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UTILITIES AND TRANSPORTATION
COMMISSION

Green Power Programs in Washington: A Report to the Legislature

December 2002

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Executive Summary

RCW 19.29A, "Implementation of Retail Option to Purchase Qualified Alternative Power," signed into law in 2001, directed sixteen of Washington's electric utilities to offer a voluntary "qualified alternative energy product" (essentially an electricity product powered by green resources) starting by January 2002. The statute calls for the utilities to report annually on the progress of these voluntary green power programs to the Department of Community, Trade and Economic Development and the Washington Utilities and Transportation Commission. In lieu of reports, agency staff surveyed the utilities in October 2002. The survey produced the following key findings.

1. Each of the sixteen utilities has a green power electricity product to offer its customers. Fourteen of the sixteen utilities have implemented voluntary green power programs. The two remaining utilities have secured wind power from a new facility and were initiating their programs after agency staff completed this survey.
2. Utilities regularly advertised the green power programs to their customers.
3. On average, fewer than one percent (0.55%) of customers had registered to participate in the utility programs in the first year. Based on participation in older green power programs this participation rate will increase as marketing continues.
4. A total of 1.4 aMW (12.4 million kilowatt-hours) of green power was sold during the first nine months of 2002 to participants in these voluntary programs.
5. Wind power represented the vast majority of the green power sales in this year's program (approximately 90%). The remaining resources were landfill gas, hydropower, and solar.
6. The resources in the green power programs either have zero CO₂ emissions or, in the case of landfill gas fueled power, release only five percent of the CO₂ that would have been released if the landfill methane gases were emitted directly into the atmosphere.
7. Nearly all of the public utilities participating in the survey, as well as seven smaller public utilities that do not offer green power programs to their customers, have added renewable resources to their utility system mix – above and beyond that required by the green power option.¹
8. A total of 118 aMWs (1 billion kWhs) of electricity fueled by wind, landfill gases, and biomass were included in the system fuel mix reports by electric utilities in Washington in 2001.
9. Utility representatives reported the following types of challenges to implementing the program:
 - marketing to achieve higher penetration amidst significant rate increases,

¹ Data through the annual fuel mix reporting process to CTED per RCW 19.29A.050. The small utilities that purchase non-hydro renewable for their utility system mix include: Benton REA, City of Blaine, Franklin PUD, Lakeview Light and Power, Orcas Power and Light, Tanner Electric, and Whatcom PUD. Orcas, Pacific PUD, and Clearwater Power offer green programs. Okanogan PUD & Douglas PUD buy 9 Canyon Wind as of 10/02.

- addressing the statute's Section 28 (5) clause, "All costs and benefits associated with any option offered by an electric utility under this section must be allocated to the customers who voluntarily choose that option," and
- the transmission pricing policies in the Northwest for intermittent resources.

Introduction

House Bill 2247 in 2001 required sixteen electric utilities in Washington State to offer their retail customers an option to purchase qualified alternative resources -- often referred to as "green power." The law defined a "qualified alternative energy resource" as electricity fueled by wind, solar energy, geothermal energy, landfill gas, wave or tidal action, gas produced during the treatment of wastewater, qualified hydropower², or biomass. This legislation also stated that between 2002 and 2012 the electric utilities³ must report annually to the Department of Community, Trade and Economic Development (CTED) and the Washington Utilities and Transportation Commission (WUTC), describing details of their green power programs and the Department and Commission together must report to the Legislature. These reports are to describe the option or options being offered to customers, the rate of customer participation, the amount of qualified alternative energy resources purchased by customers, the amount of utility investment in qualified alternative energy resources, and the results of pursuing aggregated purchasing opportunities. This report provides an update on the first nine months of implementation of these green power programs and outlines some general developments in the area of renewable resources in the Pacific Northwest.

To facilitate the utility reporting process CTED and the WUTC surveyed sixteen consumer-owned and investor owned electric utilities in the state directed to offer green power programs. The surveys were distributed electronically in early October and were followed up with phone calls as needed. The survey collected data on items such as green power sales, program budgets, and participation levels. It also included qualitative data from utility staff and managers who acquired the qualified resources and designed and marketed the green power products to their customers. The Renewables Northwest Project (RNP)⁴ conducted a survey of utilities throughout the western states in the summer of 2002 to collect data on utility green power programs. The appendix of the report contains data sheets provided by RNP. Rather than duplicating the effort, the CTED and WUTC have amended RNP's data sheets with updated sales and participation figures for Washington's utilities. The full RNP report is available at http://www.rnp.org/htmls/Powerful%20Choices%203_web.pdf.

This agency report to the Legislature provides a short background on the terminology involved with describing and marketing green power and it provides an overview of each utility's participation levels, electricity sales and program description. It briefly describes the successful three-year old green power program of an Oregon utility and it summarizes the qualitative responses from Washington's utilities regarding what is and is not working well and what recommendations they would like policy makers to consider.

² RCW 19.29A "Qualified hydropower" means the energy produced either (a) as a result of modernizations or upgrades made after June 1, 1998, to hydropower facilities operating on the effective date of this section that have been demonstrated to reduce the mortality of anadromous fish; or (b) by run of the river or run of the canal hydropower facilities that are not responsible for obstructing the passage of anadromous fish.

³ Small and rural utilities were exempted from offering programs in the statute. The statute defines a "small utility" as any consumer-owned utility with twenty-five thousand or fewer electric meters in service, or that has an average of seven or fewer customers per mile of distribution line. This meant that sixteen electric utilities were required to offer green power programs.

⁴ RNP represents a broad coalition of public interest groups and energy companies. It formed in 1994 to promote renewable energy development in the region.

Background

House Bill 2247 gave utilities two options to provide qualified alternative energy resources: green power itself or green tags/credits. An idea first promoted by power marketers in the mid-1990's, the green tag is a type of currency used in the electricity industry to represent the environmental and social benefits of clean electricity production. They are also sometimes called tradable renewable energy certificates or renewable energy credits. The green tag with the environmental attributes of the renewable resource is separated from the electricity produced and they are sold as two distinct products. One is unlabeled electricity; the other is the environmental attributes equivalent to the amount of renewable electricity produced. The Bonneville Environmental Foundation (BEF)⁵ began to sell green tags in 2001 that represented the attributes of a mix of wind, solar, and other renewable resources to wholesale and retail customers. For example, a green tag broker, such as BEF, pays the above market cost of 1,000 megawatt-hours of wind from the owner of a wind farm. The wind farm owner, in turn, assigns 1,000 megawatt-hours of green tags to BEF, and then sells 1,000 megawatt-hours of generic electricity into the wholesale electricity market. The environmental attributes of the 1,000 megawatt-hours of wind electricity transfer with the green tags to the utility or retail customer purchasing these tags from BEF.

Buying green tags has a similar effect as buying green power (e.g., wind or solar power) except the purchaser does not need to schedule or transmit the green power to a specific distribution utility or customer. Both Puget Sound Energy and Snohomish PUD adopted the green tag option. The U.S. Department of Energy's website lists at least nine businesses that sell green tags and more utilities that sell green tags (<http://www.eren.doe.gov/greenpower/certificates.shtml#gcerts>). Additionally, Environmental Media Services⁶ provides some background information on green tags for journalists and includes contact information for several businesses selling green tags http://www.ems.org/renewables/green_tags.html. (For more information on the business from which Puget Sound Energy and Snohomish PUD purchased green tags visit the BEF website: <https://www.greentagsusa.org/GreenTags/index.cfm>.)

In 1999, the Bonneville Power Administration began to sell a resource-specific electricity product, referred to as its Environmental Preferred Power or EPP, to wholesale customers. The EPP included a mix of potential renewable resources except large-scale hydropower. Utilities purchasing the product could specify which green resources (including low-impact hydro facilities) they wanted to include in their resource mix. Some utilities in Washington, particularly a handful of small electric utilities, began to purchase the EPP prior to the establishment of green power programs and continue to purchase it. This product ensured that BPA's utility customers had ready access to a specific green power product should they need it.

