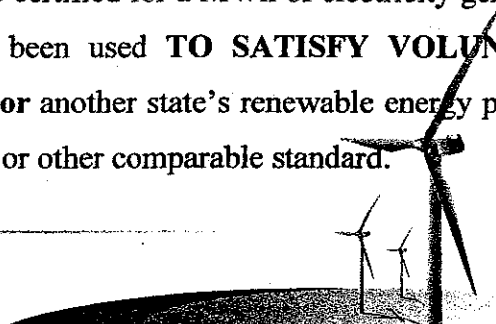
NativeEnergy, LLC, a renewable energy credits (RECs) and greenhouse gas (GHG) offsets marketing company with interest in the Pennsylvania renewable energy market, offers the following brief comments on the Commission's Proposed Rulemaking Order in the above-captioned docket:

- 1) In general, *NativeEnergy* agrees with and endorses the comments of PennFuture filed in response to the Commission's Proposed Rulemaking order in the above-captioned docket.
- 2) In particular, *NativeEnergy* agrees with the concern expressed by PennFuture that Pennsylvania's Alternative Energy Portfolio Standards Act (the Act) be implemented in a manner that protects the voluntary market for renewable energy and allows it to produce environmental benefits over and above those produced by the Act. This is undoubtedly in keeping with legislative intent, as well as the intent of individuals and businesses that have made voluntary purchases. In order to accomplish that goal, however, the rules at a minimum must make it clear that megawatt hours of electricity generation that have already been used to support sales of alternative energy or alternative energy credits in the voluntary market cannot be used to comply with the Act, and that Alternative Energy Credits (AECs) used to comply with the Act cannot subsequently be sold in the voluntary market. As currently drafted, the rules are not clear on these points.

To assure that the voluntary market is protected, we suggest the following amendments to sections of the draft rulemaking:

§ 75.54 Alternative energy credit certification.

- (c) An alternative energy credit may not be certified for a MWh of electricity generation or electricity conservation that has already been used **TO SATISFY VOLUNTARY ALTERNATIVE ENERGY PURCHASES**, or another state's renewable energy portfolio standard, alternative energy portfolio standard, or other comparable standard.



§ 75.55 Alternative energy credit program administrator.

(d) (2) The program administrator may not certify alternative energy credit for a MWh of electricity generation or electricity conservation that has already been used **TO SATISFY VOLUNTARY ALTERNATIVE ENERGY PURCHASES**, or another state's renewable energy portfolio standard, alternative energy portfolio standard, or other comparable standard.

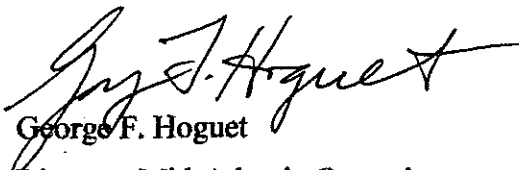
§ 75.60. Alternative energy market integrity

(a) All sales by EDCs and EGSs to retail electric customers of alternative energy credits or electricity marketed as deriving from alternative energy sources ~~that exceed the requirements of § 75.31 at the time of the sale~~ shall be supported by alternative energy credits separate from and in addition to alternative energy credits counted for compliance with the requirements of § 75.51.

These modest amendments will help assure that retail customers who volunteer to pay more to support development of renewable energy resources realize the environmental value they intend, for themselves and the Commonwealth.

Should the Commission or its staff have any questions regarding this filing, do not hesitate to contact me.

Respectfully submitted,



George F. Hoguet

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