BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

AR 518 – Phase II

In the Matter of a Rulemaking to Implement SB 838 Relating to Renewable Portfolio standard) Comments of the) Renewable Northwest Project) SUPPLEMENTAL COMMENT)	
)))	

RNP is submitting the following supplemental comments for the record. The supplemental comments provide further explanation for RNP's support of the PUC Staff's proposal ensuring that a REC banked for future RPS compliance may be used in power source disclosures only for the year the certificate is actually used for compliance with the RPS.

As Judge Powers stated in the AR 518 Phase II hearing, the primary issue at hand is how best to inform utility customers regarding the sources of power providing their electricity. The overarching principle when deciding how best to inform customers is consumer protection. Consumers must have "the price, power source, and environmental impact information necessary for consumers to exercise an informed choice." See OAR 860-038-0300(1). For consumers to exercise an informed choice, they must have accurate information.

In the context of renewable energy, a megawatt hour from a power source cannot be "renewable" if the environmental attribute – the REC – is not bundled with that power. If a REC is unbundled from the power, that power source is considered to be "null power" and assumes the attributes of the average emissions of the electricity grid. For example, if power from PGE's Biglow Canyon Wind Farm was sold to PGE customers in 2009 and PGE used, or retired, the equivalent amount of RECs from the Biglow Canyon Wind Farm in the same year, (i.e. bundling the power with the RECs), that power source is renewable energy and should be disclosed as such in 2009 bill inserts. Conversely, if the RECs are unbundled from the Biglow Canyon Wind Farm in 2010, the power does not retain the environmental attributes and cannot be disclosed to customers as renewable energy in 2010.

For a REC to be banked, which is essentially the REC being stored for future use, the REC must be unbundled from the power. Therefore, the power source from which the banked REC originated is no longer renewable energy and cannot be disclosed as such. The value of the REC – the environmental attributes of the power - cannot be claimed until the owner of the banked REC uses, or retires, that REC. As a result, a utility that owns a banked REC cannot claim ownership of the environmental attributes associated with the REC until the REC is used (retired) for RPS compliance or sold. To do otherwise would be to claim the value of the REC in multiple years and in multiple venues, which is double-counting that value.¹

In summary, the PUC Staff's proposal to only allow a banked REC to be used for power source disclosures in the year it has been used for RPS compliance will ensure that customers have accurate information regarding the environmental attributes of the power serving them in any given year. The PUC Staff's proposal is essential to preventing utilities from double counting the value of a REC and misleading consumers.

¹ The Green-e Energy National Standard states "eligible RECs or renewable energy can be used once and only once...Examples of prohibited use include...2) When the same REC is claimed by more than one party, including any expressed or implied environmental claims made pursuant to electricity coming from a renewable energy resource, environmental labeling or disclosure requirements." 12/5/2008.

Respectfully Submitted,

January 12, 2009

Suzanne Leta Liou

Senior Policy Advocate

AR 518 CERTIFICATE OF SERVICE

I hereby certify that, on this 12th day of January 2009, I served the foregoing SUPPLEMENTAL COMMENTS OF THE RENEWABLE NORTHWEST PROJECT upon the Commission by email and by sending an original and 1 copy by U.S. mail, postage prepaid, to the Commission's Salem offices. The persons whose names appear on the AR 518 service list were served by email only since it is RNP's understanding that official paper service is not required in this docket.

(W) Denotes waiver of paper service

WEYERHAEUSER COMPANY

ALAN MEYER
DIRECTOR OF ENERGY
MANAGEMENT
698 12TH ST - STE 220
SALEM OR
97301-4010
alan.meyer@weyerhaeuser.com

JOHN RYAN 33663 WEYERHAEUSER WAY SOUTH, CH 1K32 FEDERAL WAY WA 98003 john.ryan2@weyerhaeuser.com

UNION OF CONCERNED SCIENTISTS

JEFF DEYETTE ENERGY ANALYST TWO BRATTLE SQ CAMBRIDGE MA 02238 jdeyette@ucsusa.org

W SUNEDISON

RICK GILLIAM
DIRECTOR WESTERN STATES
POLICY
590 REDSTONE DR
BROOMFIELD CO 80020
rgilliam@sunedison.com

JOE HENRI 5013 ROBERTS AVE STE B MCCLELLAN CA 95652 jhenri@sunedison.com

STOEL RIVES LLP

MARCUS A WOOD 900 SW FIFTH AVE - STE 2600 PORTLAND OR 97204

STATE CAPITOL

SENATOR RICK METSGER 900 COURT ST NE S-307 SALEM OR 97301 sen.rickmetsger@state.or.us

