



# Citizens' Utility Board of Oregon

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December 10, 2007

Mr. Kip Pheil  
Oregon Department of Energy  
625 Marion St. NE  
Salem, OR 97301-3737  
[Kip.pheil@state.or.us](mailto:Kip.pheil@state.or.us)

Re: Comments on DOE's draft rules for the Renewable Portfolio Standard (SB 838)

Dear Mr. Pheil,

We appreciate the opportunity to comment on the Department's draft rules pertaining to SB 838. We limit ourselves to commenting on only one brief issue, that is, the date after which renewable energy certificates (RECs) may be used for banking purposes.

Draft 1A of the Department's rules listed January 1, 2008 as the beginning date that RECs are eligible to be used to comply with the renewable energy standards in SB 838. Draft 2 moves the date back to October 1, 2007. Proposed 330-150-0030. There are competing interests that argue for an earlier or a later date for banking eligibility. On the one hand, the date should not be so long ago as to include resources that were acquired without any inkling that there might be a renewable energy standard. As we have stated many times, we see the value of SB 838 as moving more renewable generation into existing utility resource portfolios on a going forward basis, not simply congratulating ourselves for the meager investments we have made in renewable energy in the distant past. On the other hand, there may be relatively recent investments that were made in anticipation of a renewable portfolio standard. An earlier date that encompasses these resources but does not go too far back in time would reduce costs for the customer and still preserve the integrity of the Act.

The other problem the Department has in considering this issue is that SB 838 is silent as to the eligible banking date. The date proposed in Draft 2, October 1, 2007, is within the realm of reasonableness. It attempts to find a balance between the not-so-far-back and the here-and-now. Our suggestion, one that has at least some connection with the history of SB 838, is to align the eligibility date with the date that SB 838 went into effect. The

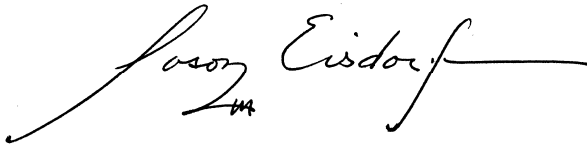
Governor signed the bill on June 6, 2007, and because there was an emergency clause included as Section 48, the bill went into effect immediately. This seems to us the best date. It has some reference back to the bill itself and it establishes a compromise between those who would include resources that began generating in 2006 in anticipation of a renewable portfolio standard and those who want to make sure that an unreasonably early banking date does not make the goals meaningless. In other words, if a resource came on line in late 2006, for example, about half of the output for 2007 could be banked and half could not.

Our suggestion is that 330-150-0030 be written to make RECs produced after June 6, 2007, eligible for banking.

This is the extent of our reasoning on this topic. Thank you for your consideration.

Dated this 10th day of December, 2007

Respectfully submitted,

A handwritten signature in black ink that reads "Jason Eisdorfer". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Jason Eisdorfer #92292  
Attorney for Citizens' Utility Board of Oregon