

**Green-e Governance Board Minutes of the Meeting
Monday November 17, 2008; 11:00 AM – 12:30 PM PST**

Attending Board Members:

Doug DeNio, *Board Chair, Center for Resource Solutions Board Member*

Bud Beebe, *Sacramento Municipal Utility District (Ret.)*

Arthur O'Donnell, *Center for Resource Solutions*

Erin Meezan, *Interface*

Alan Noguee, *Union of Concerned Scientists*

Katie Kalinowski, *Renewable Northwest Project*

Lars Kvale, *APX, Inc.*

Michael Vickerman, *Renew Wisconsin*

Barry Freedman, *National Renewable Energy Laboratory*

Non-voting members:

Rob Harmon, *Bonneville Environmental Foundation, PMAC Chair*

Pat Keily, *We Energies, UGPAC Chair*

Jay Carlis, *Community Energy, CMAC Chair*

Items 1. and 2. Welcome from Chair Doug DeNio, Review and Adopt Agenda

Roll call was performed, a quorum was obtained. Board Chair introduced new Board members, Pat Keily, Jay Carlis and Lars Kvale. Certain Board members requested that the Financial Transparency discussion be moved to be discussed between items 4 and 5 of the original agenda. The amended agenda was reviewed and adopted.

Item 3. Vote to Approve Documents

The Board unanimously approved the Meeting Minutes from the July 23, 2008 meeting.

Item 4. Minimum Purchase Requirements

Discussion on minimum purchase requirements began with brief overview of historical roots of the requirement: spur on new renewables, conserve staff time during verification, and keep a level playing field between REC providers and those who sell electricity products. This market is small though, but it would be hard to track many transactions of less than 100kW.

Each application for waiver of the minimum purchase requirements in the Green-e Energy National Standard was discussed.

The first applicant has a number of customers using less than 100 kWh of electricity per month, and would like to be able to sell them RECs each month to match their electricity usage. However, the minimum purchase requirement dictate that each delivery of RECs be 100 kWh or more. The Board voted to approve a one-time waiver of minimum purchase requirements for the first applicant's product. One abstention and all others in favor.

The Board voted to politely decline the first applicant's request for a change to the minimum purchase requirements in the National Standard.

The second applicant requested a full waiver of the minimum purchase requirements, stating that any minimum purchase requirement would make it more difficult for low-income electricity customers to participate in the second applicant's green pricing program, and that allowing customers to participate at any level would be beneficial. The Board voted to politely decline the second applicant's application for an absolute waiver from the minimum purchase requirements, though requested that Green-e Energy Staff communicate Board suggestions to address the issue of low-income participation, like selling renewable energy in 100 kWh blocks rather than as a percentage of electricity use and creating a lower renewable energy price for customers in low-income rate classes. One abstention, all others against.

Item 8. Financial Transparency Discussion Check-in (moved up from original Agenda)

NREL is working on a paper on marketing costs of utility green pricing programs and on transparency of costs. The impetus is that regulators should have a better understanding as to what the benchmarks are for marketing costs of renewable energy programs. It is also necessary to provide information around RECs being a commodity, more like are like organic apples or hybrid cars than donations to non-profits. The profit margin and marketing costs of related to organic apples are not something that the public demands to see, whereas donations are should have more financial transparency in part, because of the financial benefits they receive. Some Board members opposed moving towards more financial transparency as a requirement for participation in Green-e Energy, since Green-e Energy is price agnostic and leaves pricing to the market, the Board recognized the need for a way explain how marketing costs play into REC price in general. This issue affects regulated utilities and REC marketers differently. Even for regulated utilities, Green-e Energy should defer to the utility's PUC for the appropriate level of transparency. Project transparency was brought up with an emphasis on benchmarks.

Item 5. Western States Policy Update

Governors in western states have signed an initiative to cap greenhouse gas emissions, which includes a couple of sentences on the voluntary market, but no guidance on how the rules should address the voluntary market. The WCI has left this important decision to the states and California is the furthest along in the process. CARB will vote on December 12, and hold the final meeting with public comments this Thursday. Staff at the ARB needs to hear other stakeholders' opinions. CRS staff needs to reach out to businesses. CRS worked with Smart Power and REMA, to tell others, including businesses, about the importance of this issue.

Item 6. Search for New Board Members

CRS is looking for a replacement for a Green-e Governance Board member that recently stepped down, who served as a generator representative, as well as an additional member from an environmental organization.

Item 7. Green-e Program Updates

Green-e Climate: Green-e Climate has ten participating companies selling 14 offset products. The Gold Standard is becoming the most popular Endorsed Program. There are ten more renewable energy facilities in pipeline to be judged for eligibility under Green-e Climate. As a result of specific criticisms of the CDM program in the press, Green-e Climate had a volunteer who was researching CDM. The green power network is launching a webpage listing marketers and offsets.

Green-e Marketplace: Marketplace is in the process of forming an advisory council, particularly industry experts and to weigh in on policy.

Item 9. Additional Updates

Status Update on Potential Changes to Broker Agreements and Fees: Green-e Energy has contacted a number of brokers. Brokers are not using the Green-e Energy certification often. Green-e Energy is considering certifying transactions from wholesaler to retailer; potential benefits for LEED certification.

Moving the Green-e Energy "New" date forward: this change, if implemented, wouldn't take effect until 2013 (and then it would increment to 1998). There was concern about grandfathering and long term contracts. Green-e Energy will send out a more specific proposal for the Board to comment on before making the change.

Verification under RGGI: RGGI states are almost all on board to have an off the top rule, Delaware is the hold out state. Generation in states with an off the top rule will be eligible for Green-e Energy certification, though the marketers will need to pay attention to applicable changes in the Standard, related to state specific rules.

Item 10. Next Steps and Adjourn

Reminder about a utility's application for Green-e Energy certification of its new green pricing tier and request for comments. Board Chair called the meeting to adjourn; the meeting was adjourned at 12:30pm PST.