SENATOR VICKI L WALKER 900 COURT ST NE S-210 SALEM OR 97301 sen.vickiwalker@state.or.us

W SEMPRA ENERGY SOLUTIONS LLC

GREG BASS MANAGER 401 WEST A STREET SUITE 500 SAN DIEGO CA 92101 gbass@semprasolutions.com

ALVIN PAK 401 WEST A STREET SUITE 500 SAN DIEGO CA 92101 apak@sempra.com

W SEMPRA ENERGY

THOMAS CORR 101 ASH ST - MS HQ 08 C SAN DIEGO CA 92101 tcorr@sempra.com

THEODORE E ROBERTS 101 ASH ST HQ 12B SAN DIEGO CA 92101-3017 troberts@sempra.com

SEATTLE NORTHWEST SECURITIES GROUP

DAVID FIFE SENIOR VP, ENERGY FINANCE GROUP 1420 FIFTH AVE STE 4300 SEATTLE WA 98101 dfife@snwsc.com

RENEWABLE NORTHWEST PROJECT

ANN ENGLISH GRAVATT POLICY DIRECTOR 917 SW OAK - STE 303 PORTLAND OR 97205 ann@rnp.org

KATIE KALINOWSKI RESEARCH & POLICY ANALYST 917 SW OAK ST STE 303 PORTLAND OR 97205 katie@rnp.org

SUZANNE LETA LIOU SENIOR POLICY ADVOCATE 917 SW OAK ST STE 303 PORTLAND OR 97205 suzanne@rnp.org PUBLIC UTILITY COMMISSION OF OREGON

ED BUSCH PO BOX 2148 SALEM OR 97308-2148 ed.busch@state.or.us

LORI KOHO SR UTILITY ANALYST PO BOX 2148 SALEM OR 97308-2148 lori.koho@state.or.us

LISA C SCHWARTZ SENIOR ANALYST PO BOX 2148 SALEM OR 97308-2148 lisa.c.schwartz@state.or.us

PUBLIC UTILITY COMMISSION JUDY JOHNSON PO BOX 2148 SALEM OR 97308-2148 judy.johnson@state.or.us

PUBLIC AFFAIRS COUNSEL

MARK NELSON PO BOX 12945 SALEM OR 97309 pacounsel@pacounsel.org

POWEREX CORP

BRIAN MOGHADAM
MANAGER - BUSINESS
DEVELOPMENT
666 BURRARD STE 1440
VANCOUVER BC V6C2X8
brian.moghadam@powerex.com

PORTLAND GENERAL ELECTRIC

REBECCA T BROWN

121 SW SALMON ST 1WTC 07 PORTLAND OR 97204 rebecca.brown@pgn.com

RANDALL DAHLGREN RATES & REGULATORY AFFAIRS 121 SW SALMON ST 1WTC 0702 PORTLAND OR 97204 pge.opuc.filings@pgn.com

PAMELA G LESH VP RATES & REGULATORY AFFAIRS 121 SW SALMON ST 1 WTC 1703 PORTLAND OR 97204 pamela.lesh@pgn.com

RAUL MADARANG 121 SW SALMON ST PORTLAND OR 97204 raul.madarang@pgn.com

BRENDAN MCCARTHY STATE AFFAIRS SPECIALIST 121 SW SALMON ST 1WTC0301 PORTLAND OR 97204 brendan.mccarthy@pgn.com

DAMON S MCCAULEY damon.mccauley@pgn.com

DAVE ROBERTSON 121 SW SALMON ST PORTLAND OR 97204 dave.robertson@pgn.com

BOB TAMLYN 121 SW SALMON ST PORTLAND OR 97204 bob.tamlyn@pgn.com

DOUGLAS C TINGEY ASST GENERAL COUNSEL 121 SW SALMON 1WTC13 PORTLAND OR 97204 doug.tingey@pgn.com JAY TINKER
PROJECT MANAGER
PORTLAND GENERAL ELECTRIC
COMPANY
121 SW SALMON ST 1WTC-0702
PORTLAND OR 97204
jay.tinker@pgn.com

PORTLAND CITY OF ENERGY OFFICE

DAVID TOOZE SENIOR ENERGY SPECIALIST 721 NW 9TH AVE -- SUITE 350 PORTLAND OR 97209-3447 dtooze@ci.portland.or.us

PORTLAND CITY OF - OFFICE OF CITY ATTORNEY

BENJAMIN WALTERS DEPUTY CITY ATTORNEY 1221 SW 4TH AVE - RM 430 PORTLAND OR 97204 bwalters@ci.portland.or.us

