

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: DECEMBER 6, 2016**

REGULAR   X   CONSENT        EFFECTIVE DATE        **Upon  
Commission Approval**

DATE: November 22, 2016

TO: Public Utility Commission

FROM: JP Batmale *JPB*

THROUGH: Jason Eisdorfer and John Crider *JE* *JC*

SUBJECT: OREGON PUBLIC UTILITY COMMISSION STAFF:  
(Docket No. UM 1020) Portfolio Options Committee Annual Report and  
Member Appointments.

**STAFF RECOMMENDATION:**

Staff recommends the Commission:

- 1) Formally adopt the 2016-2017 work plan and updated charter proposed by the Portfolio Options Committee (POC).
- 2) Approve the continuation of the portfolio options products offered by Portland General Electric (PGE), PacifiCorp (PAC), and Northwest Natural Gas Company (NW Natural), as follows:
  - a) PAC – Time of Use, Blue Sky Block, Blue Sky Usage, and Blue Sky Habitat
  - b) PGE – Time of Use, Clean Wind, Green Source, Habitat Support, and the Renewable Solar Option
  - c) NW Natural – Smart Energy
- 3) Appoint the individuals nominated by the POC to serve the July 2016 through June 2017 term.
- 4) Require the POC to continue its annual review of programs as part of its Executive Session work **and** require the POC and utilities make a joint presentation to the Commission on June 27, 2017 to discuss how they resolved differences over performance metrics and clarified the utilities' goals for their programs.

## **DISCUSSION:**

### Issue

Whether the Commission should accept Staff's recommendation and approve the 2016-2017 Portfolio of Options products, POC membership and POC work plan.

### Applicable Law

OAR 860-038-0005(2) specifies that the POC consist of a group appointed by the Commission that includes representatives of Commission staff, Oregon Department of Energy, electric companies, residential and small nonresidential customers, local governments, and public or regional interest groups. OAR 860-038-0220(3) states that by July 1 of each year, the POC will recommend portfolio options to the Commission that will be effective January 1 of the following year. Staff received the current-year annual POC recommendations memo on June 7, 2016 (Attachment A) that included an updated charter (Attachment B).

### Analysis

#### *Relevant Background*

Since 2012, the Commission has been working with the POC to address four topics related to oversight of the utility's voluntary green power programs:

1. Marketing Costs
2. Administrative Costs
3. Communication to the Public
4. Green-e Certification

In 2015 the POC sought to expand and clarify its governance structure so as to improve its oversight capabilities. Roles and responsibilities were more clearly defined through a set of revised guidelines. Other governance improvements included instituting a set of guidelines for PGE to use in disbursing its sizeable accumulation of renewable funds. The new guidelines were accepted in May 2016. The POC also sought to improve its cost performance metrics and to clarify the utilities' program goals in 2015. This work was not completed last year and will carry over to this year's work.

*Staff overview of POC Recommendations*

The following sections discuss POC's recommendations for: (a) the current portfolio options; (b) the appointment of POC members; and, (c) acknowledgement of the POC work plan and suggested next steps.

*POC Recommendations for Portfolio Options*

The POC makes the following portfolio option recommendations to the Commission as listed for each company.

A. Portland General Electric

a. Current Portfolio Options

- i. Continuation of current Commission-approved customer options Time of Use, Green Source, Clean Wind, Green Future Solar, and Habitat Support.
- ii. Continuation of program delivery using existing Commission approved third-party marketing/education and supply contracts. PGE is in the final year of two contracts, one for marketing and another for supply. These contracts will expire on December 31, 2016. PGE has issued a new RFP for third-party program services to commence on January 1, 2017.
- iii. Continuation of current PGE contract with The Nature Conservancy as its habitat restoration provider.

