



Smart Energy

Helping Bring Biogas to the Region

NARUC Staff Subcommittee on Gas
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NW Natural & Sustainability

- NWN: Who we are
- Pioneers of decoupling
- Aggressive energy efficiency programs
- Our customers want & expect more
 - 81% said we should offer product
 - 54% said they'd participate

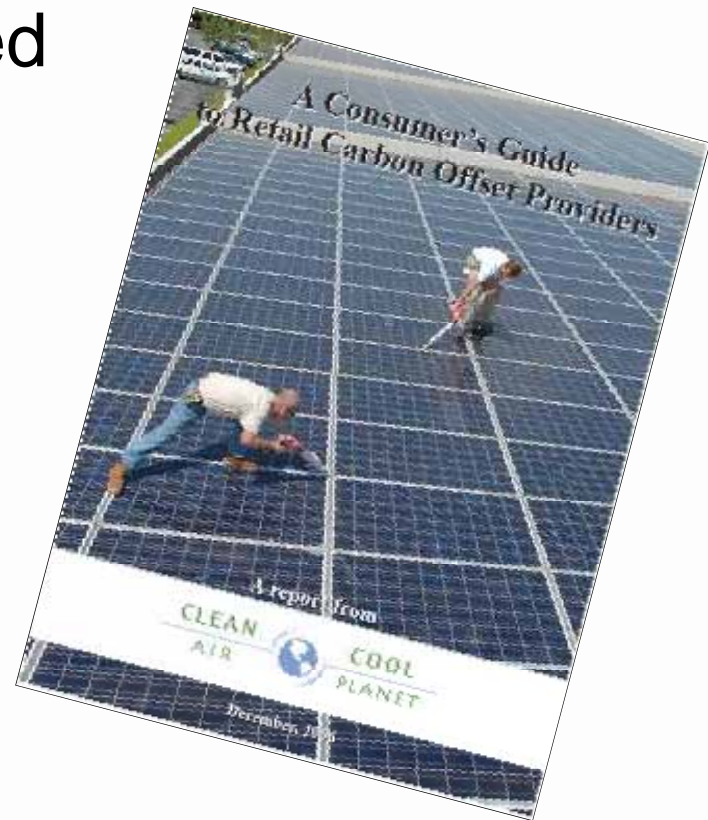
What Is Smart Energy?

- Voluntary carbon offset program
- First gas LDC in nation
- Renewable biogas
- Customer options
 - Fixed: average usage
 - Variable: customer's usage
- Regulatory process



Partnering with The Climate Trust

- Internationally recognized
- Ensures credibility and transparency





Getting the Word Out

- Integrated plan
- Leverage exiting channels
- Partnering with customers



Introducing Smart Energy

While most farmers, it appears, produce 100 pounds of manure per acre, they may produce as much as 100,000 pounds per acre. Smart Energy is a general purpose gas. The gas is made in their gas, instead, from cow manure on the ground surface in a controlled energy source. The Smart Energy program is 100% owned and operated with the Smart Energy as a subsidiary.