PAINE HAMBLEN COFFIN BROOKE & MILLER LLP

AUSEY H ROBNETT III PO BOX E COEUR D'ALENE ID 83816-0328 ausey.robnett@painehamblen.com

PACIFICORP OREGON DOCKETS

OREGON DOCKETS
825 NE MULTNOMAH ST
STE 2000
PORTLAND OR 97232
oregondockets@pacificorp.com

PACIFICORP

SCOTT BOLTON

825 NE MULTNOMAH PORTLAND OR 97232 scott.bolton@pacificorp.com

RYAN FLYNN 825 NE MULTNOMAH, SUITE 1800 PORTLAND OR 97232 ryan.flynn@pacificorp.com

W PACIFIC POWER & LIGHT

BJ MOGHADAM bj.moghadam@pacificorp.com

JOELLE STEWARD 825 NE MULTNOMAH STE 2000 PORTLAND OR 97232 joelle.steward@pacificorp.com

PAUL M WRIGLEY 825 NE MULTNOMAH ST, STE 2000 PORTLAND OR 97232 paul.wrigley@pacificorp.com

W PACIFIC ENVIRONMENTAL ADVOCACY CENTER

AUBREY BALDWIN
10015 SW TERWILLIGER BLVD
PORTLAND OR 97219
abaldwin@lclark.edu

W OREGON DEPARTMENT OF ENERGY

SVEN ANDERSON 625 MARION ST SALEM OR 97301 sven.anderson@state.or.us

BILL DRUMHELLER 625 MARION ST NE SALEM OR 97301 bill.drumheller@state.or.us

DIANA ENRIGHT

625 MARION ST SALEM OR 97301 diana.enright@state.or.us

KIP PHEIL 625 MARION ST NE - STE 1 SALEM OR 97301-3737 kip.pheil@state.or.us

NORTHWEST PULP & PAPER ASSN

KATHRYN VAN NATTA 2191 SW OAK CREST DR HILLSBORO OR 97123 kathryn@nwpulpandpaper.org

W MCDOWELL & RACKNER PC

AMIE JAMIESON 520 SW SIXTH AVE - STE 830 PORTLAND OR 97204 amie@mcd-law.com

KATHERINE A MCDOWELL 520 SW SIXTH AVE - SUITE 830 PORTLAND OR 97204 katherine@mcd-law.com

LISA F RACKNER 520 SW SIXTH AVENUE STE 830 PORTLAND OR 97204 lisa@mcd-law.com

LEAGUE OF OREGON CITIES

ANDREA FOGUE
PO BOX 928
1201 COURT ST NE STE 200
SALEM OR 97308
afogue@orcities.org

KAFOURY & MCDOUGAL

LINDA K WILLIAMS 10266 SW LANCASTER RD PORTLAND OR 97219-6305 linda@lindawilliams.net

JD ANDERSON ASSOCIATES

JIM ANDERSON
910 SAHALEE CT SE
SALEM OR 97306
lobbyoregon@comcast.net

J. ARON & COMPANY

MAXWELL S BULK 85 BROAD ST 4TH FL NEW YORK NY 10004 maxwell.bulk@gs.com

INDUSTRIAL CUSTOMERS OF NORTHWEST UTILITIES

MICHAEL EARLY 333 SW TAYLOR STE 400 PORTLAND OR 97204 mearly@icnu.org

IDAHO PUBLIC UTILITY COMMISSION

LOUANN WESTERFIELD 472 WEST WASHINGTON ST BOISE ID 83720 louann.westerfield@puc.idaho,gov

IBERDROLA RENEWABLES, INC

KEVIN LYNCH 1125 NW COUCH ST STE 700 PORTLAND OR 97209 kevin.lynch@iberdrolausa.com

GOLDMAN SACHS & CO.

CURTIS L KEBLER 2121 AVENUE OF THE STARS LOS ANGELES CA 90067 curtis.kebler@gs.com FORTIS PROPERTIES

SUSAN RICHTER
139 WATER ST STE 1201
ST. JOHN'S NL A1B 3T2
srichter@fortisproperties.com

ESLER STEPHENS & BUCKLEY

JOHN W STEPHENS 888 SW FIFTH AVE STE 700 PORTLAND OR 97204-2021 stephens@eslerstephens.com

ENVIRONMENT OREGON

JEREMIAH BAUMANN 1536 SE 11TH AVE PORTLAND OR 97214 jeremiah@environmentoregon.org

ENERGY TRUST OF OREGON

JOHN M VOLKMAN 851 SW 6TH AVE SUITE 1200 PORTLAND OR 97204 john.volkman@energytrust.org