B. PacifiCorp

a. Current Portfolio Options

- i. Continuation of current Commission-approved voluntary market-based and renewable-energy options for residential and small non-residential customers. For Pacific Power this includes the Time of Use and Blue Sky options (Blue Sky Habitat, Blue Sky Block and Blue Sky Usage).
- ii. Continuation of the delivery of the Blue Sky options utilizing services offered through existing Commission-approved third party contracts which provide the following services: retail marketing, REC supply and funds administration.
- iii. Present a draft RFP for third-party program services commencing January 1, 2019 to POC for review no later than first meeting of 2018.
- iv. Continuation of the implementation of the current PacifiCorp contract with The Freshwater Trust as its Blue Sky Usage and Habitat fund administrator.

C. Northwest Natural

a. Current Portfolio Options

- i. Continuation of current Commission-approved “Smart Energy” greenhouse gas emissions offset program and procurement of offsets through The Climate Trust.

D. Staff’s response to all recommendations above:

- a. Staff supports the POC recommendations for current portfolio options offered by PGE, PacifiCorp, and NW Natural.

*POC Recommendations for Membership*

The POC nominates the following members and proxy members for consideration by the Commission for the July 2016 through June 2017 term. All positions are now filled and a new chair was elected, Rebecca Smith from the Oregon Department of Energy. Some names have been added since the POC first submitted its annual memo to the Commission in June 2016. All names below have been approved by the POC.

Name	POC Role	Representing	Organization
Eric Lovell	Member	Small non-residential consumers	Uroboros Glass
Pamela Birkel	Member	Residential consumers	<i>Customer Representative</i>
Ralph Mastromonaco	Member	Residential consumers	<i>Customer Representative</i>
Sven Gatchev	Member	Residential consumers	<i>Customer Representative</i>
Dina Dubson Kelley	Member	Public or Regional Interest Groups	Renewable Northwest
Michael O'Brien	Proxy	Public or Regional Interest Groups	Renewable Northwest
Mike Goetz	Member	Public or Regional Interest Groups	CUB
Silva Torres	Proxy	Public or Regional Interest Groups	Renewable Northwest
Andrew Warren	Proxy	Oregon Dept. of Energy	ODOE
<b>Rebecca Smith</b>	Member <b>CHAIR</b>	Oregon Dept. of Energy	ODOE
Andria Jacob	Proxy	Local Government	City of Portland
Danny Grady	Member	Local Government	City of Portland
Tim Lynch	Member	Local Government	Multnomah County
Brian Harney	Member	Gas Companies	NW Natural

Name	POC Role	Representing	Organization
Gail Hammer	Proxy	Gas Companies	NW Natural
Natasha Siores	Member	Electric companies	PacifiCorp
Rebecca Brown	Member	Electric companies	PGE
JP Batmale	Member	Commission Staff	OPUC
Nadine Hanhan	Proxy	Commission Staff	OPUC

- Staff’s response to membership recommendations above:
  - a. Staff acknowledges the commitment and dedication of the POC committee members and thanks them for their participation. Staff recommends the Commission appoint the individuals nominated by the POC.

*POC recommendations for this year’s work plan*

Every year the POC proposes a work plan for the coming year. The 2016-2017 work plan is focused on five things:

1. Updating Marketing and Administration Cost Metrics
2. Clarifying Utility Program Goals
3. Third-Party Contract Oversight
4. Monitoring of Contingency Funds
5. Monitoring Impacts of SB 1547

Staff believes POC’s work plan is properly focused for this year. As stated previously, POC’s April 2016 Executive Session posed questions around performance metrics and goals so that these issues could be resolved in 2016-2017. In October the utilities responded with a series of counter proposals and new questions for the POC. While this type of exchange stands as an example of the good rapport between the POC and the utilities, it does raise concerns among Staff that the POC will have difficulty resolving the metric and goal issues by July 1, 2017.

