

Northwest Energy Efficiency Taskforce
Executive Committee Meeting
May 21, 2009

Executive Committee Members:

Tom Karier, chair (NWPPCC)
Pat Reiten, chair (Pacific Power)
Steve Wright, chair (BPA)

Rand Berke (Community Action Partnership of Oregon)
Ralph Cavanagh (NRDC)
Bill Drummond (Western Montana Generation and Transmission Coop.)
Melinda Eden (NWPPCC)
Steve Eldrige (Umatilla Electric)
Claire Fulenwider (NEEA)
Bill Gaines (Tacoma Public Utilities)
Margie Harris (ETO)
Erin Holland (Edelman)
Bill Nicholson (PGE)
Sara Patton (NWECC)
Cal Shirley (PSE)
John Savage (Oregon PUC)
David Schumacher (Boeing)
Phil Welker (PECI)
Roger Woodworth (Avista Utilities)
Deb Martin Young (Northwestern Energy, sitting in for Robert Rowe)

Absent Executive Committee Members:

Richard Beam (Providence Health and Services)
Lisa Coltart (BC Hydro)
Randal Douthit (Fred Meyer)
Paul Elias (McMinnville Power and Light)
Warren Kline (Idaho Power Company)
Robert Rowe (Northwestern Energy)
Brian Skeahan (Cowlitz County PUD)
George Smith (NORPAC)
Brady Wiseman (Montana House of Representatives)

NEET Administrators

Ken Canon, Facilitator
Darby Collins, Coordinator (BPA)
Joshua Binus, Assistant Coordinator (BPA)

Work Group Co-Chairs and Sub-Chairs in Attendance:

Bob Balzar (Seattle City Light)
Teri Duncan (PECI)
Pat Egan (Pacific Power)
Stan Price (NEEC)
Mary Smith (Snohomish PUD)
Steve Weiss (NWECC)

Other Attendees:

Sonja Bruce (Resource Writers NW)
Bo Downen (Public Power Council)
John Harrison (NWPCC)
Barbara Hins-Turner (Centralia College)
Karen Meadows (BPA)
Terry Morlan (NWPCC)
Mark Ohrenscholl (Energy NewsData)
Ellen Prouty (Lockheed Martin)
Grant Ringel (PSE)
Mike Weedall (BPA)

CANON: [Greetings. Introduction of agenda. Introduction of executive committee members.]

Change to agenda: To the extent we have time, would like to move the conversation about carrying the taskforce forward to before lunch. After lunch, we will talk about the NEET report.

Thanks to Boeing, Fred Meyer, NORPAC Foods and the Northwest Food Processors Association for funding the lunch.

Thanks to work group co-chairs for all of their dogged persistence and work to move things forward.

Thanks executive committee liaisons, who have also put in an extra effort.

KARIER: Thanks to Ken and Darby for all their work. Was thinking about vision articulated during our first meeting, to maximize the Northwest's ability to secure all cost-effective coordination and to look for opportunities to find regional benefits. We've already found some of that with this taskforce. Examples include NEEA-BPA coordination, regional marketing coordination, the development of a regional forum, etc. We've done a good job so far and will continue to find more.

Everything we are doing has become more important since we started. Energy independence has become a national priority. Energy efficiency has become a critical part to the national recovery program and we are in the lead. You will also hear more about the Council's 6th Power Plan. Conservation has played a larger role in that plan. That is the result of new technologies and more alternatives. There will be significant draft results about potential in the Northwest. That will be the start of the discussion to get the numbers exactly right. It will be to the region's benefit to prepare the Northwest and to lay the groundwork for action to address the challenges of the future. NEET was very timely to get things underway. Moving now will help.

WRIGHT: Agrees with Tom and has similar comments. The premise for getting NEET underway—that the cost of alternative resources is going up dramatically—has not gone away. The challenge of how we get more energy efficiency more efficiently is timely. A couple key thoughts:

1. There is a keen interest in deepening collaboration in the region. Participation in the workgroups has been almost overwhelming. We never had a problem with involvement.

2. There was some illumination of untapped opportunities in the region. For example, CVR [conservation voltage regulation] was a big one for me.

Is grateful for the work that has been carried out. Believes it is time for the report to be written up. Wants to hear folks' issues with report. Would like to have unanimous support for this set of recommendations. Would also like to have a plan for nurturing the recommendations, with the goal of having them mature so they stand or fall on their own. Doesn't want the report to just gather dust on the shelf.

CANON: Two follow ups. 1. There will be continuing dialogue about how much conservation is in the 6th Power Plan. There is no doubt about that. Even so, it is obvious to everyone that there will be more than we saw in the 5th Power Plan. There is a question about what that conservation is looking like.

Asks folks sitting in on meeting to introduce themselves. [Introductions follow.]

Recaps how we got here today. After the January meeting, we had 10 action items with the plan of developing business plans for each of them. As we started working with hosting entities, we realized there was a lot of potential redundancy and a chance that some efforts already underway could be slowed down. We responded by changing our approach to be more nimble and pointed.

Will provide a general overview and then will ask the Executive Committee for comments. We have accomplished a lot, but we haven't accomplished everything. Will call out examples where efforts have not gone as far as we hoped they would. It is just a natural part of the process that you don't get maximum movement on everything at the same time.

