

**Oregon Wind Working Group
Second Meeting – October 24, 2002
Pendleton Convention Center
Pendleton**

**Minutes of the meeting
By
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General comments

The second meeting was well attended by a wide variety of stakeholders. Sixty-five people registered for this meeting. The agenda as shown on page 6 lists the speakers and topics. The presentations during the morning were informative and helped prepare for the workshop meetings of each of the sub-committees in the afternoon.

Morning session

After the welcome words, County Commissioner Dennis Doherty gave an informative overview of the wind energy projects in Umatilla County, including those that are in operation, under construction, or in the application and permitting process. He emphasized that the wind industry is welcome in the county but encouraged the industry to spread the benefits of wind power to the local population, be good corporate citizens and work together to solve the land use issues in a mutually acceptable way.

Sub-committees reports

In preparation for the afternoon subcommittee meetings, each of the five sub-committee chairs gave a brief overview of the work performed to date:

1. Net Metering – Chuck Koch, Oregon Rural Action, reported that the sub-committee has not had the time to look into the details of net metering.
2. Renewable Portfolio Standard – Jean Wilkinson, Oregon Farm Bureau, reported that preliminary discussions with her sub-committee indicate that there is a hesitancy to push for a state RPS at this time. Instead, the members prefer to evaluate the activities of the Energy Trust of Oregon (ETO) for some time to see the impact of its activities.

At this point in the discussion, Peter West, ETO's director of renewable resources was invited to give an overview of the ETO's renewable program, which includes wind, solar, and biomass. He mentioned that they are in the process of evaluating 2 finalists who made a bid on the large-scale wind RFP. He explained that the Trust would also promote small-scale developments of wind. One way of doing this is with the Anemometer Loan Program that will start with 6 anemometers. Peter emphasized that the Trust makes a sustained effort to

- invest the available funds in all the areas currently served by PGE and Pacific Power.
3. Permitting process – David Van't Hof, Stoel Rives, outlined that his committee had a brief chance to look at the barriers perceived in the state and local permitting process. He mentioned issues like a standardized county permitting process, wildlife issues such as avian monitoring and mortality, noise and possible legislative action, and mitigation banking.
 4. Technical support and Education – Carel DeWinkel, Oregon Office of Energy, outlined the brief interchange between the members on questions such as “who needs technical support?”, for each group “on what issues?” and “in what form?”. The same questions were raised and discussed for the educational efforts.
 5. Transmission access – Jayson Antonoff, grnNRG, for Ann Fisher of Legal and Consulting Services, reported that the sub-committee had not had much time yet to discuss the issues related to transmission access. He suggested that the sub-committee might expand the topic to include how wind-generating operations can be better integrated into the transmission system (not just access).

Discussion of other barriers identified during the Inaugural Meeting

There continues to be a concern that the ETO's Anemometer Loan Program will not be available outside the PGE and Pacific Power service areas. Among the options to be considered is trying to persuade the BPA to offer a similar program throughout the rest of the state.

Universal interconnection standards were briefly discussed. IEEE P1547 Standard for Interconnecting Distributed Resources with electric power system has now been approved. Both the Net Metering and the Technical Support and Education sub-committees will discuss this further and coordinate their efforts.

The BPA informed the attendees that the power sales contract with BPA allows utilities to purchase renewable energy from other providers. Tom Osborn of the BPA has prepared the following.

1. *Can a utility served by BPA purchase renewable energy from providers other than BPA's Environmentally Preferred Products?*

Response: Yes. BPA wants to encourage renewable energy development. The renewable energy resource must meet certain criteria and be used to serve a portion of the utilities load under the Subscription Power Sales Agreement. Different Power Sales Agreements have different requirements. For instance, a Slice Block customer may be required to reduce their block purchase from BPA. The Power Business Line (PBL) account executive can guide an interested party through the process.

2. *What qualifies as a renewable resource under Exhibit C of the Subscription Power Sales Agreement?*

Response: Per Section 4(a) of Exhibit C of the Subscription Agreement, the utility may add a new renewable resource if the Power Business Line (PBL) agrees that the resource meets the Bonneville Power Administration's (BPA) standards to qualify for BPA's Conservation and Renewables Discount (C&RD), subject to any applicable limits established in BPA's policy on net requirements under section 5(b) of the Northwest Power Act. In order for a new renewable resource to qualify for BPA's C&RD, it must meet the criteria in the manual, which are summarized below:

a. The facility must generate electricity using renewable energy sources. This includes biomass, geothermal, hydroelectric, solar, and wind.

b. The facility must begin commercial operation no earlier than May 1, 1999, and no later than September 30, 2006.

c. The facility must be located in the Pacific Northwest as defined by the Northwest Power Act, with a few exceptions (i.e. Wyoming Wind Projects.)

