



## Annual In-Person WREGIS Committee Meeting

November 12-13, 2009  
Nevada Public Utilities Commission  
101 Convention Center Drive #250  
Las Vegas, NV 89109

**To join the meeting online:**

<http://wregis.na3.acrobat.com/wc/>

**Conference Call information:**

Conference Bridge #: (616)-597-8000

Pass code: 168380 #

The 2009 Annual In-Person WREGIS Committee meeting is open to the WREGIS Committee and subcommittees, Stakeholder Advisory Committee, WREGIS Staff and APX, Inc. and to all WREGIS Stakeholders.

### Minutes

#### Attendees

Ann-Marie Cuneo - WREGIS Committee	John Pappas - WREGIS Committee	Gregg Morris - WREGIS Committee
Derek Denniston- WREGIS Committee	Jack King - WREGIS Committee	Suzanne Korosec - WREGIS Committee
Jason Marks - WREGIS Committee	Andrea Coon - WREGIS Staff	Bobbie Jessop - WREGIS Staff
Mary Frantz - WREGIS Staff	Claudia Noffsinger - WREGIS Staff	Lars Kvale - APX
Erica Darplee - City of Rancho Cucamonga	Kari Clark - Xcel Energy	Dean Cooley - Calpine-Geysers Power Company
Tracy Dugas - Grays Harbor PUD	Mike Hill - Grays Harbor PUD	Melissa Lyons - Chelan PUD
Kip Phiel - Oregon Department of Energy	Elaine Sison-Lebrilla- SMUD	John Morton - Portland General Electric
Kristie Sharp - PacifiCorp	Linda Watts - SDG&E	Bryan Gower - APX

## Day 1: Thursday, November 12, 2009

11:30 a.m. – 12:00 p.m.	Arrive, register, pick up packets and lunches
12:00 – 12:45 p.m.	Welcome, Introductions, NERC E-Tag Workgroup update / discussion, Agenda Review, Opening Remarks <b>(Working Lunch, provided)</b> <ul style="list-style-type: none"><li>• John Pappas, WREGIS Committee Chair</li></ul>
1:00 p.m. – 3:00 p.m.	WREGIS Committee Meeting
3:00 p.m. – 3:15 p.m.	Break
3:15 p.m. – 5:15 p.m.	<b>States' RPS Update</b> Updates on status and progress of WREGIS state programs

## Day 2: Friday, November 13, 2009

8:00 a.m. – 8:30 a.m.	Arrive, convene
8:30 a.m. – 8:45 a.m.	Introduction to WECC Code of Conduct
8:45 a.m. – 10:00 a.m.	WREGIS' Past, Present and Future <i>(Presentations and Discussion)</i>
10:00 a.m. – 10:15 a.m.	Break
10:15 a.m. – 11:15 a.m.	WREGIS' Past, Present, and Future – <i>CONTINUED...</i> <i>(Presentations and Discussion)</i>
11:15 a.m. – 11:45 a.m.	Break
11:45 a.m. – 12:30 p.m.	<b>(Working Lunch, provided)</b> WREGIS' Past, Present, and Future – <i>CONTINUED...</i> <i>(Presentations and Discussion)</i>
12:30 p.m. – 12:45 p.m.	Break
12:45 a.m. – 1:15 p.m.	Federal RES Update
1:15 p.m. – 1:45 p.m.	Conclusion, Wrap-up, Closing Remarks

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## XI. Comments from Listeners

## XII. Adjourn – 4:10 PM

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### 3:15 p.m. – 5:15 p.m. States' RPS Update

*The objective of this session is to provide updates, via a panel, on each of the states that use WREGIS. Topics to be covered include:*

- What states and provinces are using or intend to use WREGIS?
- Legal and regulatory update:
  - States' proceedings on RPS
  - Status of proceedings on WREGIS, unbundling, etc.
  - What major proceedings are still underway and what is their progress?