Many Washington utilities offered a "block" option to participants in their green power programs. A "block" of power refers to a specific number of kWhs aggregated into a block and the participant is charged a flat rate for this block of power. Customers had the option of buying one or many blocks of green power each month. For example, Avista marketed "A buck a block." Each block consisted of 55 kWhs of wind from the Stateline Wind project. Snohomish PUD sold blocks consisting of 150 kWhs of BEF green tags for \$3.00/block.

In the fall of 2001, environmental organizations from the Northwest sponsored two workshops to assist electric utilities in the design, development, and marketing of their voluntary programs prior to

⁵ The Bonneville Environmental Foundation was founded in 1998 to support watershed restoration projects and develop new sources of renewable energy. It is a not-for-profit that markets green power products to utilities, government agencies, businesses, and individuals.

⁶ Environmental Media Services is a nonprofit communications clearinghouse dedicated to expanding media coverage of critical environmental and public health issues. EMS is a nonprofit funded by foundations and individuals working to improve public understanding of environmental and public health issues.

the legislated January 2002 program start-up date. Prior to 2002, only two utilities in Washington - PacifiCorp and Chelan PUD - had active green power programs in place –as did a few utilities in Oregon. The workshops began a regional process of collaboration on sharing ideas and success stories for green power programs. In mid-November of 2002, the Northwest Public Power Association⁷ co-sponsored an in-depth workshop on marketing green power for electric utility managers and staff.

Overview of Survey Results

Currently, all but one of the green power programs in Washington have an incremental cost for the renewable resource. That is, the customer pays their standard cents/kWh rate for all the electricity they consume and then, in addition, they pay an incremental price for the value of the green power. The exception is Clallum PUD's program. Clallum has created a resource mix that includes electricity powered by landfill gas. Customers may opt to rely on this resource mix for 100% of their electricity needs at a fixed rate of 6.9 cents per kWh.

Fourteen of the sixteen electric utilities had active green power programs in October 2002 when the agencies conducted the survey. Two more utilities, Lewis PUD and Mason PUD No. 3, had secured wind power for their programs and were in the process of activating their programs in October 2002. The program descriptions are summarized in Table 1. In the Appendix, there is a data sheet for each utility that provides a more in-depth description of the individual programs, the average investment per participant, some marketing budgets, and the prices charged to customers or the contributions sought from customers. Tables 2 and 3 below provide perspective on the amount of electricity sales occurring during January through September 2002, and some perspective on the level of customer participation that utilities are achieving and the level of voluntary expenditures that ratepayers are making.

The majority of qualifying power offered in these programs is wind power. The estimated total kWhs of wind generated power sold through these programs between January and September 2002 was 11,189,061 kWhs, approximately 90 percent of the total program sales. All of the renewable resources powering electricity in these programs are located in the U.S. portion of the Northwest Power Pool and at least three Washington plants generated much of the electricity sold in the program: Stateline Wind, Klickitat landfill gas (Roosevelt Regional Landfill), and Nine Canyon Wind. In many cases, public utilities under contract to buy a share of the power produced by Energy Northwest's Nine Canyon Wind Project, the Klickitat landfill gas project or the mix of Bonneville Environmentally Preferred Power found they had more renewable power than their voluntary program could sell and opted to include excess renewable power in their general utility resource mixes.

⁷ NWPPA is an international association representing and serving consumer-owned, locally controlled utilities in the Western U.S. and Canada. Its focus is providing training and education services to its members.

Table 1 Description of Utility Green Power Programs

| Utility Name | Program Name | Program Description |
|--------------------|---|--|
| Avista | Buck a Block | \$1.00/55 kWh block of wind from Stateline Wind |
| Benton PUD | Benton PUD Green Power Program | Contributions of \$1/month sought for Klickitat Landfill gas power |
| Chelan | SNAP(Sustainable, Natural, Alternative Power) | Contributions of \$2.50-7.50/mo. pay for qualified locally generated power |
| Clallam | No name | Resource mix with Klickitat Landfill gas sells for rate of 6.9 cents/kWh |
| Clark | Green Lights | \$1.50/100 kWh block of Green Tags from BPA |
| Cowlitz | Renewable Resource Energy Supplement | \$2.00/100 kWh block of EPP from BPA |
| Grant | Alternative Energy Resources | \$2.00/100 kWh block from 9 Canyon Wind Project |
| Grays Harbor | Green Power Program | \$3.00/100 kWh block from 9 Canyon Wind Project |
| Lewis | not yet named | Purchased 2% share of Nine Canyon Wind Project |
| Mason PUD 3 | not yet named | Purchased share of Nine Canyon Wind Project |
| PacifiCorp | Blue Sky | \$2.95/100 kWh block of wind (Proposing to reduce price) |
| Peninsula | Green Choice | \$2.80/100 kWh block of EPP from BPA |
| Puget Sound Energy | Green Power Plan | \$2/100 kWh block of BEF Green Tags |
| Seattle City Light | Seattle Green Power | Monthly or one-time contributions, 40% solar panels, 60% new generation |
| Snohomish | Planet Power | \$3.00/150 kWh block of BEF Green Tags |
| Tacoma Power | EverGreen Options | Contributions of \$3, 6, or 10/month for EPP from BPA |

Note: Utilities with contribution programs frequently seek a higher level of voluntary payment from business customers. If the utility has multiple contribution levels, then the listing above refers to residential customers. See the appendix for greater details.

The most common option offered by the utilities to their customers is the purchase of a block or multiple blocks of qualified alternative power. These blocks vary in price and range between \$1.50-\$3.00/ 100 kWhs. The contents of the blocks are mostly wind power fairly evenly split between physical power purchase from a wind generation project, green tags, or Environmentally Preferred Power from Bonneville Power Administration. The aggregation of purchases by the utilities themselves was rare, with only one utility reporting making an aggregated purchase. However, several utilities mentioned aggregation by existing organizations, such as Energy Northwest, as essential and a few others mentioned it as a potential option that was being considered.

Chelan PUD's program pays local renewable power generators up to \$1.50 per kWh produced. Chelan determines the actual payments by dividing the annual contributions received by the kWhs produced.

Table 2 – Percent of Green Power Program Sales as a Percent of Total Sales

| Utility Name | Total Utility kWh Sales '01 | Green kWh Sales Jan-Sept '02 | Green Power as Percent of Sales |
|--------------------|-----------------------------|------------------------------|---------------------------------|
| Avista | 5,028,434,000 | 1,921,700 | 0.051% |
| Benton PUD | | NA | NA |
| Chelan | 1,332,271,000 | 25,000 | 0.003% |
| Clallam | 557,572,000 | 83,947 | 0.020% |
| Clark | 3,984,998,000 | 493,900 | 0.017% |
| Cowlitz | 4,305,138,000 | 19,150 | 0.001% |
| Grant | 2,660,306,000 | 1,000 | 0.000% |
| Grays Harbor | 1,028,016,000 | 20,000 | 0.003% |
| Lewis | | 33 aMW* | NA |
| Mason PUD 3 | | 0 | NA |
| PacifiCorp | 3,991,651,000 | 676,662 | 0.023% |
| Peninsula | 476,266,000 | 142,857 | 0.040% |
| Puget Sound Energy | 19,848,309,000 | 4,399,000 | 0.030% |
| Seattle City Light | | 6 KW** | NA |
| Snohomish | 6,185,438,000 | 2,658,700 | 0.057% |
| Tacoma Power | 4,620,280,000 | 1,911,397 | 0.055% |
| Totals | 54,018,679,000 | 12,353,313 | 0.030% |

* Based on the projected annual output of Nine Canyon Wind

** Projected installed solar capacity at end of 2002.

Note: Chelan's sales are for April – September 2002.

Percentages: Nine months of green sales/nine months of total sales.

