Oregon Wind Working Group
Inaugural Meeting - July 25, 2002
World Trade Center, Building 2, Skybridge Room A&B
121 SW Salmon, Portland

Minutes of the meeting
By
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General comments

The meeting was well attended by a wide variety of stakeholders. A total of 72 people registered for this meeting, including the speakers. A list of attendees and those who could not attend but want to be part of the Oregon Wind Working Group will be sent in a separate email file.

The agenda for this Inaugural Meeting as shown on the third page lists the speakers and topics. Ms. Maureen Quaid replaced Peter West from the Energy Trust of Oregon, and the lunch speaker Mr. Patrick Egan, Economic Policy Advisor from the Office of the Governor, encountered a last minute conflict and regrettably had to cancel his attendance and speech during the lunch.

The presentations during the morning were informative and helped prepare for the lively discussions in the afternoon. Six presentations in PowerPoint format are available for distribution and they will be sent as separate email files.

Identification of Barriers

Lisa Schwartz facilitated this afternoon session. The attendees created a long list of issues that are perceived as barriers. All of those issues were written down on paper charts and taped on the wall of the conference room. A listing of those issues is shown in Table 1. Next, all attendees received three stickers and were then asked to put those stickers on those barriers deemed most important.

The seven issues that received the most votes are:

1. Net metering needs to be improved (size limit, aggregation, etc.);
2. The state needs a Renewable Portfolio Standard;
3. Permitting process is not streamlined (federal, state and local level);
4. There is no federal carbon tax;
5. There is not enough technical support for consumers, landowners, and developers;
6. Transmission access tends to be far from windy sites; and

7. There is a need for better education for homeowners, landowners and communities.

Discussion of possible solutions to these Barriers

Lisa Schwartz facilitated this afternoon session, as well. The group spent about an hour discussing a wide variety of possible solutions to the seven major barriers, as shown in Table 2. With the exception of the issue that there is no carbon tax, the barriers that we chose to address can all be dealt with on the state or regional level.
The discussion was cut short to stay on schedule.

Next Steps and Timeline

The attendees agreed to the timeline that includes signing up for sub-committees by September 9. These sub-committees will focus on the major barriers that were identified. The attendees also agreed that the next meeting should be held by the end of October in northeast Oregon.

AGENDA OF THE INAUGURAL MEETING ON JULY 25, 2002

9:00	Welcome	Carel DeWinkel Oregon Office of Energy
9:15	Wind Powering America and State Wind Working Groups	Curtis Framel U.S. Department of Energy
9:30	Recent trends in wind energy	Larry Flowers Nat. Renew. Energy Lab
10:00	Energy Trust of Oregon's renewable resources program	Maureen Quaid Energy Trust of Oregon
10:15	Renewable Northwest Project	Ann English Gravatt Renewable Northwest Project
10:30	Break	
10:45	Sherman County perspective	Judge Mike McArthur Sherman County
11:00	Wind resource assessment	Stel Walker Oregon State University
11:15	PacifiCorp's perspective	Virinder Singh PacifiCorp
11:45	Bureau of Land Management's (BLM) perspective	Lee Otteni Bureau of Land Management
12:15	Bonneville Power Admin.'s (BPA) perspective (during lunch)	Mike Hoffman BPA
1:15	Identification of barriers to wind energy development	Facilitator: Lisa Schwartz Oregon Office of Energy
3:15	Development of OWWG's objectives and action plan	Facilitator: Lisa Schwartz Oregon Office of Energy
4:15	Timeline and locations for future meetings	Carel DeWinkel Oregon Office of Energy
4:30	Adjournment	

Table 1: Barriers to Wind Energy

The following barriers were identified during the afternoon session. Each participant then had three votes to indicate the importance attached to each issue. The votes are indicated in the first column.

Votes	
0	Federal Purchase of Green Power • US Army • Aggregation
3	Utility engineers/Transmission operators - wind education
0	Oregon Exporter - "Green Power" NIMBY (not in my backyard)/objections Offshore Turbines
1	Increase State Technical/Info Region-wide support
0	Federal Policy/Financial Resources (Transmission)
3	Cost of Wind Energy after shaping
11	No Renewable Portfolio Standard in Oregon
3	Lack of Education/Information to Public – understand their willingness to pay
0	BPA/Utility contract issues – Limitations or penalties on self-generation
15	Net Metering 25 kW, monthly versus annual net metering, one versus two meters limits of each utility (but we are not even close) aggregate meters insurance issues avoided cost "defined" how?
4	Anemometer loan program not available outside PGE & PPL – lack of equity between IOUs and Publics
1	Lack of technical assistance for small and medium size wind mills
0	Lack of aggregators for power or green-tag purchases
1	Lack of standardized stand-by rate (utility or statewide)
1	Lack of interest and support from rural utilities who don't have staff with expertise in distributed generation (DG)
1	Insufficient incentives such as a State Production Tax Credit that can supplement federal incentives
0	Production payment (like done in Minnesota)
0	State agencies don't buy enough green power
3	Regulatory regime: de-couple sales from profit DG full benefit accounted
	Insufficient transmission/storage infrastructure
1	Tower height restrictions
1	Not in my backyard (NIMBY)
1	Noise regulation – protocol for requirements

