Policy Committee of the Energy Trust Board of Directors

February 14, 2012

Attendees

Board Members: Alan Meyer, Roger Hamilton, John Reynolds, Jason Eisdorfer.
Staff: Fred Gordon, Amber Cole, Peter West, Margie Harris, Debbie Menashe, Jed Jorgensen

1. Strategic Utility Roundtable. Jason reported on the meeting with the utilities on the future of the strategic utility roundtable. Jason, Rick and John Reynolds attended. Jason will write up his notes and make a report to the full board. In summary, the feeling about the roundtables range from pretty good to very good. All feel that the roundtables are definitely good enough to continue. They give the utilities sufficient touch-points and relationship with Energy Trust, and although there is a range of opinions among the utilities, all agree that the roundtables are positive and provide a forum for both relationship building and policy development. There should be time on the board agenda for Jason and Rick to report on this. Jason will try to provide notes of the meeting for the board packet.

2. 45-mile/EBD Hydro Project. Jed Jorgensen presented staff's recommendation to change the payment structure for the Earth-by-Design "45 Mile" hydro project. The proposal is to increase the amount of the incentive portion to be paid on commercial operation from $400,000 to $1,000,000 and to receive some form of security (letter of credit, cash reserve or third party guaranty) for the additional early payment of $600,000. The Committee agreed to move this proposal forward. The Committee also suggested that the proposal should be presented with full information to the board on the consent agenda. The briefing memorandum should indicate that the Policy Committee reviewed the proposal and recommends it be included in the consent agenda since there is no significant change or increased risk as compared to the original board resolution for this project.

3. Program Approval Policy. The committee discussed the routine 3-year review of the program approval policy. Staff recommends a slight change to the policy to eliminate the requirement that staff report quarterly on variances in terms of levelized cost and cost effectiveness and to adjust terminology to be consistent with current practice. The Policy Committee approves moving the proposed changes to the policy forward to the full board on the consent agenda.

4. Fuel-Switching Policy. Last summer staff proposed changes to the fuel switching policy to clarify that in interacting with program participants, Energy Trust does not compare savings between fuel types and will offer an incentive for higher levels of efficiency for whatever fuel type the participant chooses. Given the OPUC's open docket on fuel switching, the

committee agrees it is still appropriate to hold action on this policy until the docket is completed.

5. RTF Funding. Fred presented the proposal that Energy Trust authorizes a three-year commitment to fund RTF, shared among utilities in the region based on the NEEA funding allocation formula, in order to provide a more stable foundation for its work. The committee approves moving this resolution forward to the full board. This matter should be the subject of a full board presentation, and in the materials Jason would like to see information about the regional commitment to this work. Additionally, the board materials and the contract should describe an exit strategy.

6. Updates:
   - Employment Audit. Debbie Menashe gave an update on the employment audit status. Discussions continue with the Employment Department, and a placeholder hearing date has been set for April 26, 2012.
   - Governor's 10-Year Energy Plan. Margie announced that .Michael Jung of the Governor's 10-Year Energy Plan committee will make a presentation on the plan in between tomorrow's RAC and CAC meetings.
   - ISIP. Margie updated the committee on the project status. A full board briefing will take place at the meeting.

Meeting concluded at 5:30.