For context, previous Staff POC reports in both 2014 and 2015 discussed resolving issues around program expansion, governance guidelines, and oversight of funds. Staff believes that despite the best efforts of all involved, recent history would suggest that a pattern of “back-and-forth” could continue with no foreseeable end-date while the green power programs continue to grow.<sup>1</sup> The POC and utilities need to resolve these issues. To assist with this, Staff recommends a June 9, 2017 deadline for resolution. Staff also recommends that representatives from the POC and utilities make a joint presentation

<sup>1</sup> Based on 2014 data the PGE and PAC programs were ranked #1 and #2 in the nation, respectively, based on total number of enrollees. See U.S. DOE Website from December 2015, <http://apps3.eere.energy.gov/greenpower/resources/tables/topten.shtml>

to the Commissioners at the June 27, 2017 public meeting to discuss how issues around performance metrics and goals were resolved.

- Staff's response to the POC's 2016-2017 work plan
  - a. Staff acknowledges that the POC work plan for this year is complete and comprehensive. Staff recommends approval but with the recommendation that the POC and utilities make a joint presentation to the Commission on June 27, 2017 to discuss how they resolved differences over performance metrics and clarified the utilities' goals for their programs.

### Conclusion

The recommendations by the POC for 2016-2017 are thorough and, if completed, will position the POC well to conduct its oversight duties.

### **PROPOSED COMMISSION MOTION:**

- 1) Formally adopt the 2016-2017 work plan and updated charter proposed by the Portfolio Options Committee (POC).
- 2) Approve the continuation of the portfolio options products offered by Portland General Electric (PGE), PacifiCorp (PAC), and Northwest Natural Gas Company (NW Natural), as follows:
  - a) PAC – Time of Use, Blue Sky Block, Blue Sky Usage, and Blue Sky Habitat
  - b) PGE – Time of Use, Clean Wind, Green Source, Habitat Support, and the Renewable Solar Option
  - c) NW Natural – Smart Energy
- 3) Appoint the individuals nominated by the POC to serve the July 2016 through June 2017 term.
- 4) Require the POC to continue its annual review of programs as part of its Executive Session work **and** require the POC and utilities make a joint presentation to the Commission on June 27, 2017 to discuss how they resolved differences over performance metrics and clarified the utilities' goals for their programs.

## **Attachment A – POC Recommendations for 2016-2017**

### **MEMORANDUM**

Date: June 07, 2016  
From: Nadine Hanhan, Chair-elect, Portfolio Options Committee  
To: Cindy Dolezel, Public Utility Commission of Oregon Staff  
RE: 2016 Recommendations to the Commission from the Portfolio Options Committee

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Pursuant to OAR 860-038-0220(3), by July 1 of each year, the Portfolio Options Committee (POC) recommends portfolio options to the Commission that will be effective on January 1 of the following year. For administrative simplicity, the POC also includes in this memo recommendations concerning membership and other subjects under its purview.

### **Portfolio Option Recommendations**

The POC makes the following portfolio option recommendations to the Commission:

#### **PacifiCorp**

- Continuation of current Commission-approved voluntary market-based and renewable-energy options for residential and small non-residential customers. For Pacific Power this includes the Time of Use and Blue Sky options (Blue Sky Habitat, Blue Sky Block and Blue Sky Usage).
- Continuation of the delivery of the Blue Sky options utilizing services offered through existing Commission-approved third party contracts which provide the following services: retail marketing, REC supply and funds administration.
- Present a draft RFP for third-party program services commencing January 1, 2019 to POC for review no later than first meeting of 2018.
- Continuation of the implementation of the current PacifiCorp contract with The Freshwater Trust as its Blue Sky Usage and Habitat fund administrator.

#### **Northwest Natural**

- Continuation of current Commission-approved “Smart Energy” greenhouse gas emissions offset program and procurement of offsets through The Climate Trust.

#### **Portland General Electric**

- Continuation of current Commission-approved customer options Time of Use, Green Source, Clean Wind, Green Future Solar, and Habitat Support.

- Continuation of program delivery using existing Commission approved third-party marketing/education and supply contracts. PGE is in the final year of two contracts, one for marketing and another for supply. These contracts will expire on December 31, 2016. PGE has issued a new RFP for third-party program services to commence on January 1, 2017.
- Continuation of current PGE contract with The Nature Conservancy as its habitat restoration provider.

