

MEETING MINUTES
Green-e Board Meeting conference call
Thursday June 15, 2006 9:30 AM PST

Attendees

Jan Hamrin, Center for Resource Solutions
Susan Innis, Western Resource Advocates
Rita Kilpatrick, Southern Alliance for Clean Energy
Karl Rábago, AES
Michael Vickerman, Renew Wisconsin
Diane Zipper, Renewable Northwest Project

UGPAC Chair: Michael Brown, Santee Cooper

CRS Staff: Sarah Krasley, Lars Kvale, Dan Lieberman, Jennifer Martin, Alex Pennock

1. Welcome; General CRS Update; Review and Adopt Agenda

- Welcome
- Introductions and Staffing changes
 - Kassie Rohrbach on four-month sabbatical
 - Alex Pennock, a new employee at CRS, will work part-time on Green-e
 - Dan Lieberman has taken position as Green-e Manager
- Green- e “Made with Renewable Energy” Product labeling update

2. Issues for Green-e board: Carbon offset standards update

- Many marketers are already selling RECs to large customers based on the carbon offset value of RECs. Some companies are selling these products denominated in tons of carbon.
- There is no leading certification/verification program speaking to retail carbon offset products so Green-e is needed and well positioned. We receive a lot of inquiries about certifying carbon reduction products (both RECs and other carbon reduction sources).
- We are working with one organization to verify their REC sales and other carbon offset supply.
- We plan to develop a certification standard for retail CO₂ offset products that will build on existing methodologies/program for offset verification. This program concept was approved at the last CRS board meeting.
- We have brought on a Switzer fellow, Cathy Fogel, to help develop a carbon offset standard.
- We are putting together an advisory group of professionals with experience in carbon policy and offsets to evaluate market and science issues before our standard goes out for public review. We will have Green-e Board participation in this advisory group. The advisory group will be limited to participants with no direct business interest in carbon offsets.
- There will be a public comment period once the advisory group has draft a standard, followed by Green-e Board review.
- Our primary focus will be renewables as carbon offsets. We may later look at verifying other sources of offsets (efficiency, reforestation, methane capture, etc.) though that would likely be based on other specialized certification systems (e.g. FSC, CCX), and Green-e would verify that credits were retired for customers.

3. Discussion of Recent Colorado PUC Decision on REC Ownership

- Last fall, Colorado implemented an RPS. Xcel's existing contracts with the City of Boulder for hydropower and with Foote Creek III for wind were silent on REC ownership. The CO PUC recently ruled that the utility buying the electrical output owns the RECs from those facilities, though marketers have been actively selling the RECs based on contracts with and attestations from the generators. Following the CO PUC ruling, RECs from FCIII are no longer valid for use by marketers since the RECs are owned by the utility, not the generators. At least six companies have bought RECs from FCIII that would be affected by CO PUC's ruling. Despite the ruling, the good news is that marketers of Green-e certified products have ensured that they'll make their customers whole. Marketers are banding together and the decision is being appealed.
- Green-e does not see contracts during verification because they are proprietary; we only see attestations from all parties involved in chain of custody of RECs. Green-e will augment our Code of Conduct requiring language in contracts to protect marketers from something like this.
- Green-e already has a requirement that regulators be made aware of REC transactions involving regulated utilities. In the case of FCIII, correct procedures were followed, and WY regulators were notified. But there was no requirement to notify CO regulators since the FCIII is in WY. This policy will be revised so that regulators in states receiving the power are also notified.
- WREGIS will be on-line in mid to late 2007 and will help track REC ownership, since each REC can only be in account of one entity, forcing REC ownership issues to be addressed.

4. Action item

Xcel requested a *one-time policy exemption to use of RECs from the first 6 months of 2004 for their 2005 sales*. This is because the true-up rules in the Colorado criteria were vague when Xcel signed their Green-e contract. Xcel agreed in writing that in 2006 and forward they will adhere to current national Green-e standards.

MOTION TO ACCEPT REQUEST FOR ONE-TIME EXEMPTION

All 6 present board members accept, though this is not a quorum. The others will be briefed and asked for vote over email.¹

5. Next steps

-Setting a date and time for the annual Green-e Board face-to-face meeting:

Annual conference is in SF this year, 12/4-12/6 (www.renewableenergymarketing.net/).

All present in favor of meeting evening of Sunday 12/3 in the Presidio.

-CRS is willing to include Board member organizations as conference sponsors if they can blast an email about the conference to their mailing list. For info contact Keri Bolding (kbolding@resource-solutions.org)

-The next scheduled Board call is **September 6**, the Wednesday after Labor Day.

¹ Note: quorum was reached by email and the request was accepted.