Presenters include:

1. WREGIS Staff: Andrea Coon, PhD; CA:
  - a) See presentation slide.
  - b) Washington - Biomass
    - (1) What are the restrictions?
      - (a) Wood could not be chemically treated
      - (b) No black liquor
        - (i) A bi-product of pulping process
      - (c) No old growth
      - (d) Geo-thermal
      - (e) Deliverability not specified.
      - (f) One other
    - (2) Requirement stays the same between years of requirements. This is the same format for all of the other states.
    - (3) Mike points out the distributed generation have multipliers. A lot of states will do this with technologies that they want to encourage.
  - c) Montana – no questions
  - d) Utah –
    - (1) Gregg wants to know how to track solar water and space feed.
    - (2) Andrea says we can't track this right now.
  - e) Arizona – No questions
  - f) Colorado –
    - (1) Kari – says have not specified that WREGIS be used. They each can have their own tracking systems. Can start accruing in 2004. Will still be a couple of years before PSCo REC's are retired in WREGIS.
  - g) Some states and Canada missing because they do not have anything official.
2. Anne-Marie Cuneo, Nevada PUC;

- a) See presentation
  - b) DSM – Jason asks if there is any interest in the White Tag
    - (1) Ann-Marie says not at this time but they want to look into this.
  - c) John asks how you did REC Tracking and trading
    - (1) Tracking and trading means you have to establish a price – these are sister companies and we were nervous about setting a price – So if sold for a price the Nevada ratepayers diverted to Sierra pacific ratepayer. So what we agreed to was to let them borrow. So price risk is on the power company that borrowed and the caveat will return the borrowed REC's at whatever price they are at.
  - d) Are you anticipating that the Frontier line will help ease some constraints?
    - (1) Anne-Marie says yes that is one of the lines
  - 3. Suzanne Korosec, California Energy Commission; NV:
    - a) See presentation
  - 4. NM: Commissioner Jason Marks, New Mexico PRC,
    - a) Presentation not available for New Mexico Update
    - b) Derek asked about the reasonableness threshold
      - (1) Jason responds the reasonable cost for renewable generating resource compared with a standard and levelizes the cost on both sides with a rule with the cost rate. From there every renewable project has an incremental renewable cost and those are added in. Then there is a 2% billing pact. These numbers are a little on the conservative side but we believe we can hit these targets.
  - 5. OR: Kip Pheil, Oregon DOE.
    - a) Feed in Tariff has not been determined – this will be due in April
- B. John wrapped up with the notice that a lot of states are participating in WREGIS.

**5:15 p.m. Adjourn**

**Dinner - Details to be provided** (Dinner location is to be determined and its cost will be the responsibility of the attendee.)

## **Day 2: Friday, November 13**

**8:30 – 8:45 a.m.**

### **Introduction to WECC Code of Conduct**

*The objective of this session is to understand the Western Electricity Coordinating Council (WECC) code of conduct.*

- See Matt's code of conduct presentation
- John thanks Matt for presentation and states that he believes we are in compliance with the code of conduct.

Presenter: Matt McVee – WECC General Counsel.

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**8:45 – 10:00 a.m.**

### **WREGIS' Past, Present and Future**

*The objective of this session is to understand where WREGIS started, the present, and where WREGIS is going. – See Presentation*

#### **1. Annual Report**

- a. Ann-Marie asks if we have any more plans for outreach
  - i. Andrea says we will be going that direction if possible. And of course if we get specific request from states that are not members of WREGIS we offer those as well
  - ii. Tracy asks if we get notice of trainings
    1. Andrea says yes all members of SAC get notices of trainings
  - iii. Gregg asks about online trainings
    1. Andrea says only deliverability trainings. Otherwise online trainings are unmanageable for our customers.
  - iv. John asks where and when for next training
    1. January is the next training in SLC and there are 20 slots currently available
    2. Charge is usually 60 – 65 dollars.
    3. Mary mentioned that it was offered to SAC newly elected officers for more zeroed in training at SAC meetings
  - v. Jack says Andrea makes a report to the WECC Board and does a good job. The WECC Board looks at WREGIS as an extreme success story with promises delivered.

#### **2. Critical Project Review**

- a. John asks on the criteria for financial self sufficiency
  - i. Andrea says has to do with all of the other contracts we have to take on. We are not at a point yet where we can take on the expenses of our contracts.
- b. John asks are there any additional checkpoint meetings
  - i. Andrea says not officially however staff is going to be meeting regularly with the CEC every quarter to 6 months to verify that we are still meeting this point