The total kWhs of green power purchased through these programs between January and September 30, 2002 was 12,353,313 kWhs or 1.4 aMW. This represents, on average, three one-hundredths of one percent -- 0.03% -- of retail electricity sales for those utilities that had programs. (Compare this to the approximately 82 aMW of electricity available annually from Stateline Wind Project on the Washington-Oregon border.) Snohomish PUD had the highest percentage of green power sales of Washington utilities with 0.057% or less than one-tenth of one percent of its total retail sales. (See Table 2 below.)

The total revenue from Washington ratepayers' purchases of green power from these optional programs was \$372,723 for the first nine months of 2002. Again, this amount reflects the above market cost of the renewable resource power and frequently program administration and marketing. It does not reflect the total cost of the electricity. For those utilities offering green power programs, the average percentage of electricity revenues attributed to the green power programs was estimated to be 0.015%. These sales figures may alter significantly over the course

of the second year of the program since most of these new programs had ramp-up periods where customers were just starting to register for the programs and purchase the power.

Customers are participating in these programs at an average rate of 0.55% throughout the state or approximately one-half of one percent. The total number of customers participating in Washington is 11,732 (data represents participants from 12 utilities with programs in early 2002). Chelan PUD, which initiated its program in August 2001, had the highest participation rate in Washington with 1.9% of its customers investing in green power resources. Chelan PUD's program, like Seattle City Light's, is focusing on developing renewable resource applications locally and visibly. Benton PUD has the second highest participation rate. All three of these utilities have a contribution program.

Table 3 Revenues from Utility Green Power Programs for January – September 2002

| Utility Name | 2000 Retail Revenues | 2002 Green Power Revenues* | Green Revenues as Percentage | % Customers Participating |
|---------------------|-------------------------|-------------------------------|---------------------------------|------------------------------|
| Avista | \$231,295,000 | \$34,940 | 0.020% | 0.41% |
| Benton PUD | \$69,611,000 | \$15,000 | 0.029% | 1.16% |
| Chelan | \$38,306,000 | \$21,500 | 0.075% | 1.88% |
| Clallam | \$28,268,000 | \$7,052 | 0.033% | 0.18% |
| Clark | \$183,672,000 | \$7,409 | 0.005% | 0.13% |
| Cowlitz | \$122,446,000 | \$383 | 0.000% | 0.07% |
| Grant | \$83,138,000 | \$20 | 0.000% | 0.00% |
| Grays Harbor | \$48,439,000 | \$600 | 0.002% | 0.05% |
| Lewis (see below) | | \$ - | | 0.00% |
| Mason 3 (see below) | | \$ - | | 0.00% |
| PacifiCorp | \$186,196,000 | \$19,962 | 0.014% | 0.36% |
| Peninsula | \$26,356,000 | \$4,000 | 0.020% | 0.75% |
| Puget Sound Energy | \$1,403,018,000 | \$88,012 | 0.008% | 0.38% |
| Seattle City Light | \$383,673,000 | \$92,000 | 0.032% | 0.97% |
| Snohomish | \$308,743,000 | \$53,174 | 0.023% | 0.48% |
| Tacoma Power | \$228,669,000 | \$28,671 | 0.017% | 0.33% |
| Totals | \$3,341,830,000 | \$372,723 | ** | *** |

* Data represents program activity through the end of September 2002. Programs began after January 2002.

** Average percentage of green revenues per utility is 0.015%.

*** Average percentage of customers participating (of those utilities with programs) 0.55%.

Note(s): Mason PUD #3 and Lewis PUD initiated programs after survey was completed.

Data for PacifiCorp and Avista are based solely on their Washington service territories.

Green Power Program Outcomes Beyond the Northwest

It may be useful to consider the participation rates of green power programs beyond Washington. One report from the National Renewable Energy Lab provides two perspectives. "Among the 40 million American households with access to green power through either regulated or restructured markets today (October 2001), approximately 1% have chosen to buy green power." "Perhaps the most relevant implication for our 10-year forecast of green power penetration is that it often takes a long time for markets to develop. When long distance telephone service was deregulated, AT&T did not lose half of its market share in just a few years; it happened gradually at a pace of a few percent each year over 15 years. Similarly, bottled water reached 8% market penetration, recycling 25%, each over an extended time period."⁸

⁸ Bolinger, Mark, E. Holt, R. Wiser, and B. Swezey; Forecasting the Growth of Green Power Markets in the U.S.; National Renewable Energy Laboratory; October 2001.

It is worth referencing one ongoing and extremely visible green power program in the Northwest, Eugene Water and Electric Board's (EWEB) Windpower program. It is an interesting program in that after three and one-half years of implementation it currently has a 3.25% participation rate. (This includes 62 commercial customers.) This program is unique in the Northwest in that it provides rate stability for the wind-fueled portion of the customer's power bill. A wind customer pays a predetermined amount per kWh for wind regardless of variations in retail power rates. For example, EWEB sells wind based on a percentage of a customer's electricity bill. A customer can purchase wind to meet 10%, 25%, 50%, or 100% of their monthly electric bill. The power portion of a customer's electricity rate is segregated from the distribution portion of the rate. If EWEB instigates a rate increase related to an increase in the cost of power, then the customer that buys 25% wind is protected from that power rate increase for 25% of its power bill. Given the environmental nature of the Eugene community, the program's rate stability feature, the number of years this program has been available, and the program's high visibility, EWEB's program may represent the upper end of the penetration rates of voluntary, customer-driven green power procurement programs in the Northwest. For EWEB, this program is one option for customers. Regardless of the voluntary program EWEB secures renewable resources for its system resource mix.

Investments

The statute asked that utilities report on their investments in green power resources. All made some level of investment that they would either recover through the program or recover through general rates by adding the renewable resources into their system mix. However, the data represent a mix of perspectives, and they are not included in this report. There are several challenges for reporting this information, particularly for programs that are less than a year old. First, in the autumn of the year, the investments are simply budgets for some utilities. At the end of the year these utilities will have a clear handle on their expenditures in the marketing, power purchase, and administration of the green power program. Second, many utilities have committed to a multi-year system resource purchase of renewable resources. These utilities may not be readily able to separate their system investment in renewable resources from their green power program investment.

Overview of Renewables Currently in Utility System Resource Mix

Based on the 2001 fuel mix disclosure process outlined in RCW 19.29A.050, Washington utilities collectively have 23,822,000 kWhs or 2.72 aMW of wind in their standard system resource mix. This number is projected to increase in 2002 due at least to Seattle City Light's acquisition of new wind power and the purchase of a share of the output from Energy Northwest's new Nine Canyon Wind Project by several public utilities. Additionally, Washington utilities had 8 aMW of electricity generated with landfill gas and 107 aMW of electricity generated with biomass. Combined, these three non-hydropower renewable resources powered 1.34% of retail electricity sales in Washington in 2001 or 118 aMWs of electricity. This magnitude of renewable resources in the resource mix of Washington utilities, which is still less than 2% of total retail electricity sales in the state, far exceeds the amount of renewable resources purchased by consumers in the first nine months of the green power programs.

Challenges of Voluntary Green Power Programs

CTED and WUTC asked utility program managers a few questions in an effort to gain a clearer perspective on how these programs are working for them. The surveyor provided no prompts for any of these qualitative questions. The individual utility respondent initiated all the comments. The replies to, "What do you consider to be the challenges of this program?" fell primarily into five categories:

- marketing and recruitment,
- concern over recent rate increases,
- the complex and abstract nature of electricity,
- the restrictive nature of the statute that “all costs and benefits accrue to participants,” and
- concern over transmission pricing policies in the Northwest.

A majority of the challenges mentioned by the program managers were related to recruiting participants and keeping them in the program. Many utilities identified rate increases as a factor that significantly challenged the level of customer participation in their green tariff programs. The representative of one utility commented that his utility served a depressed area where 69% of customers were struggling financially. “Under these circumstances,” he said, “people didn’t have the disposable income to participate in the green power program. Even for customers who do have disposable income the coincidence of rate increases with the launching of these programs may have made customers weary of handing over more money to their utility companies.” Motivation of commercial customers was identified as another major challenge facing utilities. This was tied into the rate increases and the limited profit margin with which commercial customers are working.