**POC Membership Recommendations**

Pursuant to OAR 860-038-0005(2), the POC is “a group appointed by the Commission, consisting of representatives from Commission Staff, the Oregon Department of Energy, and the following:

- (a) Local governments;
- (b) Electric companies;
- (c) Residential consumers;
- (d) Public or regional interest groups; and
- (e) Small nonresidential consumers.

The POC recommends the following membership roster for Commission approval for the July 2016 to June 2017 term. The POC successfully recruited one new residential consumer representative in the past year. The POC has actively been recruiting new members since its last memo but has not replaced all available spots. Currently, there is one small non-residential consumer representative seat open at this time. The POC will recruit new members to fill those seats in 2016-2017 and recommend appointment of new POC members to the Commission.

<b>Portfolio Options Committee Membership Roster June 2016</b>		
<b>Member Name</b>	<b>Company</b>	<b>Representing</b>
T BD	TBD – Chair	TBD
Eric Lovell	Uroboros Glass – Vice Chair	Small non-residential consumers
Mike Goetz	Citizens' Utility Board – Proxy	Residential consumers
Ralph Mastromonaco	Unaffiliated	Residential consumers
Pamela Birkel	Unaffiliated	Residential consumers
Sven Gatchev	Unaffiliated	Residential consumers
TBD	TBD	Small non-residential consumers
Rebecca Brown	Portland General Electric	Electric companies

Rob Macfarlane	Portland General Electric – Proxy	Electric companies
Natasha Siores	PacifiCorp	Electric companies
TBD	PacifiCorp – Proxy	Electric companies
Brian Harney	Northwest Natural	Gas companies
Gail Hammer	Northwest Natural – Proxy	Gas companies
Rebecca Smith	Oregon Department of Energy	Oregon Department of Energy
Andrew Warren	Oregon Department of Energy – Proxy	Oregon Department of Energy
Andrea Jacob	City of Portland	Local governments
Alisa Kane	City of Portland – Proxy	Local governments
Tim Lynch	Multnomah County	Local governments
John Wasiutynski	Multnomah County - Proxy	Local governments
Cindy Dolezel	Oregon Public Utility Commission	Commission Staff
Michael Breish	Oregon Public Utility Commission - Proxy	Commission Staff
Dina Dubson Kelley	Renewable Northwest	Public or regional interest groups
Michael O'Brien	Renewable Northwest– Proxy	Public or regional interest groups

## Recommendations

The POC proposes that the Commission adopt the following:

1. 2016-2017 Work Plan

The POC proposes that the Commission formally adopt the POC's 2016-2017 Work Plan **[found at the end of this Attachment A]**.

2. Charter Update

The POC proposes that the Commission formally adopt the updated Charter in Attachment B. Relatively minor changes were incorporated bringing the Charter up-to-date. The POC approved this Charter on December 1, 2015, with the understanding that it would be submitted as part of the annual memo.

3. Continuation of Executive Session Review

The POC asks the Commission to support continuing the Executive Session reviews. During the annual review of the programs, the POC is focused on the marketing and administrative costs incurred by the programs with each utility's submittal of the PUC staff developed reporting metrics template. The metrics cover a three-year period.

The POC held its annual Executive Session on April 6, 2016. This year marked the POC's fourth annual Executive Session in which the POC reviewed data from PacifiCorp's Blue Sky, PGE's Green Source and Clean Wind, and NW Natural's Smart Energy program. During this year's Executive Sessions and in subsequent meetings, the discussion has centered on:

- Updating marketing and administrative cost metrics
- Understanding each utility's goals and strategies for their voluntary programs
- Examining the impact of the third party contracts
- Continued monitoring the utilities' contingency funds
- Monitoring the impacts of SB 1547 as it pertains to the POC
- The POC's continued role monitoring the program costs vis-a-vis staff

#### **POC Work Plan for 2016-2017**

##### **1. Update Marketing and Administration Cost Metrics**

The POC's Executive Session allows annual review of basic program metrics to include marketing and administration activities.