- c. John asks what are the potential outcomes and scenarios continuing on.
      - i. Suzanne says we have the ability to extend the contract for 1 year without additional funds
- 3. Contract Entity Roles (CEC, WECC, and SD&TO (APX))
  - a. Contract expirations
  - b. Are extensions with CEC unilaterally
    - i. Suzanne says yes and the two 6 month extensions are built into the original contract.
  - c. John asks if the APX contract is already finished
    - i. Lars answered under the contract there are 2 different parts and they are on the same schedule
      - 1. 4 operational years - year 1 and year 2...
      - 2. Then extensions for year 1 and year 2
      - 3. Lars says the second year extension is immaterial because it extends further than the contract.
    - ii. John asks is it still extended to June 25, 2010.
      - 1. Lars answered that this is up to CEC
      - 2. This is a negotiated cost
    - iii. Jason mentions discussing this morning a successor contract but mentions the option of discussing extending the contract to October 2010.
    - iv. Suzanne says the CEC is open to this but would need to check into this and report back to the Committee
- 4. Milestones and Check points (past)
  - a. Kip asks - the revenue for expenses covers the WREGIS at WECC budget not other areas.
- 5. What's next (future)
  - a. Approaching Crossroads
    - i. Jason asks that we rephrase the first line and ask whether WREGIS will bring the software in house and if not we would allow other firms to propose to take over what APX does
      - 1. May need to create a procurement process
  - b. Jack says someone needs to determine how much proprietary information is here before we even determine if we proceed with a RFP.
  - c. Ann-Marie says we need to know what this option costs.
  - d. John says we need to look at what else APX does besides the maintenance of the system.
  - e. Jason responds to Jack that the contract between the CEC and APX that CEC retains the rights to the software
    - i. Lars also answered that generally speaking owners of WREGIS have the rights to the program.
    - ii. John says if WREGIS went through procurement for a RFP's is there something to hand over to successor?
      - 1. Lars answered yes except it is an extremely complex contract so the requirements are a significant undertaking
  - f. Gregg asks in regards to the upcoming contract would that be between WECC and the other contract.

- i. Andrea answers yes this would have to be approved by the WECC Board of Directors prior to implementation – so given this we would have to present at the July meeting because they meet after October 2009. We basically have 7 months to put this together
- g. John mentions that right now the contract is between CEC and APX – until who is going to host this is established are we putting the cart before the horse? There is still a lot of work to be done before we get to that point
  - i. Jack says a lot depends on where WREGIS wants to go into the future and we do not have the advantage of a lot of time to make these decisions
  - ii. John asks if WECC is looking at signing a contract for WREGIS would it do this before figuring out where WREGIS is going.
    - 1. Jack says his assessment would be that they would approve such contract – and we would want the contract to be transferrable.
- h. John asks about the CEC and the amount of funds left in extending the contract – can you update on what the APX contract looks like right now.
  - i. Suzanne doesn't have that info
  - ii. Lars says standard monthly payment is about \$10,700 a month the enhancement is under budget, we have used less than half of our budget.
- i. John asks where this money goes if not used?
  - i. Suzanne says she assumes it will go back to where it started.
  - ii. John mentions that this is money that is available to WREGIS – is there a chance we can extend the contract to make use of this money
  - iii. Suzanne says she thinks yes but of course APX would have to be involved
  - iv. Lars says that if they were to sign a contract to extend as well as bid on the RFP – this creates some uncertainty.
  - v. Jack mentions if the CEC contract extends so would the WREGIS at WECC contract and APX contract.
    - 1. John – mentions that if they are both extended would we want to end them around the same time.
  - vi. Jack says it would appear that even with the assumption of the change in contract we would be on reasonably solid ground.
  - vii. Anne-Marie says the final puzzle piece would be the retirements – when would this happen?
    - 1. Andrea says at this point they keep getting pushed back, but until we actually see volumes there is no way of forecasting what their behaviors are going to be. This will be less than accurate of what they are going to be.
  - viii. Jack says at some point we may want to consider a sub-committee that does strategic planning for WREGIS to pull this together and make us aware of all the pitfalls out there.
    - 1. John says yes to look at the different options and work with all of the decision makers in the WREGIS involvement.
- j. Erica mentions that the concept of getting APX extending contract to give yourself sometime to write the criteria for contracts – really need to think this out and look at their performance and possibly veto going to an RFP. She cautions to take time and do proper evaluations of contracts and performance.
- k. Jack suggests populating task force with CEC and WGA and people that would have an interest in this.

