Green Power Refresh Project

Presented to OPPD’s Board of Directors
by Heather Siebken, Director of Product Development & Marketing
on October 19, 2021
Green Power Program (Current State)

• Introduced in 2002

• Contributions supporting renewable generation projects:
  • Valley Wind Turbine
  • Elk City Landfill Gas Facility
  • Ainsworth Wind Facility

• Green Power Rate Rider
  • Funds are required to be used on generation sources that meet the Federal Energy Policy Act of 1992

• Residential participation is slightly over 1%
Problem Statement & Goals

Current program no longer meets customers’ needs or OPPD’s goals

- Improve transparency
- Increase customer participation
- Community focused
- Different from community solar
- Support renewable and sustainability goals
Research
Industry Research Recap

- Majority of electric utilities have some form of green energy program
- Programs have options of supporting utility renewable generation, conservation, and sustainable energy projects
- Utilities are considering phasing out their additional cost green programs due to renewable generation goals
- Separate programs for residential and commercial is most common
- Many offered shares to customers, similar to our community solar program
- Our utility research displayed top programs group several renewable products under one product name
Customer Outreach

- Understand customer values and goals
- Discuss product features, benefits and preferences
- Test product ideas to receive and incorporate feedback
Key Customer Learnings

- OPPD to be a trusted source of information
- Funds used for community projects vs. generation
- Choice and customization features
- Community involvement and support
- Transparency of funds and project selection

Note: Current Green Power program scored the lowest of all program options
Product Recommendation
New Product Recommendation

Product Description:
Customers subscribe to a green-focused program and partner with OPPD to choose, promote and execute on environmental projects that educates our community members and builds a healthier, safer and cleaner environment.

Product Pricing & Participation:
- Monthly subscription (w/one-time payment campaigns)
- Price points of $5, $7, $10
- Higher amount receive additional recognition and opportunity to vote on upcoming projects

Customer Value:
- Funds go to selected green, non-OPPD generation projects within the District
- Transparent project dashboard on OPPD.com
- Marketing communication to participants showcasing projects
- Ability for communities or customer groups to apply for project funding
Project Application Requirements
Projects must fall under 1 or more categories

Support Sustainable Energy
Project funds new, community-based activities or initiatives in OPPD’s territory that support sustainable/renewable energy

Reduce Environmental Impact
Project is able to measure the reduction in environmental impact such as KWh, waste, gas usage, product use, etc.

Support Community Betterment
Project shows support for education, health, culture and arts, community betterment, or social services
Community Project Examples

- HOA or public park solar project
- Renewable generation at schools for educational purposes
- Energy efficiency projects
- Beautification, pollination & tree planting initiatives
- Low-income energy projects
- Partnerships with local organizations
- Arboretum expansion
- Sustainability park
- Bike path construction
- Support community recycling / composting
- Support metro-transit and emissions reduction
- Energy focused science/innovation fair

This slide is illustrative and not meant to be an all-inclusive and/or checklist. The slide conveys a number of areas being explored as part of the initiative.
Green Power vs. New Product

<table>
<thead>
<tr>
<th>Before</th>
<th>After</th>
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</thead>
<tbody>
<tr>
<td>Average customer enrollment over lifetime of product – 5,500</td>
<td>Estimated annual enrollment at market penetration – 41,000</td>
</tr>
<tr>
<td>Average annual revenue over lifetime of product - $261,000</td>
<td>Estimated annual revenue at market penetration - $2,500,000</td>
</tr>
<tr>
<td>Funds dedicated to OPPD renewable generation projects only</td>
<td>Funds dedicated to enhancing our community in pursuit of green and renewable efforts</td>
</tr>
<tr>
<td>OPPD selected the projects, locations and generation type</td>
<td>Community selected projects with project applications and selection committee</td>
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Increase Customer Transparency

- Interactive tool for customers to provide feedback on projects
- Sharing success in order to cultivate transparency of funds
- Visually appealing elements, including funding gauge for various projects.
- E-Newsletter for subscribers
- Key themes, transparency and community focused
Strategic Alignment

New Product

SD-13: Stakeholder Outreach & Engagement

SD-5: Customer Satisfaction

SD-7: Environmental Stewardship

Pathways to Decarbonization Strategic Initiative

Customer Engagement for the Future Strategic Initiative

Powering the Future 2050
Next Steps

• Terms and Conditions Approval
• Project Application Scoring Criteria
• **Board Action for Rate 463A/463B**
• Customer Retention Strategy
• Brand and Message Development
• Technology Requirements
• Marketing & Communications Plan
• Launch Program in Q1, 2022
• Re-evaluate Commercial Program
Commercial Recommendation

**Recommendation:**
- Sunset current Green Power Offering and Rate Rider (463B)
- Little participation and impact

**Future State:**
- Encouraged to participate in new community support product
- New project to determine future offering
  - Commercial Customer needs vary from Residential
  - Opportunity to develop product targeted at reducing or offsetting their carbon footprint