

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: July 16, 2013

REGULAR _____ CONSENT X EFFECTIVE DATE _____ Upon Commission Approval

DATE: July 5, 2013

TO: Public Utility Commission

FROM: Brittany Andrus *BA*
J *ME* *AA*

THROUGH: Jason Eisdorfer, Maury Galbraith and Aster Adams

SUBJECT: PORTFOLIO OPTIONS COMMITTEE: (Docket No. UM 1020)
Recommended Portfolio Options and Portfolio Options Committee Members.

STAFF RECOMMENDATION:

Staff recommends continuing the current portfolio of options offered by Portland General Electric (PGE), PacifiCorp, and Northwest Natural Gas Company (NWN), which include the following:

- PGE – Time of Use, Clean Wind, Green Source, and Habitat Support
- PacifiCorp – Time of Use, Blue Sky Block, Blue Sky Usage, and Blue Sky Habitat
- NWN – Smart Energy

In addition, Staff recommends that the Commission appoint the individuals nominated by the Portfolio Options Committee (POC) to serve for the July 2013 through June 2014 term.

DISCUSSION:

OAR 860-038-0005(2) specifies that the POC be a group appointed by the Commission consisting of representatives of the Commission staff, Oregon Department of Energy, the electric companies, residential and small nonresidential customers, local governments, and public or regional interest groups. OAR 860-038-0220(3) states that by July 1 of each year, the POC will recommend portfolio options to the Commission that will be effective January 1 of the following year. Staff received the annual POC recommendations memo on June 27, 2013.

Portfolio Options Committee
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The POC nominates the following members and proxy members for consideration by the Commission for the July 2013 through June 2014 term:

| Member Name | Organization | Representing |
|-----------------------|---|---------------------------------------|
| Kandis Brewer Nunn | Oregon HEAT | Residential consumers |
| Jeff Bissonnette | Citizens' Utility Board | Residential consumers |
| Sommer Templet | Citizens' Utility Board – Proxy | Residential consumers |
| Terri Bowman | Portland General Electric | Electric companies |
| Karla Wenzel | Portland General Electric – Proxy | Electric companies |
| Bryce Dalley | PacifiCorp | Electric companies |
| Jana Saba | PacifiCorp – Proxy | Electric companies |
| Rebecca O'Neil | Oregon Department of Energy – Chair | Oregon Department of Energy |
| Julie Peacock | Oregon Department of Energy – Proxy | Oregon Department of Energy |
| David Philbrick | Unaffiliated | Residential consumers |
| Jennifer Gross | Northwest Natural | Gas companies |
| Brian Harney | Northwest Natural – Proxy | Gas companies |
| Eric Lovell | Uroboros Glass Studios | Small non-residential consumers |
| Janet Steele | Albany Chamber of Commerce | Small non-residential consumers |
| David Tooze | City of Portland | Local governments |
| Alisa Kane | City of Portland – Proxy | Local governments |
| Brittany Andrus | Oregon Public Utility Commission | Commission Staff |
| Juliet Johnson | Oregon Public Utility Commission – Proxy | Commission Staff |
| Megan Decker | Renewable Northwest Project | Public or regional interest groups |
| Caitlin Peel | Renewable Northwest Project – Proxy | Public or regional interest groups |
| Lee Kuhl | Unaffiliated | Residential consumers |

Staff recommends the Commission appoint the individuals nominated by the POC.

The POC makes the following portfolio option recommendations to the Commission:

Portland General Electric

- Continuation of current Commission-approved customer options Time of Use, Green Source, Clean Wind, and Habitat Restoration adder.
- Maintain approval of PGE's contractor The Nature Conservancy as its Habitat Restoration provider.

PGE's contract with program marketer Green Mountain Energy will expire at the end of 2013. PGE submitted to the POC a draft Request for Proposals (RFP) for a three-year contract from 2014 through 2016. As of the date of its annual memo to the Commission, the POC had reviewed the draft and provided comments to PGE; however, it has no specific recommendation at this time.

PacifiCorp

- Continuation of current Commission-approved customer options Time of Use and Blue Sky programs (Blue Sky Habitat, Blue Sky Block, and Blue Sky Usage).
- Maintain approval of PacifiCorp's contract with 3Degrees as its program marketer for selected contract activities.
- Maintain approval of PacifiCorp's contract with The Freshwater Trust as its Blue Sky Habitat fund administrator.

Northwest Natural

- Continuation of Commission-approved NW Natural's "Smart Energy" greenhouse gas emissions offset program and procurement through The Climate Trust.

Staff supports the POC's portfolio recommendations.

On May 17, 2013, the POC responded to a Commission letter inquiring about marketing costs, administrative costs, communications to the public, and Green-e certification for the voluntary programs. The response contains more in-depth information about the POC's recent activities, including the adoption of a charter, and the institution of annual executive sessions which allow for a confidential review of revenues and expenditures.

The POC's shared role with the PUC in oversight of these programs will be a subject of further discussion during the next year, and specific recommendations will likely be included in the next annual memo. In addition, because POC members believe that this

is an appropriate time to revisit the time-of-use market-based products,¹ they expect to make a recommendation on those options in the next annual memo.

PROPOSED COMMISSION MOTION:

The current portfolio of options offered by PGE, PacifiCorp, and NWN be continued as currently offered. In addition, that the individuals nominated by the Portfolio Options Committee be appointed to serve for the July 2013 through June 2014 term.

UM 1020 2013 POC Recommendations memo.doc

¹ As required by ORS 757.603(2)(b).