

Open Solicitation Program Update

March 14th, 2007

Feasibility Studies

- City of Astoria – Study underway of potential sites for a wind project and a municipal hydro project where water is delivered to the city. The study is expected to be completed by the end of the year.
- Talent Irrigation District – study of potential sites for hydro projects is about to begin. The study is expected to be completed by March of 2008.
- Hood River County – The study examining potential sites for hydro projects is being conducted in concert with several irrigation districts in the county. The study is expected to be completed by March of 2008.
- Town of Lakeview – This study of options for adding a hydropower project to the city's water delivery system was completed in January.

Applications Received

- Swalley Irrigation District – The district is requesting funding for a 980 kW hydro project scheduled to be completed by March of 2009. We are awaiting a few more figures from the district before we can begin financial analysis of the project.
- St. Laurent Ranch – a private property owner has submitted initial applications for two hydro projects totaling 600 kW. We have also received a request for cost-share funding to for a small feasibility study on interconnection and other costs.

Projects Underway or in Contract Negotiations

- City of Albany – Albany is about to order equipment for a 500 kW hydro project that is will be part of the city's water system. The project is scheduled for completion in October of 2008.
- PHC Solar – Portland Habilitation Center is installing an 869.4 kW solar system on the roof of its new manufacturing facility in Northeast Portland. The project using a third-party financing model is scheduled to be completed at the end of 2007. The project has received board approval. We have begun work on the contract.

Outreach

- Meetings with city officials in Portland, Tigard, Sherwood, West Linn, Lake Oswego, Milwaukie, Gladstone, Yamhill County, Hillsboro, and Albany. We have examined potential solar sites and sites for small hydro projects.

- Presentations to Rotary Clubs in Southwest Portland, Tualatin, Oregon City, and Hillsboro.
- Staff served on the planning committee for the upcoming conference on April 24 in Portland, “Making Renewable Energy Projects Happen.” The conference is being organized by the Northwest Environmental Business Council.
- Energy Trust is part of hydropower working group being formed by the Oregon Department of Energy. The group is planning a May workshop in Bend.

Policy on Commercial Technology

It is the renewable resources’ department policy to fund projects utilizing commercial technology. The Open Solicitation Program receives inquiries on a regular basis that require a judgment call on whether a technology or project is considered commercial. We’ve needed to clarify and define what is considered to be commercial. Following are our internal criteria and policy regarding this question. We invite feedback from the RAC.

Energy Trust approach to commercial technology

Energy Trust of Oregon’s renewable energy programs seeks to secure long-term supplies of clean renewable power on behalf of PGE and PacifiCorp ratepayers. For that reason, we focus on projects able to deliver power reliably over an extended operating life (typically twenty years).

Energy Trust also seeks where appropriate to build markets for renewable energy technology. For this reason, we give high priority to projects that can be replicated.

To enable the program to achieve these goals, eligible projects must use **commercial technology and approaches**, generally defined as follows:

- *Operating history:* Key equipment and approaches must have a history of successful operation in similar applications.
- *Commercially available:* Key components used in the project must be available to the public from entities with stable business histories.
- *Performance warranties:* Key components and approaches should come with standard commercial performance warranties.
- *Service and maintenance:* The project should have access to replacement parts, and skilled operation, service and repair personnel, provided by entities with stable business histories.
- *Documentation:* Vendors must provide installation and operations manuals for key components.

In special cases, Energy Trust may consider projects using less commercially mature technology or approaches, where that project can help establish an important new market or create other

significant ratepayer benefits. Proposals to fund such projects may be less competitive, and Energy Trust funding offers will take into account the higher level of performance risk associated with them. Energy Trust may opt to bring these special cases to the Renewable Energy Advisory Council for review.