The complex and somewhat abstract nature of electricity was mentioned several times as another challenge to the programs. Utility representatives said it was difficult to explain to people where their money was going to and what they were getting for it. This was especially true with utilities that offered green tags.

A majority of utility representatives mentioned marketing this program to be a challenge. A couple of utility representatives discussed the challenge of marketing beyond environmentalist demographics. As one respondent put it “the greatest challenge is going beyond demographics of 1-3% of the customer base. How do you market to ... the non-true blue environmentalists? If we want renewables to be successful we need to transform the market.” Another utility had this observation, “Our investors (ratepayers) have already invested in clean, renewable hydroelectric resources which are embedded in rates. Marketing alternative renewable resources under these circumstances remains a challenge.”

Several other respondents commented on the challenge to marketing posed by the clause in the legislation stating that, “All costs and benefits of this voluntary program shall accrue to program participants.” Some program managers surveyed felt that this clause significantly limited them in marketing the program until revenues from the program provided funds. Others felt it was impossible to successfully launch their programs while complying with this clause and therefore used their general funds for marketing. Others indicated that the benefits are societal and environmental and accrue to the entire population, not just the participants. Therefore the benefits could not be restricted to accrue to participants.

A final significant challenge mentioned by one public utility concerned high transmission rates for their wind purchase. According to this utility representative, “BPA says it’s supportive but has lots of hurdles. They’re making it difficult to transmit non-EPP renewable products. One-fourth to one-third of our cost is transmission.” (This concern over transmission pricing of intermittent resources in the Northwest was highlighted in a recent conference by the president of PacifiCorp Marketing as a barrier to buying and selling wind. The president indicated that the price of transmitting wind power was, on average, five times higher in the Northwest than in California. The higher charges were reportedly due to hourly firming charges and rates for contract capacity.)

What is working well?

Several utilities mentioned positive public and media responses to their green power programs. A few commented on successful newsletter articles and a variety of other community outreach methods, such as bill stuffers, trade shows, and radio announcements. There were enthusiastic accounts of the success of forming alliances within the utility's community. One utility allocates 25% of the revenues from its voluntary program to a local watershed preservation group. Another utility used donations to install solar panels on a local elementary school and now purchases power from the school. This sort of local involvement helped to increase people's awareness and trust in the green power program. One utility offered a tour of the Nine Canyon Wind Project. They planned a trip that also included a winery tour. The event was said to be very popular, received very good press coverage, and gave participants a concrete understanding of the wind resource they were purchasing. For another utility, significant success occurred through a couple of large purchases by Kinko's and the city and county governments. Support from local government and recognition of commercial customers were listed as aspects of the program that have worked well.

What can be improved?

In reflecting on ways in which their programs could be improved many of the answers were tied to increasing participation. Suggested ways to increase participation included better or increased levels of marketing. One representative spoke of the need for a more inclusive message and is planning a marketing campaign that focuses on the economic and homeland security benefits of renewable power along with the environmental benefits. Two utility representatives thought it would be easier to market green power produced locally such as with Chelan PUD's solar and small wind program in which the generating systems are located within the utility's service territory. A few others said that increasing commercial marketing and commercial customer participation would be an improvement. Increasing customer recognition for purchasing green power was also identified as an improvement that could potentially boost and maintain program participation.

Yet another of those surveyed suggested as an improvement to distribute the cost of renewable resources throughout the general rate base, because then everyone would pay a very small amount and the time and money needed to market the program could be saved. Another respondent pointed to the need for "increased awareness and understanding of why it's important to consider purchasing renewable power." And finally there was the suggestion of potential improvement by obtaining better cooperation from transmission controllers to move these smaller quantities of power affordably.

Recommendations of utility representatives

The responses to the question, "What are your recommendations to policy-makers regarding this program?" fit into the following categories:

- include renewable resources in utility system resource mix instead of green power program,
- include some or all of program costs in general rates,
- simplify,
- provide incentives or establish a renewable portfolio standard, and
- address complications of clause, "costs and benefits accrue to participants."

Four utility representatives that brought up the idea of distributing qualified alternative power throughout the general resource pool and getting credit for it under this statute, instead of offering it as a separate program. One respondent said, "A voluntary program only works in certain areas.

Rather than a voluntary program, give utilities the option of rate basing. This utility thinks adding renewables to the resource mix would work better.” Another representative said “rate base a percentage of the resource and program costs to distribute costs and make them more consistent.”

Three utility representatives recommended changing the cost-benefit provision in the current legislation to allow marketing and/ or administrative costs to come out of the general budget. One utility respondent stated, “It would be helpful if the statute was modified to allow the recovery, from general rates, of prudently incurred costs to administer and market the program to customers.” Another said, “We would also like to point out that procuring physical power was not a viable option given how difficult it is to meet the requirement to separate out the costs and exactly match up what was delivered with what was bought.” Along this topic this response was offered, “It’s unrealistic that all costs and benefits will accrue to program participants. Most benefits of green power accrue to the society as part of the common good.”

Three utility representatives voiced their desire to keep the program simple and spoke of the lack of funding at small utilities for staff to be devoted to managing a complex program.

Four utility representatives said there should be more legislative incentives for customers and producers of green power, such as tax breaks. As one representative put it, “Legislation should follow what California does, a percentage of new generation has to be renewable. If we’re going to transform the market there needs to be demand for renewables and an incentive for generators such as a 1.5 cents/kWh federal tax break and a property tax break at the state level. There need to be incentives for technologies to locate here.”

Four surveys also contained recommendations for more government-funded research related to green power, such as cost/benefit and market transformation analyses. In answering this question, one representative wrote, “Provide more detailed analysis of the benefit/cost of green power versus current marginal resources such as gas combustion turbines. For example, include in the analysis economic attributes such as local job creation from wind turbine manufacturing and installation, and income for farmers from local wind projects. For people to make the best choices concerning green power, they must have as much good information on the benefits and costs we can provide. Unfortunately, it’s often the case in the benefit/ cost assessment of renewable resources, that costs are counted more completely than benefits - benefits that may stream far into the future and include difficult-to-quantify social benefits.”

Two utility representatives responded with favorable evaluations of the current program and its potential for the future.

Conclusions

This program has been a catalyst for renewable resource investment, especially by the investor-owned utilities. As a result, newer, non-hydropower renewable resources are becoming more available to customers in Washington. The magnitude of wind sold to Washington retail customers through the voluntary programs as well as through their utility’s resource mix has increased since 2000, albeit the volume of sales represents less than 1% of any utility’s sales in the state. Based on green power program sales in other states and recent Washington utility power purchases, we expect this percentage of wind power sales to increase in the coming years. Meanwhile, there are approximately 180 aMW of wind power produced annually in the greater Northwest region.⁹

Today, each of the sixteen utilities has an electricity green power product to offer its customers. The electricity is fueled by renewable resources that either emit no CO₂ into the atmosphere or

⁹ Renewable Northwest Project’s website listing of all operating and planned renewable resource facilities in the greater Northwest http://www.rnp.org/htmls/nw_ren_proj.html.

they dramatically reduce the CO₂ emissions that otherwise would have been emitted into the atmosphere. The landfill gas power is a case of the latter. Methane is the gas emitted as landfill waste decomposes. When the methane is burned, as in a landfill gas electricity generating resource, the emissions are 5% of what the emissions otherwise would be if the methane was released directly into the atmosphere.

Customers in Washington are being provided a choice to purchase qualifying renewable resources in addition to whatever qualifying renewable resources are currently in the utility's resource mix. Currently, a very small percentage of customers are participating in the programs. However, as mentioned above, this level of participation is expected to increase with time. Fourteen of these programs were just initiated in 2002; two programs began prior to 2002. The qualifying renewable resources acquired through these voluntary programs are a small percentage of the qualifying renewable resources that many public utilities are voluntarily purchasing for inclusion in their system resource mix.

This report is an annual requirement. The data will be updated in 2003.