3. Is there a limit on how much renewable energy can be added by BPA customers?

Response: Yes. BPA's 5(b) policy set a limit of 200 aMW of renewable resources that can be added and then removed under customers' Subscription Agreements.

We discussed the Alternative Energy Legislative Task Force, chaired by Representative Jeff Kropf. While he appears to be primarily interested in biomass, the group assigned Jean Wilkinson to work with this Task Force to represent OWWG in addition to representing the Farm Bureau interests.

The need for green tags for small producers was discussed and this topic will be included in the work of the RPS sub-committee.

Legislative initiative(s) for this session

The most likely candidate for an initiative this session appears to be an increase in the maximum capacity of a windmill eligible for net metering. The attendees agreed that the Net Metering sub-committee should work on this issue.

OWWG's web site

Some time ago, Jayson Antonoff and Patricia Chase of grnNRG offered to put a web site together for our OWWG. We discussed the format and decided that it could be very helpful as a means to communicate among the OWWG members. As a result, Jayson and Patricia put it together, and during lunch Jayson gave an overview of the functions of this web site: www.grnrg.com/OWWG. The attendees agreed that we should use this web site as

a tool to communicate our OWWG work in progress. It is not a site for general wind energy information. Each sub-committee will have its own page on which documents can be posted. By doing so, the members will not have to include lengthy documents in email messages.

Afternoon session

The sub-committees spent 2 hours working on their specific topics, detailed results of which will be posted on OWWG's website. Following are the highlights of each sub-committee's work.

The Net Metering sub-committee outlined education of landowners and small utilities and an increase in the maximum windmill size limit for net metering as the main topics.

The RPS sub-committee reported that it does not want to push for a state RPS, but instead will focus on how coops, PUDs and munies can offer green products, on property tax relief, support of the federal RPS, state agency procurement, and flat rate offers by PGE and Pacific Power (EWEB already offers this).

The Permitting sub-committee wants to focus its efforts on streamlining the county permitting process. For example, the development of standardized protocols for avian studies for counties appears to be useful. Assisting in solving the noise issue is another area where the sub-committee's work could be useful.

The Technical Support and Education sub-committee focused on providing support for the "one-stop shopper", including issues such as available machines, anemometer loan program, financing, local regulation and utility rules, permitting, and state incentives. The state extension service is seen as a good model to deliver this support through its experience with information dissemination, network of connections and its link to the technical specialists. A grant application will be considered to obtain funding for development of educational materials for dissemination by extension agents with a list of wind power resources and experts. Developing a mobile/traveling exhibit was discussed as a means of facilitating the transfer of information and awareness around the state in a practical concrete way. The subcommittee was also enthusiastic about demonstration projects, and specifically, special school project(s) with medium sized windmill(s) similar to the projects in Iowa and Minnesota. The community college in Pendleton was identified as one possible site that might be eligible for ETO support (within required utility service area).

The Transmission Access sub-committee decided that it would use Sherman County as its case study because a real evaluation of a transmission access is currently under way. Access not only for a large wind farm, but at the same time opening up the possibility of smaller incremental wind development(s), is being evaluated in that county. Public funding of such interconnection is an option that may be explored. Also, spatially distributed wind farms add to the cost of production, and operational concerns are part of this evaluation as well. Coordination with the Permitting sub-committee will be sought. Long term, the question of how to minimize the need for more transmission may be studied, too.

Next Steps and Timeline

For the coming months, these sub-committees will focus on the issues as outlined in these minutes. Chairs of sub-committees plan to have conference calls once a month to discuss progress and coordinate the various activities.

- Our next OWWG meeting will be in the Dalles in February/March 2003. It is our intent to prepare detailed materials to be discussed during that meeting.
- The final meeting for this first year will be in Sisters/Bend area at end of May/early June 2003. The Strategic Plan of the OWWG needs to be finalized and adopted during that meeting.

**AGENDA OF THE SECOND OWWG MEETING
PENDLETON,
OCTOBER 24, 2002**

- 9:00 Welcome Carel DeWinkel
Oregon Office of Energy
- 9:15 Umatilla County's Perspective Commissioner Dennis Doherty
- 9:30 Overview of sub-committees' Chairs
work to date
- 10:45 Break
- 11:00 Discussion of other barriers identified during Inaugural Meeting
- 11:30 Possible initiatives for the upcoming Legislative Session
- 12:00 Lunch with discussion of OWWG's website
- 01:00 Working sessions for each sub-committee
- 03:00 Brief report from each sub-committee
- 03:30 Next steps
- 4:00 Adjournment