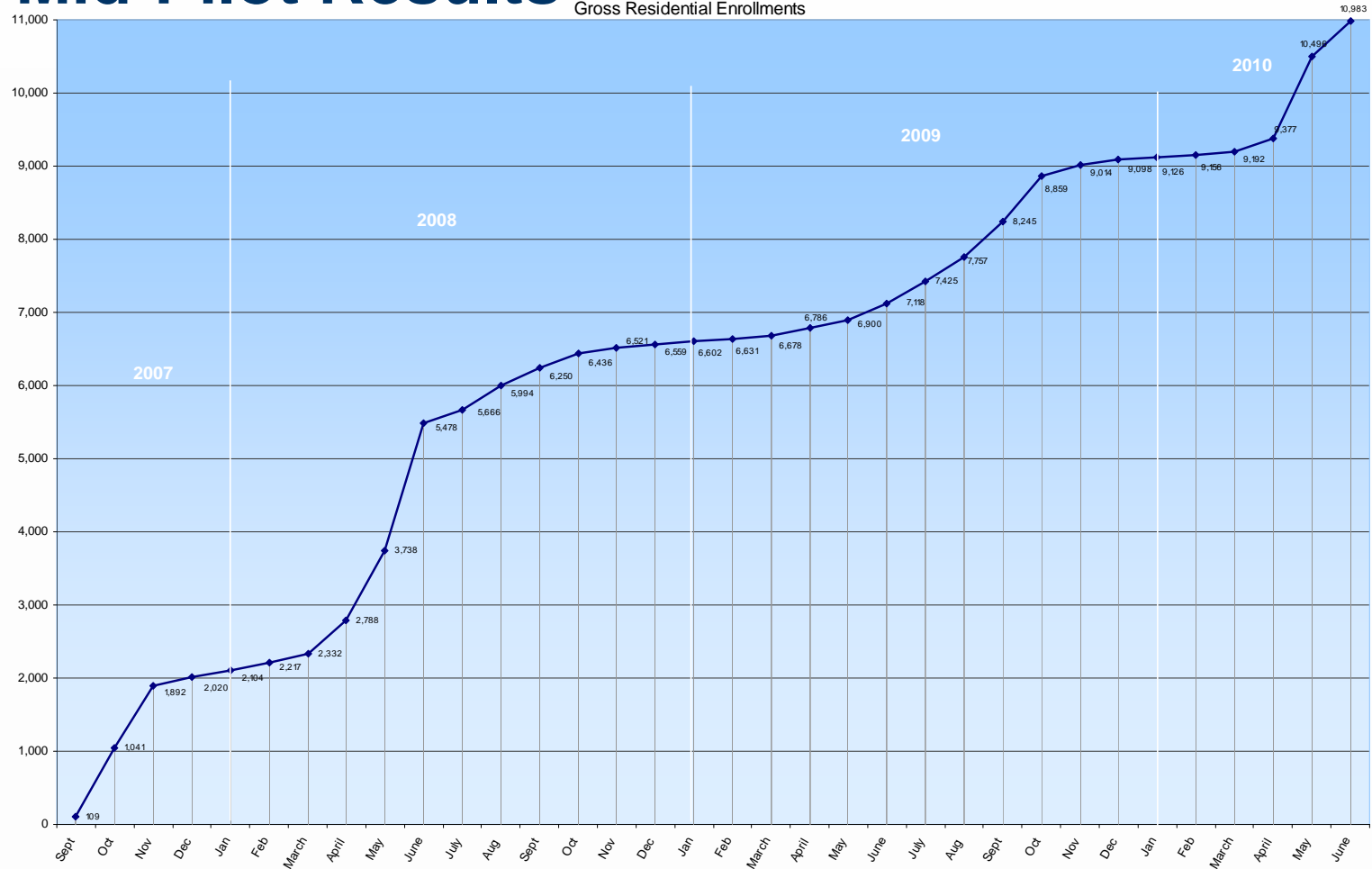
nw natural **SMART ENERGY**





Mid-Pilot Results

Gross Residential Enrollments



Mid Pilot Results

- Half way through 5 year pilot
- Lessons Learned:
 - Customers willing to do more
 - Complex & challenging communication
 - Biogas resonates
 - Steel in the ground important



Smart Energy Projects

Demand 63,890 tons
Obligated/Retired 52,459 tons

Threemile Canyon Farms
Boardman, Oregon



Photo taken during construction - 2009

Whitesides Dairy
Rupert, Idaho

Farm Power
Mt. Vernon, WA



TBA (Q3 2010)
Willamette Valley, Oregon

Vision for the Future

- Direct use and offsets support gas use in a carbon constrained future
- Emerging utility role – quality standard, clean-up equipment, operation, development
- Renewable future – thermal utility combines solar thermal, renewable gas & conventional gas – serving highly efficient end uses
- Future must be supported with policy and regulation that recognizes the value of renewable gas – as “on demand renewable supply”

 SMART ENERGY. The logo features the word "SMART" in a sans-serif font, followed by a stylized leaf icon, and the word "ENERGY." in a similar font. The background of the logo is a blue gradient.

SMART ENERGY.

Thank You

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