Appendix

The following data sheets have been provided courtesy of the Renewable Northwest Project (RNP.) The information was collected by RNP during its summer 2002 survey of western utilities. Figures in *italics* indicate data was updated by the CTED/WUTC October 2002 survey. We thank RNP for making their data available to include in this report.

Avista Utilities

Eastern Washington *only*

| | | | | | |
|-----------------------------------|---|---------------------|----------------|----------------------------------|--|
| Total Utility Customers: | <i>206,243</i> | Residential: | <i>184,521</i> | Commercial/Industrial: | <i>21,428</i> |
| Green Power Program: | "Buck A Block" | | | Program Kick-off: | 01/01/02 (Washington) – 01/02/02 (Idaho) |
| Green Power Product: | 55 kWh blocks from Stateline Wind Project | | | Premium: | \$1.00/block |
| Where \$ Goes: | Each block pays for the above average cost of new power generated at Stateline Wind Project and for administrative costs associated with the program | | | | |
| Future Commitment: | Avista will continue to offer the "Buck A Block" program | | | | |
| Initial Customer Contact: | <ul style="list-style-type: none"> • Bill Stuffer (quarterly) • Radio • Newspaper Ads • Newspaper Articles • Direct Mail Piece (annually) • Newsletter (quarterly) | | | Recent Marketing Efforts: | <ul style="list-style-type: none"> • Information booth for Earth Day event • Quarterly bill inserts • Articles in customer newsletter |
| Current Marketing Budget: | <i>\$40,000 (ID & WA)</i> | | | | |
| Total Sales to date: | <i>1,921,700 kWh</i> | | | Current Sales per month: | Approx. 275,000 kWh or \$5,000 (<i>in WA & ID</i>) |
| Participants: | <i>870</i> | Residential: | - | Total Participation Rate: | <i>0.41%</i> |
| Average Green Purchase: | Five blocks or \$5.00 | | | | |
| Program Subscription Rate: | Estimated to be 50% | | | | |
| Participation Recognition: | Automatic e-mail "thank you"; Avista provides information to business participants about the "Clean Energy Challenge" | | | | |
| Program Goals: | Avista would like to increase sales to 12,500 blocks per month | | | | |
| To Note: | <ul style="list-style-type: none"> • Totals are as of 5/31/02 • Avista received just over 1% sign-up rate from their direct mail piece • They received about .3% sign-up from bill insert • They are asking for 3rd party endorsements and/or information distributed through organization's newsletters | | | | |
| Website Information: | www.avistautilities.com | | | Contact: | Chris Drake (509) 495--8624 Chris.drake@avistacorp.com |

Items in Italics updated by CTED November 2002

Benton Public Utility District

Benton County, WA

| | | | | | |
|-----------------------------------|---|---------------------|--------|----------------------------------|--|
| Total Utility Customers: | 39,465 | Residential: | 34,828 | Commercial/Industrial: | 4,637 |
| Green Power Program: | "Benton PUD Green Power Program" | | | Program Kick-off: | November, '99 |
| Green Power Product: | Contribution to purchase of power from Roosevelt Landfill Gas Facility | | | Premium: | <i>\$1.00= suggested donation for residents \$10.00= suggested donation for businesses</i> |
| Where \$ Goes: | Benton PUD purchased 1 MW from existing Klickitat PUD LGF - contributions are directed towards this purchase. | | | | |
| Future Commitment: | Benton PUD will purchase 1-3 MW from Nine Canyon Wind Project in Eastern WA | | | | |
| Initial Customer Contact: | <ul style="list-style-type: none"> • Bill Stuffers • Radio Ads • Promotional tree-seed packets • Utility newsletter • Presence at community events • Newspaper articles and TV • Publicity in Ruralite Magazine | | | Recent Marketing Efforts: | <ul style="list-style-type: none"> • Information is sent out to customers at least quarterly • Displays in Lobby • Press conference generated TV and newspaper coverage |
| Current Marketing Budget: | No Specified Budget | | | | |
| Total Sales to date: | <i>\$15,000</i> | | | Current Sales per month: | \$1,367.50 |
| Participants: | <i>488</i> | Residential: | | Total Participation Rate: | <i>1.16%</i> |
| Average Green Purchase: | ~\$3.00* | | | | |
| Program Subscription Rate: | N/A | | | | |
| Participation Recognition: | Residential customers receive a thank-you letter, Business participants receive window decals, they may use Benton PUD Green Power logo on promotional items, and high contributors are listed on their website | | | | |
| Program Goals: | 1% total participation rate | | | | |
| To Note: | <ul style="list-style-type: none"> • *Avg. for residential customers is \$2.50; For business participants, there is a \$10 minimum for monthly contributions • Increase in sources of green power being considered with wind turbines within their service area | | | | |
| Website Information: | www.bentonpud.org | | | Contact: | Nikki Johns (509) 582-1270 Johnsn@bentonpud.org |

Items in Italics updated by CTED November 2002

Chelan County Public Utility District

Chelan County, WA

| | | | | | |
|-------------------------------------|---|---------------------|----------------------------------|---|----------------------|
| Total Utility Customers: | 34,647 | Residential: | 30,000 | Commercial/Industrial: | 4,477 |
| Green Power Program: | "SNAP" (Sustainable, Natural, Alternative Power) | | Program Kick-off: | August 13, '01 | |
| Green Power Product: | Purchase of locally generated solar or wind power | | Premium: | <i>Residential: \$2.50, \$5, or \$7.50/month</i> Commercial: \$10, \$25, or \$50/month | |
| Where \$ Goes: | Renewable power producers are paid up to \$1.50 per kWh per year depending on total power generated in the county and the amount of green power premiums paid into the program. 100% of premium is paid to local, independent wind and solar energy producers for the energy produced and fed into Chelan's grid; Renewable producers also receive 75% of wholesale power rate for their generated power. | | | | |
| Future Commitment: | To increase "producer" base; Chelan PUD is committed to attracting small (<25 kW), local solar and wind projects. They would like to achieve 3% customer participation rate. To install a solar power generating station at every school in Chelan county. | | | | |
| Initial Customer Contact: | <ul style="list-style-type: none"> • Surveys* • Bill Stuffer (May '01) • Newspaper articles | | Recent Marketing Efforts: | <ul style="list-style-type: none"> • Bill Stuffer • Radio Ad • Newspaper Ad • Newspaper Article | |
| | | | | <ul style="list-style-type: none"> • Direct Mail piece • Presence at community events • Billboards | |
| Current Marketing Budget: | No specified budget | | | | |
| Total Sales to date: | <i>25,000 kWhs</i> | | Current Sales per month: | N/A | |
| Total Participants: | <i>658</i> | Residential: | Total Participation Rate: | <i>1.9%</i> | Residential: |
| Average Green Purchase: | \$4.83 | | | | |
| Power purchase subscription: | 100% | | | | |
| Participation Recognition: | "Thank you" letter | | | | |
| Program Goals: | 3% Participation Rate | | | | |
| To Note: | <ul style="list-style-type: none"> • * After being surveyed several times, a consistent 60% of Chelan PUD customers expressed interest in a green power program and, specifically, local generation • Due to press about increases in energy cost, Chelan has changed the appearance and message of their advertising to: "Local people, Local decisions, Local power" • Chelan PUD acts as the middle-man between program "Purchasers" and "Producers." The return to the producers is calculated at the end of the year and is dependent on the total power they produce, the amount purchased by Chelan customers, and wholesale power rates. | | | | |
| Website Information: | www.chelanpud.org/snap | Contact: | Jim White | (509) 667-4216 | Jamesa@chelanpud.org |

