

Green-e Governance Board Minutes of the Meeting
Tuesday, February 23, 2010; 11:00 am – 1:00 pm PST

Attending Board Members:

Karl Rábago, *Austin Energy, Chair*
Bud Beebe, *Sacramento Municipal Utility District*
Arthur O'Donnell, *Center for Resource Solutions*
Mary Carr Bendeck, *Southern Alliance for Clean Energy*
Peter Miller, *Natural Resources Defense Council*
Cynthia Mitchell, *Energy Economics, Inc.*
Alan Noguee, *Union of Concerned Scientists*
Diane Zipper, *Renewable Northwest Project*

Non-Voting Members:

Jay Carlis, *Community Energy, CMAC Chair*
Rob Harmon, *Bonneville Environmental Foundation, PMAC Chair*

Quorum was established at 11:22.

Items 1, 2, and 3: Welcome and Vote to Approve Documents

The agenda was approved, and attendees had minor typographical corrections on the December 7, 2009, meeting minutes; the accent was missing from Karl Rábago's name, and "and" should be replaced by "an" at the bottom of item 8. The approval of the minutes was tabled until quorum was established. Once quorum was established, it was moved and seconded to approve the minutes. The minutes were approved.

Item 4: Buy Clean Energy 2010 Campaign

Staff gave a synopsis of the Buy Clean Energy 2010 campaign for the 40th anniversary of Earth Day. The campaign will launch in January and run all year, through the website www.buycleanenergy.org.

Green-e needs organizational support from the Board and asked attendees to reach out to their constituents and stakeholders by becoming a Supporting Organization for the campaign.

One of the campaign's messages is that there are many reasons to buy renewable energy, and a Board member suggested that the campaign affirm an individual visitor's personal reason for purchasing.

Item 5: Announcement: Green-e Energy Wholesale Fee Adjustment

Green-e Staff announced that the program has updated wholesale fees because the amount of work necessary for verification of wholesale transactions has grown, while the fees collected have remained static. The cap of charging 3 cents per MWh up to 200,000 MWh and not charging beyond that was lifted, and the volumetric fees were revised to:

From 1 – 250,000 MWh the charge is \$0.03 per MWh

From 250,001 – 1,000,000 MWh the charge is \$0.0025 per MWh
Above 1,000,000 MWh the charge is \$0.0005 per MWh

Item 6: Discussion on Comments Received for Green-e Energy National Standard

Staff introduced the first 6 of the Green-e Energy National Standard issues that were sent out for stakeholder comment. The issues were presented along with a summary of comments and Staff recommendations. Staff recommended that the Board consider the following options for each issue:

- Adopt now as written or with minor edits
- Put out for 2nd comment period with modifications based on comments and discussion
- Hold for now and do more research

a) Facility Online Date or “New Date”

Staff presented the proposed update to the “New Date” for facilities to a 15-year rolling window date. Although there was overall stakeholder support for this change, some comments received were concerned with avoiding penalizing existing long-term contracts.

The Board discussed how long after facility came online a long-term contract could be signed and still be eligible, in the case that the revised New Date was passed. Issues regarding risk and timing for facilities and utilities were raised, as well as amortization periods. Some Board members didn’t think that applying financial additionality test would be appropriate. The appropriate proof necessary should be a long-term contract.

It was moved and seconded to add this issue to the second comment period, proposing that for existing contracts under which Green-e Energy products are being sold, an eligibility period longer than 15 years would be allowed for a facility if a Green-e Energy participating seller can demonstrate a commitment to sell into the voluntary market for longer than 15 years. The motion passed.

b) Grandfathering and Revisions to the Standard

The Standard’s section on revisions to the Standard may need to be revised if the new date is updated to a rolling 15-year period. The majority of stakeholders felt the language was fine as is, but many comments sought clarification on what exactly would be required to get a facility recognized as having a long-term contract in place. A discussion was held about whether noting that a facility is grandfathered would create an artificial commodity difference. Some members thought that it wouldn’t be artificial because it would be transparent.