The POC has determined that in general, the metrics being submitted by the utilities need to be modified to give better information of costs and allocations. The POC will work with the utilities in 2016-2017 to evaluate the usefulness of each metric, make a recommendation to retain or replace each metric, and to update expected costs ranges.

A related issue frequently discussed in POC meetings is that utilities' administrative and marketing costs are combined when reported to the POC Executive Session. A concern is that the efficient use of funds for either of these broad cost categories cannot be as effectively monitored by the POC when they are combined. The POC recognizes that each utility's contracts and accounting system structure make the prospect of isolating these costs difficult.

Further, to improve understanding of the efficiency of the use of program revenues for marketing and administration expenses, each utility will explore including their expected average retention for existing customers in their 2017 confidential expense reports.

##### **2. Clarification of Utility Program Goals**

The POC recognizes that Oregon utilities have developed nation-leading renewable energy voluntary support programs with enviable participation rates. It is not clear to the POC however, and perhaps to consumers as well, what the utilities' program goals are, and whether they are aligned with the overall portfolio program goals. Is it the maximization of renewable energy generation, or the maximization of program participation rates, or something else? The POC recently notified the utilities that it intends to work with each of them in 2016-2017 to develop a clear definition of their programs' goals and benefits.

3. Third-Party Contracts

In reviewing the costs associated with marketing and administering the programs, it became clear at the POC Executive Session that the structure of the third-party contracts have had a significant impact on program costs. Differences in the third-party contracts have become apparent when reviewing the confidential information provided during the Executive Session. Notably, contract structures in which the utility pays a fixed, combined price for renewable energy certificates (RECs), marketing and administration provide little transparency into the amounts paid for each, but require that the contractor bear the risk of REC market fluctuations. There is better transparency into the balance of REC costs and marketing and administration costs when the company purchases the RECs separately, although the company then bears REC market price fluctuation risks.

This issue elevates the POC's interest in the contracts themselves. The POC seeks ways to get more involved in the contracting process with the goal of improving transparency of cost utilization information after the contracts are executed. Currently, the POC's role in relation to contracts has been to review the Requests for Proposals (RFP) and make recommendations to OPUC Staff. The POC recognizes the need for contract confidentiality given the limited number of potential contractors and contractor attendance at the POC. So, the POC now is considering reviewing the draft RFPs during additional Executive Sessions.

4. Continued Role in Monitoring Contingency Funds

As part of its annual review, the POC will absorb the new duty of monitoring funds held back from projects to cover contingencies. During the 2015-2016 term, the POC found some of the contingency funds to be unexpectedly high.

5. Monitor Impacts of Senate Bill (SB) 1547 as it pertains to the POC

SB 1547, which increases utilities' renewable portfolio standard requirements and ceases coal by wire, has changed Oregon's energy regulation landscape. The POC believes that it is important to evaluate how SB 1547 will affect POC programs and participant enrollments, particularly the 100% renewable purchase options.

Further, the POC has a role to play to ensure that green program funds contributed by voluntary participants are directed to projects in accordance with stated objectives and established guidelines. The Commission is undertaking an investigation into co-funding of projects with utility green program voluntary funds and the ETO public purpose monies collected from customers for renewable energy incentives.

## **Summary**

The POC recommends that the Commission approve the:

1. Continuation of the current Portfolio Options;
2. Appointment of new members;
3. Approval of the POC 2016-2017 Work Plan – Attachment A; and
4. Approval of the Updated Charter - Attachment B (including sub-attachments 1, 2, and 3)

## **Portfolio Options Committee Work Plan 2016-2017**

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### Meeting Schedule

- October 12, 2016
- December 7, 2016
- February 8, 2017
- April 2017 Executive Session
- May 2017

### Annual POC Oversight Activities

- General program updates and reviews take place at the May and December meetings.
- Executive session reviews specific program costs in April.
- Prepare the upcoming year's POC Work Plan and Annual Commission recommendations, with final discussion at the May POC meeting and final documents due by July 1<sup>st</sup>.
- Items that must be reviewed by the POC in advance of PUC submission:
  - Utility RFPs for green marketers
  - Any significant changes to selected contractors, including extensions
  - Changes to tariffs
  - Significant and/or non-standard deployment of funds
  - New programs or offerings