* Items in Italics updated by CTED Nov. 2002

Clark Public Utilities

Clark County, WA

| | | | | | |
|-----------------------------------|---|---------------------|-----------------|--|--|
| Total Utility Customers: | <i>160,000</i> | Residential: | 144,000 | Commercial/Industrial: | 11,000 |
| Green Power Program: | "Green Lights" | | | Program Kick-off: | January, '02 |
| Green Power Product: | 100 kWh blocks from Bonneville Environmental Foundation | | | Premium: | <i>\$1.50 /block</i> |
| Where \$ Goes: | Each block payment goes toward the contractual arrangement with Bonneville Environmental Foundation for "green tags". The "tags" buy power from the White Bluff solar facility and the Condon and Stateline wind projects. | | | | |
| Future Commitment: | They are in a 3 year contract with Bonneville Environmental Foundation. They must buy within a certain range of green tags each year (minimum-maximum). The purchase commitment increases each year. | | | | |
| Initial Customer Contact: | <ul style="list-style-type: none"> • Bill Stuffer • Newspaper Article • Brochures • Newsletter • Community Events • Press Release • Website sign-up promotion | | | Recent Marketing Efforts: | <ul style="list-style-type: none"> • Marketing to targeted groups • Developing partnerships with environmental organizations |
| Current Marketing Budget: | Unavailable | | | | |
| Total Sales to date: | <i>493,900 Kwhs</i> | | | Current Sales per month: | 640 blocks or \$960 |
| Participants: | <i>213</i> | Residential: | | Total Participation Rate: | <i>0.13%</i> |
| Average Green Purchase: | 3+ blocks | | | | |
| Program Subscription Rate: | ~33% | | | | |
| Participation Recognition: | "Thank you" letter, t-shirt (If customer signs up for 4+ blocks), magnet. If businesses subscribe to >10% of their monthly usage from "Green Lights", they also receive a window decal, certificate of participation, and are recognized in the utility newsletter | | | | |
| Program Goals: | Just under 1% subscription rate (or equivalent of just under 1% of customers buying 1 block each) | | | | |
| To Note: | <ul style="list-style-type: none"> • CPU has backed off on advertising to the general public, because of concerns about the effects of promoting "Green Lights" in light of a 40% utility-wide rate increase during '01 • Bonneville Environmental Foundation has been "very helpful" in providing direction for CPU's marketing approach | | | | |
| Website Information: | www.clarkpublicutilities.com | | Contact: | Shirley Skidmore (360) 992-3268 Sskidmore@clarkpud.com | |

* Items in Italics updated by CTED November 2002

Clearwater Power Company
N. Idaho, E. Washington, and E. Oregon

| | | | | | |
|-------------------------------------|--|---------------------|------|----------------------------------|--|
| Total Utility Customers: | 7600 | Residential: | 6992 | Commercial/Industrial: | 608 |
| Green Power Program: | "Owner's Choice" | | | Program Kick-off: | Spring '98 |
| Green Power Product: | 100 kWh blocks from Coffin Butte Landfill Gas Facility | | | Premium: | \$4.00/block |
| Where \$ Goes: | Each block pays for the above average cost of existing power generated at Coffin Butte LGF near Corvallis, OR | | | | |
| Future Commitment: | No commitment at this time | | | | |
| Initial Customer Contact: | <ul style="list-style-type: none"> • Bill Stuffer with sign-up form • Publicity through Ruralite magazine • Local events, Home show booth • Newsletter • Brochure | | | Recent Marketing Efforts: | No direct marketing at this time |
| Current Marketing Budget: | \$500 | | | | |
| Total Sales to date: | N/A | | | Current Sales per month: | 95 blocks or \$380 |
| Total Participants: | 42 | Residential: | 40 | Total Participation Rate: | 0.6% <i>Residential:</i> 0.6% |
| Average Green Purchase: | 2.25 blocks or \$9.00 | | | | |
| Power purchase subscription: | N/A | | | | |
| Participation Recognition: | "Thank you" letter, certificate, information about Coffin Butte Project, special newsletter | | | | |
| Program Goals: | No specific goals | | | | |
| To Note | CPC saw a decline in participation after a utility-wide rate increase | | | | |
| Website Information: | www.clearwaterpower.com | | | Contact: | Bob Pierce (208) 798-5203 Rdpierce@clearwaterpower.com |

*Data was not updated by CTED.

Cowlitz County Public Utility District
Cowlitz County, WA

| | | | | | |
|-----------------------------------|--|---------------------|---------------|----------------------------------|----------------------------|
| Total Utility Customers: | <i>44,200</i> | Residential: | <i>39,757</i> | Commercial/Industrial: | <i>5,175</i> |
| Green Power Program: | "Renewable Resource Energy Supplement" | | | Program Kick-off: | January '02 |
| Green Power Product: | 100 kWh blocks of new renewables from Bonneville Environmental Foundation's "Green Tags". | | | Premium: | \$2.00/block |
| Where \$ Goes: | Each block pays for the above average cost of new renewable power provided through Bonneville Environmental Foundation's Green Tags. | | | | |
| Future Commitment: | Continue to offer program | | | | |
| Initial Customer Contact: | <ul style="list-style-type: none"> • Bill Stuffer • Television Ad • Radio Ad • Newspaper Ad • Brochure • Newsletter | | | Recent Marketing Efforts: | N/A |
| Current Marketing Budget: | None | | | | |
| Total Sales to date: | <i>19,150 kWhs</i> | | | Current Sales per month: | 12 blocks or \$24.00 |
| Participants: | <i>32</i> | Residential: | | Total Participation Rate: | <i>0.07%</i> |
| Average Green Purchase: | 1.3 blocks | | | | |
| Program Subscription Rate: | N/A | | | | |
| Participation Recognition: | None | | | | |
| Program Goals: | To make renewable energy available to customers | | | | |
| To Note: | <ul style="list-style-type: none"> • Cowlitz' introduction of their green power program coincided with a large utility-wide rate increase. The utility feels that this has had a negative impact on sales for their green power product | | | | |
| Website Information: | <i>www.cowlitzpud.org</i> | | | Contact: | Dave Andrew (360) 577-7502 |

* *Items in Italics updated by CTED November 2002*

Orcas Power & Light Cooperative

San Juan Islands, WA

| | | | | | |
|-------------------------------------|---|---------------------|--------|----------------------------------|--|
| Total Utility Customers: | 11,550 | Residential: | ~9,950 | Commercial/Industrial: | ~1600 |
| Green Power Program: | "OPALCO Green Power" | | | Program Kick-off: | January '99 |
| Green Power Product: | 100 kWh blocks of BPA's EPP <i>OR</i> "All-Green Option" | | | Premium: | <i>\$3.50/block</i> <i>OR</i> 3.5 cents/kWh for "All-Green" |
| Where \$ Goes: | About 60% of each purchase goes towards OPALCO's 0.5 MW purchase of Environmentally Preferred Power (EPP). The remainder goes to a Renewables Fund to purchase and install local energy systems (predominantly solar PV panels, but also wind and micro-hydro). | | | | |
| Future Commitment: | The Renewables Fund is the heart of this program, as OPALCO will continue their commitment to building local green power sources. In addition, their purchase of EPP supports new renewables through a contribution to BEF. OPALCO is introducing an "All Green Option", making a 100% renewable power option available to customers | | | | |
| Initial Customer Contact: | <ul style="list-style-type: none"> • Direct mail brochure • "OPALCO-gram" column in local "weeklies" • Press releases | | | Recent Marketing Efforts: | <ul style="list-style-type: none"> • Bill Stuffer (x1) • Newspaper Ad (x1) • Direct Mail Piece (x1) • Brochure (x1) • Newsletter (x1) • Targeted mailing to members of local environmental organizations |
| Current Marketing Budget: | \$3,000/year | | | | |
| Total Sales to date: | 29,280 blocks or \$104,230 | | | Current Sales per month: | 877 blocks or \$3,070 |
| Total Participants: | 510 | Residential: | 475 | Total Participation Rate: | 4.4% <i>Residential:</i> 4.7% |
| Average Green Purchase: | 2 blocks or \$7.00 | | | | |
| Power purchase subscription: | ~25% | | | | |
| Participation Recognition: | "Thank-you" letter; participants receive an Annual Report detailing finances of the program; business participants are featured in newspaper ads featuring each business's logo and thanking each business for their participation | | | | |
| Program Goals: | To increase the amount of Green Power purchased by existing subscribers, to encourage more business participants, and to enroll members in their new "All Green Option" | | | | |
| To Note: | <ul style="list-style-type: none"> • OPALCO customers requested that local power generation be a component of their green power program. OPALCO responded and currently have 13 projects (9 solar, 3 micro-hydro, and 1 wind) connected to their grid and contributing 60,000 kWh/year. Thanks to a BEF grant, 4 solar projects went on-line in Sept. '01. | | | | |
| Website Information: | www.opalco.com | | | Contact: | Liz Loomis (360) 568-8483 liz@lpa.biz |

*Data was **not** updated by CTED.