PETER WEST 851 SW 6TH AVE - STE 1200 PORTLAND OR 97204 peter@energytrust.org

ENERGY STRATEGIES

KELLY FRANCONE 215 SOUTH STATE ST - STE 200 SALT LAKE CITY UT 84111 kfrancone@energystrat.com

W ELEMENT MARKETS LLC

ERIC WINTER
3555 TIMMONS LN STE 900
HOUSTON TX 77027
ewinter@elementmarkets.com

ECOS

BRAD OUDERKIRK 309 SW 6TH AVE #1000 PORTLAND OR 97204 bouderkirk@ecosconsulting.com

DEPARTMENT OF REVENUE

DENNIS J MAURER dennis.j.maurer@state.or.us

DEPARTMENT OF JUSTICE

PAUL GRAHAM
REGULATED UTILITY & BUSINESS
SECTION
1162 COURT ST NE
SALEM OR 97301-4096
paul.graham@state.or.us
JASON W JONES
REGULATED UTILITY & BUSINESS
SECTION
1162 COURT ST NE
SALEM OR 97301-4096
jason.w.jones@state.or.us

MICHAEL T WEIRICH
REGULATED UTILITY & BUSINESS
SECTION
1162 COURT ST NE
SALEM OR 97301-4096
michael.weirich@doj.state.or.us

DAVISON VAN CLEVE PC

MELINDA J DAVISON 333 SW TAYLOR - STE 400 PORTLAND OR 97204 mail@dvclaw.com

DANIEL W MEEK ATTORNEY AT LAW

DANIEL W MEEK

10949 SW 4TH AVE PORTLAND OR 97219 dan@meek.net

CONSTELLATION NEWENERGY INC

SARA M ONEILL ONE MARKET STREET SPEAR TOWER - 36TH FL SAN FRANCISCO CA 94105-1420 sara.oneill@constellation.com

CONSTELLATION ENERGY COMMODITIES GROUP

LAURA K BONNICHSEN 111 MARKET PL STE 500 BALTIMORE MD 21202 laura.bonnichsen@constellation.com

CONSERVATION SERVICES GROUP

SARA EDDIE 1400 SW FIFTH AVE, STE 830 PORTLAND OR 97201

W COB CREATIONS, LLC

MARNI ZOLLINGER marnizollinger@cobcreations.com

CITIZENS' UTILITY BOARD OF OREGON

ROBERT JENKS 610 SW BROADWAY STE 308 PORTLAND OR 97205 bob@oregoncub.org

CITIZEN'S UTILITY BOARD OF OREGON

G. CATRIONA MCCRACKEN 610 SW BROADWAY - STE 308 PORTLAND OR 97205 catriona@oregoncub.org

CENTRAL LINCOLN PUD

TOM BARROWS tbarrows@aol.com

W CALIFORNIA PUC

CHERYL LEE cnl@cpuc.ca.gov

W CABLE HUSTON BENEDICT

HAAGENSEN & LLOYD LLP

LINDSAY KANDRA 1001 SW 5TH AVE STE 2000 PORTLAND OR 97204-1136 lkandra@cablehuston.com W CABLE HUSTON BENEDICT ET AL

THOMAS M GRIM 1001 SW FIFTH AVE STE 2000 PORTLAND OR 97204-1136 tgrim@cablehuston.com

BP SOLAR INTERNATIONAL INC

NOAH ECKERT 1 HARBOR CTR STE 290 SUISUN CITY CA 94585-2427 noah.eckert@bp.com

ASSOCIATED OREGON INDUSTRIES

JULIE BRANDIS 1149 COURT ST NE SALEM OR 97301-4030 retail_energy@aoi.org

AF LEGAL & CONSULTING SERVICES

ANN L FISHER PO BOX 25302 PORTLAND OR 97298-0302 energlaw@aol.com

SARAH J ADAMS LIEN 520 SW SIXTH AVE - STE 830 PORTLAND OR 97304 sarah@hoffmanangeli.com

PORTLAND GENERAL ELECTRIC COMPANY 121 SW SALMON ST 1WTC0702 PORTLAND OR 97204 pge.opuc.filings@pgn.com

JIM DEASON1 SW COLUMBIA ST, SUITE 1600 PORTLAND OR 97258-2014 jimdeason@comcast.net KEN LEWIS 2980 NW MONTE VISTA TERRACE PORTLAND OR 97210 kl05pdx@comcast.net Respectfully Submitted,

Suzanne Leta Liou Senior Policy Advocate Renewable Northwest Project 917 SW Oak, Suite 303 Portland, OR 97205 (503) 223-4544 Suzanne@rnp.org