

**EXHIBIT E**

**to**

**AFFIDAVIT OF WILLIAM R. EDMONDS  
IN SUPPORT OF MOTION FOR SUMMARY DETERMINATION**

Smart Energy Program Proposal Revenue/Cost Assessment  
Five Year Pilot Program

Program Summary	
Residential Participation Assumption (5th Full Year)	3.00%
Commercial Participation Assumption (5th Full Year)	0.40%
Cost per Block (\$)	\$5.99
Monthly Block Size (therms)	57
Amount of CO2 Offset per Year per Block (lbs)	8,023
CO2 Offsets Bought over Life of Program (tons)	245,791
Per Therm Premium - Program Costs	\$0.03173
Per Therm Premium - CO2 Offsets	\$0.07313
Program costs paid by all customers or NWN	\$1,275,200
Program costs paid by participants	\$4,405,596
% of all program costs paid by participants	\$5,680,796 77.6%
Marketing cost per customer acquisition (5th year)	\$31.19
Marketing cost per total number of customers	\$0.36
Total Dollars Collected	
Total Program Costs including CO2 Offsets	\$4,405,596
Surplus/(Shortfall)	\$0

Anticipated Program Participation - Residential						
% of Total Customers	2007	2008	2009	2010	2011	2012
High (H)	0.50%	1.00%	2.00%	3.00%	4.00%	5.00%
Medium (M)	0.25%	0.75%	1.25%	1.75%	2.25%	3.00%
Low (L)	0.10%	0.30%	0.50%	0.70%	1.00%	1.30%
<b>Net of 5% drop out rate</b>						
Number of Customers - Select Scenario in Cell C14	Medium (M) 2007 1,477	2008 4,566	2009 7,830	2010 11,282	2011 14,931	2012 20,473
Medium (M)						

Anticipated Program Participation - Commercial						
% of Total Customers	2007	2008	2009	2010	2011	2012
High (H)	0.05%	0.30%	0.50%	0.75%	1.00%	1.10%
Medium (M)	0.02%	0.05%	0.10%	0.20%	0.30%	0.40%
Low (L)	0.01%	0.03%	0.05%	0.10%	0.15%	0.20%
<b>Net of 5% drop out rate</b>						
Number of Customers - Select Scenario in Cell C14	Medium (M) 2007 12	2008 31	2009 64	2010 130	2011 197	2012 267
Medium (M)						

**Basis**  
PPL program participation (Program Update as of 12/31/06)  
Assumed participation rates below electric rates due to gas bills variability  
NREL study average participation rate (2004)

**Basis**  
Pacific Power participation in Blue Sky program (1.31%); PGE - 1.16% (Reports as of 12/31/06)  
NREL Average  
NREL Median

	2007	2008	2009	2010	2011	2012	Basis
<b>Total Number of Customers</b>							
Residential	590,614	608,842	626,391	644,670	663,617	682,437	December 2006 Forecast
Commercial	61,714	62,768	63,785	64,797	65,808	66,820	December 2006 Forecast
Industrial/Interruptible	935	935	935	935	935	935	December 2006 Forecast
<b>Total</b>	<b>653,263</b>	<b>672,545</b>	<b>691,111</b>	<b>710,402</b>	<b>730,360</b>	<b>750,192</b>	December 2006 Forecast
<b>Therms</b>							
Residential	398,700,000	410,600,000	422,900,000	435,200,000	448,000,000	460,900,000	December 2006 Forecast
Commercial Sales	248,400,000	252,400,000	256,300,000	260,200,000	264,000,000	267,800,000	December 2006 Forecast
<b>Total</b>	<b>647,100,000</b>	<b>663,000,000</b>	<b>679,200,000</b>	<b>695,400,000</b>	<b>712,000,000</b>	<b>728,700,000</b>	December 2006 Forecast
<b>Usage Per Customer</b>							
Therms	4018	4016	4016	4015	4013	4011	
Residential	672	672	672	672	672	672	
Oregon	699	698	699	699	700	701	
Washington	686	685	686	686	686	686	
Average	4063	4075	4049	4022	3996	3973	
Commercial Sales	4018	4016	4016	4015	4013	4011	
Oregon	4108	4075	4049	4022	3996	3973	
Washington	4063	4046	4032	4018	4005	3992	
Average							
<b>Total \$ Collected Based on Monthly Block Premium</b>							
<b>Residential</b>							
<b>Option 1</b>							
Total Cost per Block (\$/block/month)	6.0	6	6	6	6	6	
Monthly Block Size (therms)	57	57	57	57	57	57	
Annual Cost per Block (\$/therms)	72	72	72	72	72	72	
CO2 Offset per Year per Block (lbs)	8,023	8,023	8,023	8,023	8,023	8,023	
Percentage of Participants Selecting Option 1	100%	100%	100%	100%	100%	100%	
Number of Participants Selecting Option 1	1,477	4,566	7,830	11,282	14,931	20,473	
Therms	337,487	3,137,122	5,368,954	7,735,879	10,239,449	14,038,412	
Dollars Collected	\$35,388	\$328,318	\$562,969	\$811,157	\$1,073,568	\$1,472,018	
<b>Option 2</b>							
Total Cost per Block (\$/block/month)	0	0	0	0	0	0	
Monthly Block Size (therms)	0	0	0	0	0	0	
Annual Cost per Block (\$/therms)	0	0	0	0	0	0	
CO2 Offset per Year per Block (lbs)	0	0	0	0	0	0	
Percentage of Participants Selecting Option 1	0%	0%	0%	0%	0%	0%	
Number of Participants Selecting Option 1	0	0	0	0	0	0	
Therms	0	0	0	0	0	0	
Dollars Collected	\$0	\$0	\$0	\$0	\$0	\$0	
<b>Commercial</b>							
<b>Option</b>							
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CO2 Offset per Year per Block (lbs)	8,023	8,023	8,023	8,023	8,023	8,023	
Percentage of Participants Selecting 1 Block	0%	0%	0%	0%	0%	0%	
Percentage of Participants Selecting 2 Blocks	60%	60%	60%	60%	60%	60%	
Percentage of Participants Selecting 3 Blocks	35%	35%	35%	35%	35%	35%	
Percentage of Participants Selecting 4 Blocks	5%	5%	5%	5%	5%	5%	
Therms	6,912	52,724	107,157	217,743	331,665	449,021	
Dollars Collected	\$725	\$5,528	\$11,236	\$22,829	\$34,777	\$47,083	
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Dollars Collected							

