

HOUSE COMMITTEE ON POWER DEREGULATION WORKGROUP

April 2, 1997 Hearing Room 137

1:00 P.M. Tapes 87 - 90

STAFF PRESENT:

John Larson, Administrator

Mieko Aoki, Committee Clerk

MEMBERS OF PUBLIC PRESENT:

Jim Anderson, PacifiCorp

Sarah Baker-Sifford, Oregon Rural Electric Cooperative Association

Lee Barney, Portland General Electric

Diane Cowan, Oregon People's Utility District Association

Jane Cummins, League of Oregon Cities

Ron Eachus, Oregon Public Utility Commission

Jason Eisdorfer, Fair and Clean Energy Coalition

Sandra Flicker, Oregon Rural Electric Cooperative

Fred Heutte, Northwest Energy Efficiency Council

Denise McPhail, Portland General Electric

Daniel Meek, Energy Electrons Environment

Steve Munson, Vulcan Power Company

Tom O'Conner, Oregon Municipal Electric Utilities

John Savage, Office of Energy

Rachel Shimshak, Renewable Northwest Project

MEASURE/ISSUES HEARD:

DEVELOPMENT OF CONSENSUS ON BILL

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation

marks reports a speaker's exact words. For complete contents, please refer to the tapes.

Tape/#	Speaker	Comments
TAPE 87, A		
002	John Savage	Calls meeting to order at 1: 20 p.m. Gives summary of last meeting.
017	Savage	Suggests discussing two issues * status of an entity * necessity of returning benefits to conservation program or individual customers
032	Denise McPhail	Suggests Office of Energy be the administrative entity and establishing advisory board.
044	Savage	Comments existing state agency would be the best entity to manage the program.
059	Fred Heutte	Comments comparing existing program of Office of Energy to public purpose program.
080	Jim Anderson	States PacifiCorp's position * believes necessity of default suppliers * guarantees rebating some portion of fund to customers
096	Jason Eisdorfer	Addresses their concern that existing state entity would be a fund administrator.
107	Heutte	Addresses their concern about consequences of appointing state agency to handle collecting money.
117	Ron Eachus	Comments the fund is similar to a tax. Encourages Office of Energy becoming the fund administrator.
167	Eachus	Suggests determining proper agency for administrative function.
173	Workgroup	Discusses * how to budget the fund * establishing advisory board or appointed board
217	McPhail	Mentions necessity of administration fee.
226	Workgroup	Discusses budgeting administration process.
252	Steve Munson	Asks about budget for geothermal program.
278	Savage	Suggests discussing administration structure.
		Discusses

283	Workgroup	* who will be a fund administrator * proper time to begin collecting money and to open access * duplication of administrative function
336	Workgroup	Continues discussion.
339	Savage Vote	Calls for vote. YES to house administration of pooled public purpose funds in an existing state agency.
344	Savage	Moves on to next issue.
352	Heutte	Suggests establishing a decision-making board.
360	Eachus	Opposes establishing a decision-making board.
410	Daniel Meek	Asks if there is any advisory board existing in Office of Energy.
413	Savage	Describes structure of existing advisory board in Office of Energy.
429	Meek	Says California disagrees with establishing more than one board. Describes California's structure.
TAPE 88, A		
030	Workgroup	Discusses structure of advisory board * approval system * necessity of amending statute to establish advisory board
048	Meek	Mentions three entities which are interested in receiving benefit from the fund * competitive entities performing services * actual customers * entities harmed by conservation program
061	Workgroup	Discusses necessity of advisory board.
099	Jane Cummins	Asks the possibility of establishing public participatory board.
113	Savage	Says it depends who will make the decision.
118	Meek	Mentions California's central controversy system. Comments decision maker should exist.
162	Workgroup	Discusses necessity of decision making board.
212	Workgroup	Continues discussion.
216	Savage	Asks if the advisory board is similar to government.
219	Huette	Says yes and explains similarities.

