

Draft Minutes
Portfolio Options Committee Meeting
April 13, 2006

Committee members attending:

Jeff Bissonnette	Fair and Clean Energy Coalition (chair)
Lisa Schwartz	Oregon Public Utility Commission Staff
Marc Cody	Portland General Electric (proxy)
Laura Beane	PacifiCorp
Justin Klure	Oregon Department of Energy
Jason Eisdorfer	Citizens' Utility Board
Natalie McIntire	Renewable Energy Project

Others attending:

Doug O'Connor, PacifiCorp
Thor Hinckley, Portland General Electric
Collin Whitehead, Three Phases
Alex Rate, Green Mountain Energy

Adoption of minutes

Natalie McIntire moved adoption of the draft minutes from the Feb. 9, 2006, Portfolio Options Committee meeting. Justin Klure seconded the motion. The motion passed unanimously. Natalie then moved adoption of the draft minutes from the March 2, 2006, executive committee meeting. Justin seconded the motion, which passed unanimously.

Announcements

PGE announced its planned acquisition of the Biglow wind project in Sherman County.

PacifiCorp noted the completion of its merger with Mid-American Energy Holding Company. As part of the company's reorganization, Mark Tallman was named managing director of renewable resource acquisitions. The Wolverine Creek wind plant in Idaho is now operational. PacifiCorp also recently contracted for an 11 aMW expansion of its Blundell geothermal plant.

PGE 1st quarter 2006 report (Handout provided)

Alex Rate presented highlights of PGE's preliminary 1st quarter report. Data are not yet final for March. Alex noted that "active" customers are one month behind "served" customers.

The company now reports on *net* churn. The increase in churn in January 2006 could be due to higher rates of moving, bill spikes accompanying cold weather, or new credit requirements PGE put in place.

Responses to bangtails that mailed in March will continue to come in during the 2nd quarter. The company's "new service bundle" program is expected to begin May 2006. Portfolio options will be among the services highlighted for customers new to PGE.

Jason Eisdorfer noted CUB's on-line newsletter. A recent article about Oregon's continuing success in the national rankings for green pricing programs was picked up by a local blog, generating additional comments.

PacifiCorp's 1st quarter 2006 report (Handout provided)

Doug O'Connor presented PacifiCorp's 1st quarter report. Each customer move counts as a gross drop and add. The company then nets the two for its reports. Doug noted an error in the handout: Net drops should be 479. A variety of marketing efforts are planned this spring.

It was recently announced that the company was ranked second in number of participants and third in customer sales among green power programs nationally in 2005.

PacifiCorp's treatment of customers moving within its service area

When a customer contacts PacifiCorp's call center about a move within the company's service area, the employee handling the call is prompted by a computer script to confirm if the customer is enrolled in a portfolio option. If so, the employee asks if the customer would like to continue the option at the new location.

Natalie noted PGE's policy that a customer will stay on the portfolio option they've enrolled in unless they affirmatively make a decision to drop the option. Commission staff finds this the appropriate policy for customer service. When Lisa previously explored this issue with Consumer Services Manager Clark Jackson, he offered to meet with the companies to ensure that an appropriate process is put in place to ensure a seamless move.

Draft PacifiCorp RFP for tags/marketing supplier for 2007-09 (Handout provided)

Following are tentative dates for PacifiCorp's RFP:

- Commission consideration of RFP approval: May 23rd public meeting
- RFP release: June 5th
- Proposals due: July 5th
- Agreements executed: No later than Aug. 25th

Among the changes from the company's 2003 RFP:

- *Requirement for 100% new renewable resources* – Jason said this requirement should be an on/off switch, not part of the scoring process. Laura Beane agreed. A bid with less than 100% new renewable resources will be considered non-conforming.

The national Green-E standard will require 100% new renewable resources starting Jan. 1, 2007. Jason suggested the committee recommend the Commission adopt a policy requiring that renewable resources for the portfolio options be 100% from new sources. Natalie noted that Renewable Portfolio Standards may drive up prices of Tradable Renewable Certificates (TRCs). Jason said the Commission could address that issue if it arose.

- *Requirement that TRCs be certified by the Western Renewable Energy Generation Information System (WREGIS)* – Lisa noted that this also should be a requirement of the RFP, rather than part of the scoring process. Laura agreed.

Lisa recommended that some of the evaluation points in the draft RFP that are freed-up by removing the 100% new sources and WREGIS requirements as scoring criteria be added to the score for retail marketing services. Natalie recommended that some of these freed-up points go toward preference for local facilities.

- *Percentage of tags from resources solely dedicated to Blue Sky*

PacifiCorp asked committee members to send any further comments by April 30th to Doug O'Connor at Doug.oconnor@pacificorp.com. Lisa asked that she be copied on all comments, in preparation for her staff report on the company's request for RFP approval. Natalie asked that committee members copy each other so they know what has been suggested.

Lisa will send to committee members her draft report for the public meeting, providing a short turnaround time for suggested additions or changes.

Potential PGE contract extension with Green Mountain Energy

By April 15th, PGE will review with Green Mountain Energy its performance in 2005 and plans for 2006, including comments from committee members made at the March 2nd executive committee meeting. PGE will make its decision on whether to pursue a contract extension with Green Mountain Energy in about a month.

Stable rate product

PGE anticipates filing in about a month. Lisa noted the Commission will want a committee recommendation.

Proxies

Gordon McDonald is leaving PacifiCorp. He is Laura Beane's proxy for the committee. Laura asked about the procedure for replacing proxies. Lisa said she can recommend a new proxy for the consent agenda for any regular Commission public meeting. Alternatively, she could include such a recommendation along with the committee's July 1st recommendations. Laura said that timing would work.

Next meeting

The next meeting of the Portfolio Options Committee will be held May 22, 2006, 1:30 p.m. to 4 p.m. PGE will host at the World Trade Center. Room to be announced.

Agenda items will include:

- PacifiCorp's further review of keeping customers enrolled in their portfolio options when they move within the service area
- Committee recommendation, if PGE would like to pursue a contract extension with Green Mountain Energy for 2008
- Consideration of July 1st recommendations
 - Product content - 100% new sources
 - Time-of-use option for 2007 / Potential legislative recommendation
 - Other?

— *Lisa Schwartz, Oregon Public Utility Commission Staff*