Pacific County Public Utility District #2

Pacific County, WA

| | | | | | |
|-----------------------------------|--|---------------------|--------|----------------------------------|--|
| Total Utility Customers: | 15,800 | Residential: | 14,600 | Commercial/Industrial: | 1,200 |
| Green Power Program: | "Green Power" | | | Program Kick-off: | March '01 |
| Green Power Product: | 100 kWh blocks of BPA's EPP | | | Premium: | <i>\$1.05/block</i> |
| Where \$ Goes: | Premium dollars go toward Pacific PUD's purchase of BPA's Environmentally Preferred Power (EPP) | | | | |
| Future Commitment: | None | | | | |
| Initial Customer Contact: | <ul style="list-style-type: none"> • Bill Stuffer (x1) | | | Recent Marketing Efforts: | <ul style="list-style-type: none"> • Developing co-marketing strategy with a local logging company that is buying 100% green power • Bill Stuffer • Press Release |
| Current Marketing Budget: | N/A | | | | |
| Total Sales to date: | Unavailable | | | Current Sales per month: | 541 blocks or \$568 |
| Participants: | 165 | Residential: | 158 | Total Participation Rate: | 1% Residential: 1.1% |
| Average Green Purchase: | 3.25 blocks or \$3.42 | | | | |
| Program Subscription Rate: | 100%* | | | | |
| Participation Recognition: | Plaques/Certificates for 100% subscribers | | | | |
| Program Goals: | 1% customer participation | | | | |
| To Note: | <ul style="list-style-type: none"> • *The remaining green power which is not subscribed to in the form of "blocks", is paid for by all Pacific PUD customers and becomes a part of their general rate-base. | | | | |
| Website Information: | www.pacificpud.org | | | Contact: | Jim Dolan (360) 942-2411 Jim@pacificpud.org |

*Data was **not** updated by CTED.

PacifiCorp
Washington

| | | | | | | |
|-------------------------------------|---|---------------------|-----------------|--|--|--|
| Total Utility Customers: | <i>118,100</i> | Residential: | <i>96,088</i> | Commercial/Industrial: | <i>21,768</i> | |
| Green Power Program: | "Blue Sky" | | | Program Kick-off: | April '00 for "Blue Sky" | |
| Green Power Products: | "Blue Sky": 100 kWh blocks of new wind power. | | | Premium: | "Blue Sky": basic service + \$2.95/block. | |
| Where \$ Goes: | "Blue Sky" customer purchases pay for wind energy generated from the Foote Creek IV project in Wyoming. | | | | | |
| Future Commitment: | No specific commitment at this time | | | | | |
| Initial Customer Contact: | <ul style="list-style-type: none"> • Bill Stuffers • Newspaper and Radio Ads • Presence at Energy Fairs and various community events • Promotional items: t-shirts, decals | | | Recent Marketing Efforts: | <ul style="list-style-type: none"> • Newspaper Ads • Community Events • Press Releases • Bus-Boards • PR Events • Door Hangers • Targeted Direct Mail | <ul style="list-style-type: none"> • Direct phone sales • Brochures • Cust. Info. Packets • Newsletters • Bill Stuffers • Partnerships with env'l groups |
| Current Marketing Budget: | <i>Available for the multi-state region only</i> | | | | | |
| Total Sales to date: | <i>676,662 kWh</i> | | | Current Sales per month: | | |
| Total Participants: | <i>424</i> | Residential: | | Total Participation Rate: | <i>0.36%</i> | |
| Average Green Purchase: | <i>2.2 blocks for "Blue Sky"</i> | | | | | |
| Power purchase subscription: | <i>N/A</i> | | | | | |
| Participation Recognition: | All participants receive a welcome letter, window decal and biannual newsletter and feedback survey. Business customers: press releases, framed certificates, recognition plaques, window decals, thank you ads, co-promotion opportunities, press events and web listing. | | | | | |
| Program Goals: | Achieve a one-percent participation rate by end of '02 for Blue Sky program. | | | | | |
| To Note: | * PacifiCorp operates as Pacific Power in WA, OR, and WY and as Utah Power in UT | | | | | |
| Website Information: | <i>www.pacificpower.net</i> | | Contact: | <i>Rhonda Rasmussen (503) 813-5156 Rhonda.rasmussen@pacificorp.com</i> | | |

* *Items in Italics updated by CTED November 2002*

Peninsula Light Company

Gig Harbor, WA

| | | | | | |
|-----------------------------------|---|---------------------|----------------|----------------------------------|---|
| Total Utility Customers: | 27,000 | Residential: | 25,400 | Commercial/Industrial: | 1,600 |
| Green Power Program: | "Green Choice" | | | Program Kick-off: | January, '02 |
| Green Power Product: | 100 kWh blocks of BPA's EPP | | | Premium: | \$2.80/block |
| Where \$ Goes: | Premium dollars go towards Peninsula's 1 MW purchase of BPA's Environmentally Preferred Power (EPP) - 25% of "Green Choice" revenue goes to environmental programs* | | | | |
| Future Commitment: | Committed to buying 10 MW of BPA's EPP over next 5 years | | | | |
| Initial Customer Contact: | <ul style="list-style-type: none"> • Bill Stuffer • Brochure (by request) | | | Recent Marketing Efforts: | <ul style="list-style-type: none"> • Newsletter • Developing alliances with local environmental organizations: Key Peninsula/Gig Harbor and Island Watershed Council. |
| Current Marketing Budget: | <i>\$2,000</i> | | | | |
| Total Sales to date: | <i>142,857 kWhs</i> | | | Current Sales per month: | 212 blocks or \$593.60 |
| Participants: | <i>200</i> | Residential: | | Total Participation Rate: | <i>0.75%</i> |
| Average Green Purchase: | 2 blocks or \$5.60 | | | | |
| Program Subscription Rate: | N/A | | | | |
| Participation Recognition: | Certificate of participation; business participants are acknowledged in newsletter | | | | |
| Program Goals: | 1% subscription rate by the end of this year | | | | |
| To Note: | <ul style="list-style-type: none"> • 25% of green power revenue goes to Key Peninsula/Gig Harbor and Island Watershed Council. • "Wild Birds Unlimited", a Gig Harbor Bird Shop is offering 5 lb. bags of bird seed to customers who sign up for "Green Choice" at the store • 40 Peninsula customers attended a promotional "Wind and Wine" tour of the Stateline Wind Energy Center, the Darigold Cheese Factory, and Three wineries in June '02 | | | | |
| Website Information: | www.penlight.org | Contact: | Jonathan White | (253) 857-1514 | Jonathanw@penlight.org |