0	Grid operators only hear bad stories and are unfamiliar and disconnected from current discussions on issues related to their operations
0	We need standards on operational aspects of wind for regional organizations (placed above utilities)
0	Interconnection application stage—not enough education on this level
3	Need for universal interconnection standards
9	Permitting process is not streamlined on the federal, state, and local
0	Transmission capacity planning for entire western grid needs to accommodate renewables (upgrades, access to high voltage DC line)
0	Need to assess benefits and determine who pays and how it is paid for – Equity in total cost and benefits.
0	Provision in SB1149: no extra renewable cost in rate base
9	There is no federal carbon tax
0	Failure to understand that we are one world: we may need a lot of windmills in Oregon for export to CA, etc.
0	Capacity of transmission system with variable sources not known
4	Wind resource not fully known for future development; quality of data too low
1	The wind resource on state owned lands is not known
0	Wind rights not yet a barrier? Need more clarity!
9	Not enough technical support for consumers, landowners, communities, small developers
11	Transmission issue: great wind sites are far away from the existing transmission system. Access to high voltage grid is expensive.
0	Wheeling cost, lack of tariff
4	Some PUDs say: contract with BPA prohibits us from buying power from anybody but BPA (decrement issue).
0	Contract with BPA, more than decrement issue (Right to amend does not exist)
0	High costs for small producer to sell power (legal review, etc.) and low return after handling, wheeling and other costs
1	Wind research cooperative folded, was used for addressing technical issues
1	Length of fish & wildlife studies too long
4	Lack of standard contracts for transmission & facilities leases (Lack of professional advisors for smaller projects, for farmers)
0	Marketing & advertising is lacking
0	Lack of regional central clearinghouse of where wind is being developed, what's coming up next, discussion of industry issues, information on contracts, etc.
0	Impossible to keep up with all developments: need clearinghouse
1	Federal Production Tax Credit (PTC) & other incentives conflict - federal double dipping provision, impact not clear and rule not fully tested
0	Transmission planning is reactive (to solve congestion) rather than pro-active to support where renewable resources are available
0	Transmission & generation units are too far apart, and benefits are lost
0	Local siting authority for projects less than 104 MW and below – concern that local governments lack technical expertise to adopt local ordinances
2	Project financing = disarray in energy industry from financial perspective
0	Hard to get long term power purchase agreement

5	Lack of availability of green tags for small producers (they need buyers; lack of registry)
1	Metering of small systems and green tags issue
0	Inadequate incentive funding in general (despite SB1149)
0	Trust of financial institutions is lower when public entities are involved (?); cost of transactions with aggregation is an issue
5	BPA: FERC Open access rules, (transmission planned for all generation sources) Need to change public policy to allow for more renewables
2	Ancillary services very expensive
7	Need better education for how to get wind for - home, landowners, communities, and cities. Need more public relations activities

Table 2: Discussion of the barriers with the most votes

1	**Net metering**
	• Increase limit >500 kW, unlimited? (ex. 1 new machine 750 kW (base limit on what's available on the market)
	• netting out period– tariff clarification? Suggest increase to annual Δ state law
	• increase limits for each utility (just to give them notice)
	• aggregate meters/customer
	• find out what other states are doing on insurance pool?
	• Fairness of who pays, cost allocation, what and who benefits
	• Avoided cost: longer term, more often filed? Deregulation issue/market cost based and surge charge
2	**Renewable Portfolio Standard**
	• Implement one! (we don't have one in the state) Arguments: reduce oil dependence, economic development, portfolio diversity, security, etc. ?10% or 20% by 2020 in Senate bill include publics?
3	**Permitting process not streamlined**
	• Standardized county requirements (state process uniform) promulgate model to all counties. how to get it adopted? They need technical assistance
	• Forest Service adopts BLM's rules
4	**No carbon tax (federal)**
	• For new power plants, Require more @ state level (ask John White for details)
	• Climate Trust money should to be spent in Oregon?
	• Oregon pollution trading? ASK: what can we do on federal Level? ↑not really our focus, focus on Oregon
5	**Not enough technical support**
	• AWEA's website • How to deal with complexity→develop 3 or 4 packages with turn-key solutions for each group of individual, aggregate, lease, own multi-MW system.
	• List with resource needed for each such group

	• Clearing house
	• On-sight support from technical expert.
	• Legal support for contract issues
	• Extension service
	• 1 or 2 experts in OOE better than extension service? No. Need both!!
	• Permitting hand book see also BLM's website
6	**Transmission access far from windy sites**
	• Study how much wind the distribution and transmission system can absorb now (check with Tom Wind, IA)
	• Small: Focus on distribution access
	• Wind on the wires project
	• Need public support/subsidy for transmission to major wind sites
	• Need to identify ideal wind site
	• FERC—run new transmission through windy sites Support RTO-west NWPPC—more pro-active transmission planning
7	**Need better education for home owners, customers**
	• Better knowledge of what wind means less NIMBY. Need very general PR for general public building • Build on disclosure requirements of utilities (?)
	• Use state agencies with their own staffs that fits this
	• Educate about farm bill