It was moved and seconded to charge the staff with rewording adding to the proposal with the comments received and publish the revised proposal in the second comment period. Staff will get the new language to the Board by the Thursday meeting. The motion passed.

c) Geographic Sourcing Requirements

This proposed update to the Standard would remove geographic boundary sourcing requirements for electricity products. Although the many comments supported the change, many local advocates and other comments are opposed. Staff is requested Board feedback.

There was a discussion about how disclosure is a key piece for this topic, as REC sellers are currently required to provide language on RECs and other disclosures in addition to what is required of providers of certified renewable electricity. One Board member expressed that Green-e has a strong role as an educator and it would be helpful to shift the focus from RECs vs green electricity to the fact that bringing renewables on to the grid is beneficial and it is only the buyer of the renewable MWh that can directly claim to have caused the particular MWh to be from renewables instead of from other sources. It was suggested that Staff look at EPA disclosure around similar issues.

The Board discussed the impacts of such a change to the geographic boundary rules on development of regional resources, and that such a change may hurt projects in the southeast if utilities could source from outside their NERC region. There was discussion about how most states and local groups care about building up renewables in their area, and there was a concern that this change would affect the enthusiasm for leaders in the community, especially for residential products, since most residential purchases of green power do so through their utility instead of purchasing RECs. It was mentioned that this would focus the voluntary market into the least cost regions. It could also influence how RECs are sourced if a Federal RES passes.

There was a motion to add this topic to the second round of comments and specifically solicit feedback from people from higher cost regions. Staff will list the 3 options from the summary document and draft additional options for Thursday's meeting.

The motion was seconded and passed.

d) Hydropower

The Staff proposal for this issue adds EcoLogo as a requirement for all Canadian hydro facilities, in place of Low Impact Hydropower Institute certification, as LIHI does not certify facilities outside of the US. The proposed language would also require facilities under 5 MW to be LIHI or EcoLogo certified, removing that cutoff. The revision to the Standard would allow facilities made ineligible by this change to be grandfathered on a case-by-case basis. No stakeholder comments were received about the change related to EcoLogo; all comments were about the 5 MW threshold.

Some Board members wanted to know what LIHI thinks of the change. LIHI is neutral but can accommodate it, and LIHI fees go as low as \$1,000 for small facilities. Facilities under 5 MW can still be environmentally damaging, which is why staff asked for feedback during the comment period.

This change to the Standard would require all facilities to be LIHI or EcoLogo certified, regardless of size, other than conduit hydro or a turbine in a pipeline.

It was moved and seconded to accept the staff proposal. The motion passed, and the change will be reflected in the updated National Standard.

e) Ocean/Tidal/Wave Power

Staff explained that this change would update the Standard to include ocean-based resources, referencing EcoLogo's ocean power criteria and pending standard changes. It was asked why this technology should be treated differently from wind, to which Staff responded that a cautious approach is being taken, since there are very few demonstration ocean power facilities.

It was mentioned that, so far, we haven't heard big issues with building ocean power facilities, but the impact on land, animals, habitat needs to be explored. It was expressed that this issue affects an entirely different constituency, and that we will need to reach out to a new community when considering the ocean power criteria.

Based on the fact that there are very few ocean power facilities and few other standards on ocean power to go by, it was moved and seconded to adopt Staff recommendation to take no action and revisit the issue when EcoLogo is finished with their standard. The motion passed. The Ocean Power portion of the National Standard will not be changed during the next update to the National Standard.

f) Methane Digester Clarification

This update would add a clarifying footnote to the National Standard about the eligibility of RECs from methane capture and destruction projects that are receiving carbon offsets, differentiating the carbon avoided by destroying methane from the emissions avoided by generating electricity in place of fossil and other traditional fuels. It was noted that the carbon world understands this issue, and the renewable energy world understands this issue, but there is need for clarification at the intersection.

It was moved and seconded to adopt the revision to the Standard. The motion passed, and the change will be reflected in the updated National Standard.

Next Steps and Final Items

- Staff will provide clarification on the items the Board requested.
- Board members should look at the general comments section, since staff would like feedback on Thursday.
- Welcome Peter Miller from NRDC to the Board, replacing Audrey Chang.

Meeting adjourned at 12:48 pm and will reconvene on Thursday, February 25, 2010.