* Items in Italics updated by CTED November 2002

Puget Sound Energy
Western Washington

| | | | | | |
|-----------------------------------|--|---------------------|-----------------|----------------------------------|---|
| Total Utility Customers: | 932,000 | Residential: | 846,000 | Commercial/Industrial: | 4,000 |
| Green Power Program: | "Green Power Plan" | | | Program Kick-off: | January '02 |
| Green Power Product: | 100 kWh blocks of new renewables from Bonneville Environmental Foundation's "Green Tags". | | | Premium: | \$2.00/block |
| Where \$ Goes: | Each block pays for the above average cost of new renewable power provided through Bonneville Environmental Foundation's Green Tags. | | | | |
| Future Commitment: | Puget Sound Energy is committed to buying 25,000 MW of new renewable power from BEF over the next 2 years | | | | |
| Initial Customer Contact: | <ul style="list-style-type: none"> • Bill Stuffer • Radio Ad • Brochure • Newsletter • Press conference with Governor Locke | | | Recent Marketing Efforts: | N/A |
| Current Marketing Budget: | <i>\$60,000</i> | | | | |
| Total Sales to date: | <i>4,399,000 kWh</i> | | | Current Sales per month: | 3,260 blocks or \$6,250 |
| Participants: | <i>3586</i> | Residential: | | Total Participation Rate: | <i>0.38%</i> |
| Average Green Purchase: | \$6.50 or 3.25 blocks | | | | |
| Program Subscription Rate: | 2%* | | | | |
| Participation Recognition: | Business participants receive a window decal | | | | |
| Program Goals: | To have 6,000 customers subscribed and to have sold 11 million kWh of new renewable power by the end of '02 | | | | |
| To Note: | <ul style="list-style-type: none"> • Puget plans to develop a marketing strategy aimed at individuals within their service area who are associated with environmental groups • *Percentage refers to amount subscribed to in the first six months of their 2 year, 25,000 MW purchase from BEF | | | | |
| Website Information: | www.pse.com | | Contact: | Nora Williams | (425) 424-6687 Nora.williams@pse.com |

* Items in Italics updated by CTED November. 2002

Seattle City Light

Seattle, WA

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|-----------------------------------|--|---------------------|-----------------|----------------------------------|---|
| Total Utility Customers: | 349,000 | Residential: | 316,223 | Commercial/Industrial: | 32,777 |
| Green Power Program: | "Seattle Green Power" | | | Program Kick-off: | January, '02 |
| Green Power Product: | Installation of solar photovoltaic arrays on public buildings and purchase of new renewable generating systems. | | | Premium: | Customer chooses amount |
| Where \$ Goes: | 40% of contribution goes to installation of solar photovoltaic demonstration installations on public buildings such as schools and community centers. 60% of contribution goes to purchase of new renewable generating systems that cost less than twice the current purchase price of wind power. | | | | |
| Future Commitment: | No commitment at this time | | | | |
| Initial Customer Contact: | <ul style="list-style-type: none"> • Bill Stuffer (x 4) • Radio press coverage • Brochure • Series of lunchtime concert series including green power education | | | Recent Marketing Efforts: | <ul style="list-style-type: none"> • Targeted marketing to businesses interested in "green" services |
| Current Marketing Budget: | No specified budget | | | | |
| Total Sales to date: | <i>\$92,000; (6 KW installed solar)</i> | | | Current Sales per month: | N/A |
| Participants: | 3,400 | Residential: | | Total Participation Rate: | 0.97% |
| Average Green Purchase: | \$5.00/month | | | | |
| Program Subscription Rate: | N/A | | | | |
| Participation Recognition: | "Thank you" letter; business participants receive a "certificate of participation" | | | | |
| Program Goals: | Would like to achieve 1% customer participation by the end of '02 and 1.5% by the end of '03 | | | | |
| To Note: | <ul style="list-style-type: none"> • Seattle Green Power received significant press coverage at the beginning of their program for their local installations of solar arrays | | | | |
| Website Information: | www.ci.seattle.wa.us/light/ | | Contact: | Jean Becker (206) 684-3741 | |

Items in Italics updated by CTED November 2002

Snohomish Public Utility District
Snohomish County and Camano Island, WA

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|-----------------------------------|--|---------------------|---------|----------------------------------|--|
| Total Utility Customers: | <i>275,015</i> | Residential: | 250,599 | Commercial/Industrial: | 24,250 |
| Green Power Program: | "Planet Power" | | | Program Kick-off: | January, '02 |
| Green Power Product: | 150 kWh blocks of new renewables from Bonneville Environmental Foundation's Green Tags. | | | Premium: | \$3.00/block |
| Where \$ Goes: | Each block pays for the above average cost of new renewable power provided through Bonneville Environmental Foundation's Green Tags. | | | | |
| Future Commitment: | Snohomish has a contractual agreement with Bonneville Environmental Foundation through December, '03 | | | | |
| Initial Customer Contact: | <ul style="list-style-type: none"> • Bill Stuffer • Presence at community events • Press release • Targeted marketing to commercial customers who had responded positively to a survey | | | Recent Marketing Efforts: | <ul style="list-style-type: none"> • Bill Stuffers • Press Releases • Newsletter targeted to key accounts |
| Current Marketing Budget: | <i>\$14,500</i> | | | | |
| Total Sales to date: | <i>2,658,700 kWhs</i> | | | Current Sales per month: | 2,732 blocks or \$8,196 |
| Participants: | <i>1,331</i> | Residential: | | Total Participation Rate: | <i>0.48%</i> |
| Average Green Purchase: | 2.32 blocks or \$6.96 | | | | |
| Program Subscription Rate: | Unavailable | | | | |
| Participation Recognition: | "Thank you" letter, participant newsletter, feedback survey | | | | |
| Program Goals: | To have sold .25 MW of renewable power by December '03 | | | | |
| To Note: | | | | | |
| Website Information: | www.snopud.com | | | Contact: | Doris Abravanel (425) 783-1731 Dfabravanel@snopud.com |

** Items in Italics updated by CTED November 2002*

Tacoma Power

Tacoma, WA

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|-------------------------------------|--|---------------------|-----------------|---|---|
| Total Utility Customers: | 147,843 | Residential: | 132,693 | Commercial/Industrial: | 15,152 |
| Green Power Program: | "EverGreen Options" | | | Program Kick-off: | April '00 |
| Green Power Product: | Contribution to the purchase of BPA's EPP | | | Premium: | Residential: \$3, 6, or 10; Small businesses: \$6, 12, or 20; Large. businesses: \$30, 60, or 100 |
| Where \$ Goes: | Contributions go towards Tacoma Power's 1 MW purchase of BPA's Environmentally Preferred Power (EPP) | | | | |
| Future Commitment: | The purchase of EPP supports new renewables through a contribution to Bonneville Environmental Foundation (BEF) | | | | |
| Initial Customer Contact: | <ul style="list-style-type: none"> • Press releases (April '00) • Newspaper and newsletter articles • Newspaper Ads • TV news piece (June '00) • Bill Stuffer (July/August '00) • Direct mail pieces • Presence at community events • Hats, pencils, buttons, stickers | | | Recent Marketing Efforts: | <ul style="list-style-type: none"> • Bill Stuffers in May, June July, and August of '02 (sign-up form attached to actual bill) • Presence at Farmers' Market, Earth Day event, and Parks Appreciation Day Presentations to area schools • Governor's Green Power event in Seattle • Brochures at Marlene's Market, Starbuck's and Border's Bookstores |
| Current Marketing Budget: | <i>\$15,000</i> | | | | |
| Total Sales to date: | <i>1,911,397 kWh</i> | | | Current Sales per month: | 220,133 kWh or \$3,302/mo. |
| Total Participants: | <i>484</i> | Residential: | | Total Participation Rate: | <i>0.33%</i> |
| Average Green Purchase: | Avg. residential contribution is \$5.09 | | | | |
| Power purchase subscription: | N/A | | | | |
| Participation Recognition: | "Thank you" letter, window decal; "Evergreen Options" cap or "Frog" Beanie; businesses receive framed certificate of recognition signed by the superintendent; business participants also receive recognition in various media (ads, newsletter, website) if desired. | | | | |
| Program Goals: | 739 participants by the end of '02 | | | | |
| To Note: | <ul style="list-style-type: none"> • In '02, Tacoma changed from a "contribution" system to a three-tiered kWh "block" system. The three separate "tiers" are referred to as "frog", "salmon", and "otter". | | | | |
| Website Information: | www.tacomapower.com | | Contact: | Mark Aalfs (253) 502-8939 <i>maalfs@ci.tacoma.wa.us</i> | |

* Items in Italics updated by CTED November 2002