- l. Jason – Are there any plausible if not desirable alternatives to housing WREGIS at WECC – can we come to a consensus that this works and that there are not plausible alternatives. Jason proposes we do this unless someone can come up with another alternative
    - i. Freestanding option
    - ii. A for-profit industry such as APX
    - iii. Go to another regional entity such as WGA
    - iv. John asks who ultimately makes the decision? Is it up to the CEC to decide what the future arrangements will be?
      - 1. Continue on as it is
      - 2. Find a different host
      - 3. Transfer to WECC
      - 4. Suzanne says this is correct but we are discussing what happens after the contract is over.
      - 5. Jack mentions that the decision is here.
      - 6. Jason mentions the CEC will have to enter into a contract to hand over the software.
        - a. Suzanne says she does not know the answer to this she will check into this and get back to the committee
    - v. Derek says we could continue discussing this for hours but seconds this decision to transfer this to a task force that will make the committee aware of pitfalls and recommendations for future steps.
  - m. John mentions actions to deal
    - i. Recommendation to CEC for WREGIS committee extend contract formally until October 15<sup>th</sup>.
      - 1. Andrea mentions a SAC meeting on or about 12/1 and a WREGIS committee member should attend to ask for volunteers
    - ii. Recommend a no cost extension request of CEC contract
      - 1. Suzanne will look into this.
      - 2. John mentions the possibility of extending to a new contract.
      - 3. Jack says push for extension for all contracts anyway because the taskforce will take a while to put together recommendations.
    - iii. Jason suggest that rather than come up with a broad taskforce, come up with a 3 member Jack (WECC), Suzanne (CEC) and John (WREGIS Committee Member) to do what Jack suggests to thoroughly understand and come back to the larger group with the options.
      - 1. Gregg says this is a good suggestion but possibly add a user also.
      - 2. John agrees that it should be a small group.
      - 3. Jack adds the suggestion from Jason is right on but also that we are covering a lot of states, users etc. His suggestion is that once we receive a framework then broaden and bring in all groups that will be affected.
      - 4. Anne-Marie clarifies that the task force would come to a framework and then would be submitted to the SAC.
      - 5. Andrea says staff would offer their support to the group.
      - 6. Suzanne will check with the CEC and this can begin before the next Committee meeting.
6. Budget Funds Flow Overview

- a. Is there a cap on the retained revenue?
  - i. That will be determined at the time the WECC and CEC contract ends?
- 7. Revenue Projections
  - a. Self Sustainability
    - i. Jason asks can the operations subcommittee come up with a budget for the change control.
      - 1. Gregg agrees.
    - ii. John says he is comfortable not changing fees today but needs to look at further unknowns

Presenters: Andrea Coon, PhD and Mary Frantz – WREGIS Staff.

**Meeting opened up for the stakeholder input for how WREGIS is meeting your needs today and how your needs might change.**

1. Melissa says maybe we could think about pairing subcommittee meetings with the in-person meeting.
  - a) Andrea says this would be something very similar to what WECC does with theirs.
  - b) Andrea clarifies with an intense discussion of current issues going on verses just reporting.
    - (1) For this meeting was to have the meeting start earlier hold a daylong session broken up in pieces and have an open discussion regarding these.
    - (2) Basically an in-person SAC meeting.
2. Kip suggests a forum where you get on the system with doing some live work if they have issues how to do them.
3. John Morton says as a stakeholder, this meeting wasn't very helpful. He is concerned with the NERC E-tags and the constraints on their staff and the limited knowledge base of operations on the people making decisions.
  - a) Andrea states that the bulk of input was attained through policy makers and not through impact when this was created.
  - b) Andrea mentions that unfortunately WREGIS staff is not educated on all of the areas. Stakeholder input is critical.
4. Jason mentioned that the SAC phone is open at stakeholder meetings and these haven't been take advantage of. If the WREGIS Committee is doing something wrong they depend on the stakeholders to identify this.
5. Melissa says the more you have meetings set up for stakeholder dialogue, the more participation you would get from stakeholders.
6. John proposes - The next in-person meeting will fold in a sort of stakeholder driven technical discussion that can take place sometime during the meeting
  - a) And also to see if we can have more face to face interactions.
7. Kari Clark – wants to reemphasize to keep moving towards the hub and spoke or other tracking system interaction.
  - a) Also in regards to the change control and CEC budget – there are going to be some improvements that can be identified in the retirement process. Kari has offered up to the CCSC that instead of manually identifying certificates to retire, rather the system identifies.

(1) John says we are trying to achieve a balance in being respectful of the money CA has allocated but on the other hand there are a lot of changes that are out there that eventually might need to be done. It takes time to work these through the committees. Maybe we should have a taskforce to bring in stakeholders to take a good look at the system and prioritize changes.

(2) Anne-Marie adds that people tend to hold on to their request until they become very necessary but there is no need to wait.

