Board Decision
Authorizing a Strategic Utility Roundtable

December 18, 2009

Summary

Adopt a process to conduct Strategic Utility Roundtables in 2010 and 2011.

Background

- In April, representatives from three investor-owned utilities (IOU) whose customers are served by Energy Trust expressed interest in having representation on the Energy Trust board.
- The OPUC-Energy Trust grant agreement calls for the board to have the skills and demographics to be effective, the diversity necessary to support its mission, to be "as broadly representative of electrical users in the Service Areas as possible," and to avoid direct financial conflicts of interest (Grant Agreement, section 5.k).
- Over the summer, the policy committee discussed the idea with the utilities, the OPUC and stakeholders.
- In November, the policy committee proposed that the board sponsor Strategic Utility Roundtables in 2010 and 2011. The Citizens' Utility Board, NW Natural, Industrial Customers of Northwest Utilities, PGE and Cascade Natural Gas commented on the proposal at the November 3 board meeting.
- Additional comments were received after the November meeting:
    - The Renewable Northwest Project (RNP) commented that utilities already have ample opportunities to raise issues. RNP recommends that the roundtable involve a balance of interests, including the Citizens' Utility Board, the Industrial Customers of NW Utilities, and RNP.
    - Pacific Power recommended that the board designate, on a provisional, two-year basis, an ex officio utility board seat.

Discussion

- The policy committee does not view a stakeholder board to be desirable, even if it were consistent with the grant agreement. Board members act on behalf of Energy Trust, not their employers or others.
- The policy committee continues to believe that the Strategic Utility Roundtables outlined in November and elaborated in the operating principles in Attachment 1 is appropriate.
- Highlights of the proposed process:
    - The Roundtable would be a two-year trial.
    - While oriented toward utility concerns, the Roundtable, should include a balance of interests.
    - There will be at least two meetings annually, the first to occur in the first quarter of 2010.

- Each roundtable agenda would be determined by the Energy Trust Board President in consultation with the full Board, utilities and interested parties. Agendas will allow the utilities to discuss matters of interest to them, and may include items suggested by others. In general, the agenda would focus on strategic issues.
- Each agenda item will have a sponsoring entity responsible for providing advance background material on the issue.
- All meetings will be open and no votes taken or decisions made. Minutes will be kept.

Recommendation

Adopt a process to conduct Strategic Utility Roundtables in 2010 and 2011, as detailed in the attached operating principles.

RESOLUTION #536

AUTHORIZING STRATEGIC UTILITY ROUNDTABLE

WHEREAS:

1. **Utilities whose customers are served by Energy Trust have expressed interest in having representation on the Energy Trust board.**
2. **The OPUC-Energy Trust grant agreement calls for the board to have the skills and demographics to be effective, the diversity necessary to support its mission, to be "as broadly representative of electrical users in the Service Areas as possible," and to avoid direct financial conflicts of interest (Grant Agreement, section 5.k).**
3. **The Energy Trust policy committee has discussed the idea extensively with the utilities, the OPUC and stakeholders.**
4. **In November, 2009, the committee proposed, in lieu of utility board seats, a Strategic Utility Roundtable to be conducted at least twice yearly for two years, to include utilities and other interests, and to focus on strategic Energy Trust issues. The utilities and others have commented on the committee proposal.**

It is therefore RESOLVED that the Board of the Energy Trust of Oregon, Inc. authorize a Strategic Utility Roundtable process, as outlined in Attachment 1 to this resolution.

Moved by: Seconded by:

Vote: In favor: Abstained:

Opposed: [list name(s) and, if requested, reason for "no" vote]

ATTACHMENT 1

OPERATING PRINCIPLES

The Utility Strategic Roundtable is a two-year trial designed to facilitate the utilities' expressed interest in communicating with the Energy Trust Board on a strategic level.

1. The Utility Strategic Roundtable would be composed of the Energy Trust Board and Executive Director, and representatives of the electric and gas utilities served by the Energy Trust: Cascade Natural Gas, NW Natural, PacifiCorp and PGE. Members of the public and other stakeholders, including representatives of customer groups, the environment, workers, and efficiency and renewable energy trade groups, would be invited to attend and participate in the discussions.

2. The Roundtable would meet in the first quarter of 2010. At that meeting, and the first meeting in 2011, the roundtable will schedule further meetings for that year. There will be at least two meetings annually. If possible, meetings should be timed with regular Energy Trust Board meetings so all Board members can attend.

3. Roundtable participants are encouraged to appoint decision-level representatives to the roundtable, ensure that the appointed person attend all meetings, and try not to vary representation from meeting to meeting.

4. Each roundtable agenda would be determined by the Energy Trust Board President in consultation with the full Board, the utilities and interested parties. Agendas will be organized to allow the utilities to engage in a dialogue on matters of interest to them, and may include suitable agenda items suggested by others. In general, the agenda would focus on strategic and longer-term ideas, opportunities and concerns, with the goal to ensure the entities are working well together to pursue energy efficiency and renewable energy in the most effective and coordinated way possible. The following process will be followed:

    - Energy Trust will propose meeting date(s) and solicit agenda items from utilities, board members and interest groups;
    - Candidate topics will be reviewed by staff and discussed with the policy committee, which will recommend an agenda to the board President; and
    - The committee will consider whether issues that are not included on the roundtable agenda may be suitable for other forums, e.g., CAC, RAC, or regular board meetings.

5. Each agenda item will have a sponsoring entity, which will be responsible for providing background material on the issue at least 10 days before the roundtable meeting.

6. All meetings will be open except for any portions of meetings that the Energy Trust President determines would involve trade secrets, proprietary or other confidential commercial or financial information. Energy Trust will provide public notice of meetings.

7. Roundtables will discuss issues and may make recommendations to the Energy Trust board or others. No votes will be taken. Roundtables are not authorized to take action on behalf of the Energy Trust board.

8. Minutes will be kept and a roster of potential action items would be brought back for full Energy Trust Board discussion and staff consideration before commitments to pursue the actions were made.

9. The parties would try this approach for a two-year period to determine if it is an effective way to promote strategic communications before deciding whether to make it a permanent feature or pursue some other course.