### Education and Presentations

- Ethics class for new committee members
- Committee protocol
- Special presentations of utility projects
- Resource value of solar in early 2017
- Solar incentive report to legislature

### Special Projects and Issues for 2016 - 2017

- Develop updated cost metrics and ranges for marketing and administrative expenditures.
- Clarify individual utility program strategic goals and benefits, sync to portfolio program goals.

- Monitor and engage with utilities during the program RFP and contracting process.
- Closely monitor the use of large accumulated program contingency funds.
- Monitor impacts of SB 1547 on renewable portfolio options program, RPS changes, and how they affect 100% purchase option.
- Review co-funding of voluntary funds and public purpose charge funds through ETO; Review how this affects POC programs.

## **Attachment B – Update POC Charter**

### **PORTFOLIO OPTIONS COMMITTEE Charter**

1. **Organizing history.** The Portfolio Options Committee is established in Oregon Administrative Rules as an advisory group to the Oregon Public Utility Commission.<sup>2</sup> By rule, the group's chief responsibility is to submit recommendations annually to the Commission regarding a set of product and pricing options for small commercial and residential customers of investor-owned electric utilities.

Division 38 rules implement the *direct access* statutes found in Oregon Revised Statutes 757.600. For residential customers, the statute directs the Commission to establish a "portfolio of rate options" within the electricity provider, including a time-of-use rate.

The Portfolio Options Committee first met in 2002. In 2008, NW Natural Gas joined the Portfolio Options Committee for its greenhouse gas offset program, Smart Energy.

In reviewing existing and proposed portfolio option products, the Committee's current goals are to support:

- renewable energy markets, and carbon offset markets,
- growth in participation rates at reasonable costs,
- consumer education on portfolio options and renewable energy and carbon offset markets, and
- valuable and reasonable rate options for customers.

2. **Membership.** The Portfolio Options Committee (POC) is established in rule and its members and proxies are approved by the Public Utility Commission. It is composed of Commission Staff, the Oregon Department of Energy, local governments, participating utilities, residential consumers, public or regional interest groups, and small nonresidential consumers.<sup>3</sup>
  - a. *Voting.* Only approved or provisional members of the POC may vote. A vote is conducted with a voting member making a motion. After a second member supports or seconds the motion, the matter may be put to a discussion and full vote of the POC.
  - b. *Quorum and decisions.* A vote can occur only if one-half (rounded up) or

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<sup>2</sup> Attachment 1: Oregon Administrative Rules, Division 38, excerpted.

<sup>3</sup> Attachment 2: Membership Roster.

**Attachment B – Update POC Charter**

- more of POC members are present. Once the quorum is met, a motion is approved or rejected by a simple majority of present members.
- c. *Proxies.* Members may select a proxy within their organizations. A proxy will be allowed to vote on behalf of a member in that member's absence. The member's proxy will have all privileges allowed the member such as, but not limited to, attending executive sessions and receiving related confidential materials. Members and their proxies may be required to sign a protective order before they are allowed to attend executive sessions and receive confidential materials.
  - d. *Provisional representation.* There are two exceptions to substitution restrictions: a representative leaves the organization; or (2) a new consumer representative is added to the membership roster. In these cases, a provisional representative may be recognized by the POC as eligible to vote for the interim term until he or she is formally approved by the Commission. To provisionally approve a new consumer representative, the POC may review the qualifications of a member and then vote after the new prospective representative has attended one POC meeting.
  - e. *Consumer representatives.* Consumer representatives are uncompensated positions that typically do not have proxies. They must have no conflict of interest with the programs under review. Deference will be given to consumer representatives for meeting schedules.
  - f. *Chair duties and election.* A chair is elected among existing members of the POC for a two- year term. The primary duties of the POC chair are to maintain records, set agendas and meeting schedules, manage meetings and interim communications, and represent the POC in correspondence with the Commission. The chair serves at the pleasure of the Commission.
  - g. *Non-voting representatives.* The POC benefits from the regular contribution of non-voting representatives such as the program marketing and delivery firms.
  - h. *Listserve.* The chair will keep an electronic list of POC member representatives and interested parties. This listserve will be the primary form of meeting notification and record keeping.
  - i. *Subcommittees.* The POC may create and disband informal subcommittees to review specific issues as needed. Participation on subcommittees is elective. As no official voting occurs within subcommittees, non-voting members may serve on subcommittees.
3. **Portfolio options.** Portfolio options are established to provide residential and small nonresidential customers with access to renewable resource generation and carbon offset markets. Current options generally allow for renewable energy certificates or carbon offsets to be retired on behalf of customers, and in some cases provide direct support for new renewable resource projects. Depending on the product and the customer, the amount of credits retired may be linked to usage or to a block purchase. Subscribing customers may additionally donate funds to support salmon habitat

