

## Green-e Governance Board Conference Call

Friday, April 14, 2006; 12:00 PM Pacific

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### Attendees

Rick Weston, The Regulatory Assistance Project  
Karl Rabago, Houston Advanced Research Center  
Natalie Macintire, Renewable Northwest Project  
Jan Hamrin, Center for Resource Solutions  
Alan Noguee, Union of Concerned Scientists  
Michael Vickerman, Renew Wisconsin  
Jan Smunty-Jones, Independent Energy Producers Association  
*Susan Innis, Western Resource Advocates (sent a vote in favor of staff recommendation via email)*  
PMAC: Kristen Sullivan, Community Energy, Inc.; UGPAC: Mike Brown, Santee Cooper

CRS Staff: Jennifer Martin, Lars Kvale, Keri Bolding, Dan Lieberman, Kassie Rohrbach

### **1. Welcome; Review and Adopt Agenda**

- Introductions
- Review agenda

### **2. Geographic Sourcing Boundary Criteria Proposed Change**

The proposed change to Green-e's criteria for eligible geographic boundaries for electricity products (not RECs) came up in relation to a pending Green-e application by the Midwestern utility Ameren . Currently, Green-e criteria rely on NERC regions as geographic boundaries. However, NERC regions can be problematic for marketers and utilities that serve multiple NERC regions, particularly in the Midwest where the NERC regions have a "Swiss cheese" profile. Green-e staff recommended that the Green-e National Standard be expanded to allow the smaller regional groupings (i.e. ISA, RTO, or Balancing Authority) to also qualify as "local" in addition to NERC regions as follows:

*For electricity products (i.e. products used to meet a customer's electricity needs), the eligible geographic sourcing boundary is defined as:*

- a) The state where the customer is located; and/or*
- b) The North American Electric Reliability Council (NERC) region, Independent System Operator (ISO), Regional Transmission Organization (RTO) or Balancing Authority Area of the customer being served; and/or*
- c) An adjacent NERC, ISO, RTO or Balancing Authority Area region where the electricity, bundled with a REC, is wheeled into the respective region of the customer being served.*

These criteria would apply to competitive electricity products and green pricing programs.

### **3. Board Discussion**

*Q:* Why are we proposing a change?

*A:* Limiting geographic boundaries by NERC regions does not work well in all regions, particularly in the Midwest. Applicant example: Ameren serves customers in multiple states that are located in two NERC regions.

*Q:* Are we trying to accomplish some level of belief from the customer that they've affected the electricity mix in their "power pool."

*A:* Yes. We believe it would be justified to allow a utility to use ISO or other boundaries as an alternative to their NERC regions, so long as we retain a meaningful regional requirement.

*Q:* Who would determine which region is best to source from?

*A:* The proposal is that the provider would be able to determine this. NERC regions would still typically be the largest geographic boundary that a provider can source from.

*Q:* If the alternative regions are narrower, how are we providing them with more flexibility?

*A:* Smaller regions may overlap more than one NERC regions, but be more centralized to specific providers' service territory. An ISO may be a better geographic overlay than NERC regions in some cases, in terms of the customer's relation to the facility. NERC regions were established awhile ago, but ISO and Balancing Authority are still evolving.

*Q:* Does the supplier have to choose one of the regions to source from? Requiring them to pick would be more restrictive.

*A:* The language in the recommendation is written as and/or.

***Board suggested a clarification in the wording: "Provider can source from one or more of the following geographic boundaries"***

*Q:* What is the current geographic disclosure requirement? This language will not be what is disclosed to the customer, as they will not understand it.

*A:* Green-e requires geographic disclosure of generating sources at the state-specific level.

*Q:* My only concern is double counting. Are we confident that these bodies communicate clearly enough to prevent double counting?

*A:* –We believe this proposal does not create any more risk for double counting.

*UGPAC Comments:* One challenge is that you will see this terminology continue to change over time. What is the issue with the current criteria? Utilities that straddle two NERC regions are responsible for managing their load in both regions.

*A:* The intent of these criteria is to provide more flexibility.

*PMAC Comments:* Tend to agree that keeping the criteria flexible is best for marketers. Confident that verification and disclosure requirements prevent double counting and provide sufficient disclosure.

***Vote:*** All Board members voted in favor of staff recommendation with wording clarification indicated above.

**Next Call is June 15, 2006.** We expect some utility applications prior, and will most likely request vote by email from Board after the sub-committee review.