



Renewable Energy Credit (REC) Product

January All Committee Board Meeting

February 13, 2024



Opportunity Statement

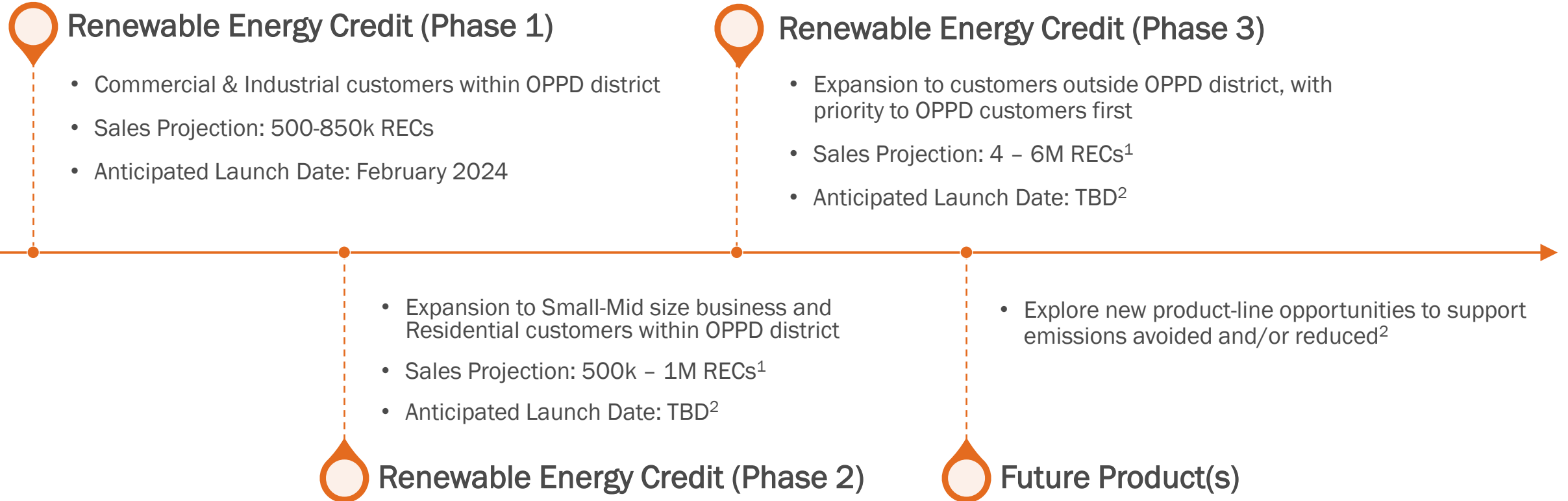
Like OPPD, many customers are making commitments to reduce their environmental footprint and meet other sustainability development goals.

To expedite their achievements, customers are seeking to purchase RECs as part of their overall climate strategy and OPPD can use these funds to support further carbon reduction goals for our community.



Creating Solutions to Meet Customer Needs

A continuous and iterative approach to product development will allow us to grow the Renewable Energy Credit (REC) program *and* add new offerings through time.



Product Attributes (Phase I)



Online Registry

Purchased RECs will be publicly retired in an online registry in the customer's name.



Program Reporting

Product performance will be included in annual SD-7 monitoring report.



Pricing and Revenue

Pricing will be regularly evaluated to ensure RECs are priced according to their market value.

Pricing framework established in collaboration with The Brattle Group.

Revenue earned will be dedicated to projects which reduce OPPD's carbon emissions.



Sales Process

Customers can sign up by working with their Account Executive and will be able to match up to 100% of their annual usage in 10% increments.



Internal Governance

An internal Environmental Commodities Advisory Board will be established to oversee the allocation and management of the funds to support further carbon reductions.

Board Governance

- Product will adhere to existing Board Resolutions
 - Resolution No. 5578, approved in 2006, authorizes OPPD management to sell RECs at any price and requires the revenues earned to be used for Energy Efficiency and/or Conservation projects
 - Resolution changes may be considered as we evaluate Phase 2 and Phase 3
- Strategic Directive Impacts
 - SD-5, Customer Satisfaction: positive influence by providing solutions to meet customer needs
 - SD-7, Environmental Stewardship: product is in full compliance of existing directive
 - SD-11, Economic Development: helps attract prospective customers seeking locations with carbon reduction and sustainability goals and programs

Next Steps

Expected Launch: February 2024

- Launch Configuration
 - Efforts to confirm and prepare procedures, reporting and roles
- Internal Training
 - Efforts to educate employees on how to sell, manage and discuss the newest product
- Marketing
 - Efforts to develop materials and messaging to support Account Executives in conversations with interested large commercial and industrial customers
- Communications
 - Efforts to update external communication channels to correctly and transparently characterize our performance