220	Workgroup	Discusses * establishing ratepayer elected board * informing general advisory board and technical advisory board
270	Workgroup	Continues discussion on developing non-politicized entity.
306	Savage	Suggests discussing whether the fund should return to public or not.
314	Workgroup	Discusses setting minimum percentage of conservation dollars to be spent in the service territory of origin.
335	Meek	Mentions difficulties performing legislative processes * current boundary line has no meaning for the purpose of conservation * deciding allocation of fund * maintains publics have separate systems and do not contribute to the pool * categorizing customers
378	Workgroup	Discusses * necessity of insurance * returning benefits to service territories * differences of process between renewable and conservation
428	Workgroup	Continues discussion.
TAPE 87, B		
030	Savage	Suggests discussing how to categorize which customers to be insured.
035	Workgroup	Discusses * criteria of returning money to service territories

Continues discussion

* energy conservation programs

060 Workgroup * existing conflicts of interest

* difficulty of arriving at agreement on minimum percentage

* cost effective conservation programs

110 Workgroup Continues discussion.

150 Savage Suggests moving on to next issue.

157 Eisdorfer Agrees with creating single decision maker.

178 Cummins Opposes a single decision maker.

203 Meek Comments on necessity of compensation for public participants to establish public board.

226 Heutte Mentions existing BPA administrative functions.

259 Meek Comments creating advisory committee would complicate others.
Discusses

287 Workgroup * necessity of advisory committee

* formal decision making power should belong to state agency

313 Savage Suggests discussing concept of single decision maker.

326 Workgroup Discusses statutory guidelines.

345 Meek Gives an example of California's guideline.

374 Munson States importance of locating renewable project in state or Pacific Northwest.

382 Meek Mentions the floor of California's low-income purposes funds. Suggests low-income weatherization and conservation should be together.

425 Cummins Comments about public process.

**TAPE
88, B**

States two issues of cost effective conservation

004 Heutte * determining definition

* inclusion of necessary projects

016 Savage Summarizes discussion.

032 Meek Gives California's example and suggests allocation of funds to renewables and conservation should be in legislation.

049 Savage Suggests discussing authority of soliciting bids

054 Meek Suggests language which would utilize competitive market.

064 Workgroup Discusses creating technical advisory board or broadly-based advisory board.

Continues discussion

114 Workgroup * creating advisory board without compensation is wasting money

* mechanisms of running advisory board
Continues discussion

164 Workgroup * evaluation of bids

* accountability of board
Continues discussion

214 Workgroup * gathering proposals of accountability from various companies
* Who will be directing the accountability?

264 Workgroup Continues discussion.

286 Savage Comments on necessity of technical advisory board in addition to general administrator.

298 Workgroup Discusses determining what actual percentage of fund should be spent for administration fee.

348 Workgroup Continues discussion.

353 Savage Summarizes discussion.
Discusses

373 Workgroup * disclosure of financial statement
* prohibiting conflicts of interest

423 Workgroup Continues discussion on method of forming a board.

**TAPE 89,
A**

Continues discussion

006 Work group * Technical advisory board speaks for everyone
* function of technical advisory board

044 Heutte Describes a successful system of California.

078 Savage Summarizes discussion.
Suggests

105 Eachus * determine a decision maker
* establish guidelines
* avoid conflicts of interest

125 Workgroup Discusses commingling budget issues.

140 Workgroup Continues discussion on structure of funding.

185 Savage Asks workgroup whether they will be designating decision maker or not.

186 Workgroup Discusses establishing a decision maker.

205 Eachus Suggests appointing single board as a decision maker.

230 Workgroup Discusses restriction of establishing a board.

270 Eachus Comments it is not necessarily restricting a board.

302 Savage Suggests establishing small board.

315 Workgroup Discusses sufficiency of advisory board.

332 Savage States revisiting this issue on Friday with proposal.

336 Workgroup Discusses effective process of discussion.

Continues discussion

386 Workgroup * beginning date of public programs

* funding availability

436 Workgroup Continues discussion.

TAPE 90,

A

Continues discussion

002 Workgroup * determine minimum percentage of conservation dollars to be spent in the service territory of origin

* crediting against Bonneville Power Administration (BPA) expenditures

050 Munson Mentions a misunderstanding of vote.

071 John Larson Announces future schedule.

Discusses

090 Workgroup * low-income weatherization

* preclusion of existing structures

120 Savage Adjourns the meeting at 3:51 p.m.

Submitted By, Reviewed By,

Mieko Aoki, John Larson,

Committee Clerk Administrator