	2007	2008	2009	2010	2011	2012	Total
<b>Based on number of blocks purchased</b>							
Residential Annual	337,487	3,131,122	5,368,954	7,735,879	10,238,449	14,038,412	40,850,302
Commercial Annual	6,912	52,724	107,157	217,713	331,665	449,021	1,165,192
<b>Dollars Collected</b>							
Residential Annual Total \$	35,388	328,318	562,969	811,157	1,073,368	1,472,018	4,283,418
Commercial Annual Total \$	725	5,528	11,236	22,829	34,777	47,083	122,178
<b>Total Dollars</b>	<b>\$36,112</b>	<b>\$333,847</b>	<b>\$574,206</b>	<b>\$833,986</b>	<b>\$1,108,145</b>	<b>\$1,519,101</b>	<b>\$4,405,596</b>

**Total \$ To Offset CO2 Emissions**  
(Uncollectibles not included)

Value of CO2 per ton (\$/ton)	\$12.5
CO2 emission rate for burned natural gas	
lbs/therm	11.7
Cost per therm (\$/therm)	\$0.07313

As described on Climate Trust Price Sheets  
PUB: Filing (LA Climate Action Registry protocol natural gas emissions factor)

	2007	2008	2009	2010	2011	2012	Total
<b>CO2 Offsets</b>							
CO2 Offsets (\$) per Year	\$25,184	\$232,819	\$400,441	\$581,606	\$772,940	\$1,059,394	\$3,072,383
CO2 Offsets (tons) per Year	2,015	18,626	32,035	46,529	61,835	84,751	245,791

Offsets CO2 produced by number of blocks purchased by participating customers

**Marketing Costs**

	2007	2008	2009	2010	2011	2012	Total
\$ Annual	210,000	522,000	268,000	175,000	175,000	175,000	525,000
Funded by all customers and/or NWP? Select Yes or No	Yes						
Ongoing							
Start up							
\$/Customer	0.0	0.0	0.0	15.3	11.6	8.4	Basis
Marketing Dollars Per Customer (Average over program time frame)	0.36						
Marketing 5th Full Year/Customer Added in 5th Year	31						

NREL study median acquisition cost per customer (\$30/customer); average - \$42, top performers - \$48

**Program Administration**

	2007	2008	2009	2010	2011	2012	Total
Funded by all customers and/or NWP? Select Yes or No	No						
\$	56,000	57,680	59,410	61,193	63,028	64,919	362,231
1 FLE for six months - 5 FLE with overhead or contract for rest							

**Bad Debt Expense**

	2007	2008	2009	2010	2011	2012	Total
Funded by all customers and/or NWP? Select Yes or No	No						
\$	182	1,685	2,889	4,163	5,510	7,555	21,983
Residential	1	11	22	45	69	93	241
Commercial							
rate .0052							
rate .002							

CAPEX	2007	2008	2009	2010	2011	2012	Total	Basis
30,000 - IVU	30,000						97,200	equivalent annual cost based on 5 year depreciation life
65,000								
2,200								
9,720	19,440	19,440	19,440	19,440	19,440	9,720	97,200	
12,533	77,456	79,780	82,173	84,638	87,177	423,758	423,758	built to 1 FTE (30,000 proactive/reactive calls)
78,000	100,000						178,000	Per conversation with CT (Upfront Consulting Fees)
68,716	136,832	142,401	322,574	328,245	334,744	4,333,213	4,333,213	
25,184	232,819	400,441	581,606	772,840	1,059,394	3,072,333	3,072,333	70%
68,716	136,832	142,401	322,574	328,245	334,744	1,333,213	1,333,213	30%
36,112	333,847	574,206	833,986	1,108,245	1,519,101	4,405,596	4,405,596	100%
73%	31%	26%	36%	30%	23%			
27%	63%	74%	64%	70%	76%			
100%	100%	100%	100%	100%	100%			
\$599	\$599	\$599	\$599	\$599	\$599	\$599	\$599	
\$438	\$212	\$157	\$212	\$179	\$144	\$144	\$144	
\$161	\$377	\$442	\$385	\$421	\$455	\$455	\$455	