(3) Andrea adds we did have a request from BPA that had similar type of function and put in a change request. Not really the same idea of how we go about making mass retirements possible. Maybe now would be a good time to resurrect this PCR. APX may be able to fix both of these issues at the same time.

(4) Kristie – she would like to see a user group form. She agrees with Andrea but says she doesn't feel that she can come in with a change request because there is not enough experience with the system.

(a) Is there a list on WREGIS of the current issues being discussed? If not is there a way to do this?

(i) Andrea says we don't have this one but we could create a one stop area for this on the website.

(5) Linda Watts – asks are there penalties that will occur.

(a) John responds once the CEC issues their forms and requirements to retire REC's the utilities would have to comply.

(b) Andrea states that point is well taken on E-Tags that they are cumbersome and difficult and we need to look for a way to make it more user-friendly.

(6) Elaine Sison-Lebrilla– suggests having some sort of best practices type of gathering to see how other utilities do things and what WREGIS needs could come out of these discussions.

(7) Erica mentioned – as a local government employee of CA the fees she is seeing from WREGIS so far are beyond the most reasonable. As WREGIS grows, she encourages WREGIS to adopt a policy about an escalator at certain periods of time. This shouldn't be hard to digest for most of the payers in the system.

(8) Erica asks on Mike's behalf – will the CEC simply relinquish the system rights with no expectation of compensation

(a) Suzanne – this was discussed that they may ask to receive a pro-rata share but at this time there is no expectation that it would be paid back for the development.

(b) Erica Suggests that if the CEC set aside this money, instead of returning to general fund reserve, instead put in trust for any changes down the road for the WREGIS system, that this could help pay for that instead of putting the burden on the customers.

(i) Suzanne responds that the way this was set up was once the contract expires it returns to this fund.

8. John will hand out a presentation on ETNNA and will be discussed today if possible and if not today at a later WREGIS committee meeting.

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**10:15 a.m. – 12:30 p.m.**

**WREGIS' Past, Present and Future – CONTINUED**

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**12:45 p.m. – 1:15 p.m.**

**Federal RES Update**

*The objective of this session is to understand the high level current status of the Federal RES.*

Presenter: Jason Marks – New Mexico Public Regulation Commission (WREGIS Committee Member).

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**1:15 p.m. Concluding Remarks**

2:29 PM ETNNA –

1. One of the things that WREGIS is currently involved with is ETNNA and we've have paid dues this year and maybe should look at continuing involvement
2. Helps other tracking systems leverage. Jan Hamrin has an impressive background.
3. Covered Mission and Goals
  - a. Read slide
    - i. Jason asked is there any talk about reaching out to entities such as Chicago Climate Exchange
    - ii. John responded that he did not know but they are open to this and will make a note to bring this up at the next ETNNA meeting
4. Certificate Tracking Systems
  - a. The map makes it very clear that there is a need for coordination systems.
  - b. There are 10 tracking systems throughout the country
5. ETNNA Values
  - a. Read slide
6. Organizational Structure
  - a. Explained affiliate members
    - i. One of your organizations can join for so much per year
    - ii. Governmental can join the tracking system so far on WREGIS and M-RETS

- iii. Hopefully through the registry entity process ETNNA will attract more entities or registries.
  - iv. Jason mentioned if more tracking systems do not come in to this, WREGIS may have to withdraw their support.
  - v. John mentioned at this point they have been able to survive without support like WREGIS but down the road this may need to be discussed.
- 7. Organizational Structure
  - a. Went over slide
- 8. Member Services
  - a. Went over slide
  - b. Discussion on white papers
    - i. One of the areas is the treatment of environmental attributes across tracking systems.
      - 1. Changes to tracking systems which would be necessary under the FES. – they have a final write-up
      - 2. Inter-Registry transfer – ETNNA is now doing the advisory group role
      - 3. Upcoming they have webinar on the 20th of November
- 9. Any questions?
  - a. Jason asked when dues are due again
  - b. John - sometime after January
    - i. Mary says we receive bill sometime after January but we usually have to request this
  - c. John suggests we put this on the January WREGIS meeting and discuss whether we want to continue this
  - d. Jason says we certainly can afford the dues
  - e. John says ETNNA sets up all the meetings that break into workgroup meeting – they have the Google site. Jan spends a lot of time on this and they have paperwork that goes in parallel
  - f. Jason wants to echo John on the productivity of this meeting. As a late joiner to WREGIS, he feels pleased and honored to work with WREGIS. Commends WREGIS staff.

**1:45 p.m. Adjourn** – thanks to Anne-Marie for hosting the meeting.