**Attachment B – Update POC Charter**

restoration.

- a. The POC may consider adding a new option to a utility's portfolio. Proposals for a new portfolio option and POC deliberations should follow the "Guidelines and Procedure for New Products."<sup>4</sup>
- b. A utility may request that the POC review and make a recommendation to remove an option, unless the Commission has already directly required removal.

**4. Obligations.**

- a. By July 1 of each year, the POC must recommend to the Commission a portfolio of rate options to offer residential and small non-residential consumers. The POC may also issue recommendations regarding marketing contracts and structure of each portfolio. Commission Staff will then incorporate the recommendations into a Public Meeting Memo for a Commission meeting. A recommendations memo may contain:
  - Recommended portfolios (new or continuance)
  - Recommended changes, if any, to the portfolios and/or their structure
  - Recommended structure for new portfolios
  - Marketer and provider contracts recommended for approval
  - POC members recommended for approval
  - Changes, if any, to the definition of "significant" as used in OAR 860-038-0220 (4).
  - Changes, if any, to the goals and performance metrics of the portfolio options
  - Changes, if any, to the portfolio options (structure, marketing, contracting) as a result of Commission audits, or other significant events
- b. To make these recommendations, the POC may review communications to the public, program progress, delivery costs, and product design, value, and performance.
- c. The POC may take up other matters upon member or Commission request.
- d. The POC may review and/or propose recommendations to the Commission regarding the use of voluntary funds for a special purpose not advertised directly to customers but consistent with the associated tariff.
- e. The POC will follow Public Meetings Law. The full requirements of which are located here:  
[http://www.doj.state.or.us/public\\_records/manual/pages/public\\_meetings.aspx](http://www.doj.state.or.us/public_records/manual/pages/public_meetings.aspx)

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<sup>4</sup> Attachment 3: Guidelines and Procedures for New Products.

**Attachment B – Update POC Charter**

5. **Meetings.** The POC will hold at least four public meetings each year and one executive session.
  - a. Except for executive sessions, all meetings are open to the public.
  - b. Annually, the POC will hold an executive session. The executive session is not open to the public. The purpose of the executive session is to review confidential material and program costs.
  - c. For the POC to vote on a matter, the chair must be notified, the matter must be listed on the agenda, and supporting materials must be distributed by email no less than three business days in advance.
  - d. Notices of public meetings, and notes from public meetings will be made available to the POC members and online on the OPUC website. Executive sessions will be noticed as a meeting to consider information exempt from disclosure under the public records law (ORS 192.660(2)(f)).
6. **Duration.** The POC shall continue to serve as an advisory body to the Commission until its services are no longer requested.
7. **Amendment.** This charter may be amended by a minimum two-thirds vote of POC members. After approval by POC majority, the POC will submit newly adopted charter to the Commission for acknowledgement. Attachments to the charter are not subject to this requirement.

Dated and approved by the Portfolio Options Committee: June 28, 2016