Will start with Work Group 1. Directs the Executive Committee to the handouts prepared for the meeting.

ACTION 1 – Prepare an independent evaluation of the Regional Technical Forum (RTF) to determine how it can best meet the region's needs in data collection, analysis, evaluation and dissemination of finding.

There was an interest in examining the RTF to see the effectiveness of how it has been structured and operated. This has been managed by NEEA. Proposals are due on May 29. Evaluation will be complete by October. The RFP has been presented to Work Group 1, comments were integrated, and the RFP is moving forward. Sees a lot more work to keep this moving forward.

COLLINS: Echoing comments already made, there is a need to have funding to move NEET recommendations out of the gate. Reviews list of funders to move the action items forward. Thanks to all those who have been committing funds.

CANON: There is action going on in the data collection area, but there is more to do. This is one of those areas where we decided not to get into deep business plan development. All we had to do for now was to look at where NEEA was with their business plan. There is, of course, more to do with data development and collection.

ACTION 2 – Compare how NEEA data collection efforts activities mesh with NEET report recommendations and determine gaps for future regional attention.

GAINES: Not sure I understood the conclusion on this one. Are we just waiting on NEEA to fund its business plan?

CANON: No, the task was to understand how the work group recommendations meshed with those included in the business plan to avoid duplication and to identify gaps. There is still more to do.

DRUMMOND: Wants to acknowledge Mary Smith, Massoud Jourabchi and Karen Horkitz for their work. Saw a lot of overlap in Work Group 1 in regard to NEEA and the RTF. As we talked to Charlie Grist and Tom Eckman, it became clear that they cannot take on one more thing. As we dug into the history of the RTF, it became clear that it has evolved over time, sometimes radically, as

they reacted to needs without many resources at their disposal. This led to the conclusion that we needed to take a closer look. NEEA is moving forward with its business plan. The RTF, however, needs a closer look, and then the region will have to make some decisions on what the ultimate role of the RTF will be as we move forward.

In regard to Action 2, there is a boatload of money involved. There are organizations to handle it, but what about the gaps? What are we going to do next? That has not been answered.

CANON: We can pick up that discussion after the evaluation of the RTF is completed.

CAVANAGH: The current budget of the RTF is approximately \$300K per year. California spends about \$80 million per year. I hope it is clear that the RTF will need more funding. Wants to make sure we spend some time thinking about what to do next.

DRUMMOND: Form follows function. Would much rather decide on the money question after the results come out. Not even sure about what needs to be done regarding the governing structure of the RTF. Not convinced that the Council is the right home for the RTF.

CAVANAGH: We're going to have the report by October. What then?

DRUMMOND: So we deal with it then.

ELDRIGE: Would like to chip in with Bill's characterization of this. If we could depoliticize this a bit, the chances of richer collaboration improve. Incidentally, it does strike me that the Northwest is second in energy efficiency after California with only \$300K. There is a readiness to modify the structure to get us where we need to go. That provides the entire region with a great opportunity.

WRIGHT: Some of you might know that my first job at BPA was in conservation and I clearly understand the need for good data. It was very nerve-racking to be making decisions that were guiding much of the future work based on the data we had. Yet it strikes me now that the data we are currently using is not nearly as good as what we had then. Thinks obtaining good data is important. Thinks Ralph's challenge is appropriate. We should begin setting up the decisions that need to be made ahead of time.

HARRIS: From the practical perspective of taking action, it would be helpful for direction to be segmented at the state level.

WOODWORTH: Expects that we'll see another set of surveys with marketing. Guessing we can maximize effort by not putting efforts in silos.

ELDRIGE: Shouldn't there be some ability to maximize our survey results by sharing the surveys we already have of our members/customers?

CANON: This is a theme that will keep coming up.

FULENWIDER: Makes this comment hesitantly. From a professional point a view, a comment about data. We have data that at times is weak for making good cost-effective decisions that relate to peak, our data needs to be more robust. We need to take this very seriously or it will bite us in the butt.

HOLLAND: The world is changing very quickly and we're all under pressure to make decisions and do the right thing. Remember that the public is having a louder voice in things. Everyone is trying to go to them to rebuild trust. Urges the Executive Committee to follow through on items and think on what will be valuable for the industry's constituents. Really having the public feel like they are part of this and that communication is two-way will help build trust for the process.

CANON:

ACTION 3 – Create a plan for how NEEA, BPA and other regional entities can best coordinate emerging technology activities to keep the pipeline full to meet future energy efficiency needs.

Recognized early on that both BPA and NEEA had emerging technology activities. Action 3 asked for the coordination of these efforts to limit redundancy. There was good discussion between both organizations at both the staff and executive level. At the last Work Group 2 meeting, the potential duplications of both groups became even more clear. From that meeting, Claire Fulenwider and Terry Oliver were asked to work out a viable collaboration. Produced a wonderfully vibrant flowchart. Spoke to Brian Skeahan and others who have been very supportive of the progress made. [Summarizes memo accompanying flowchart.]

Will require a check-in in several months.

FULENWIDER: What we see happening is that an advisory committee will select criteria for screening and selecting initiatives. That will be informed by the work being done across the region. BPA is providing the resource of their technical advisory groups. NEEA will provide the less-technical support for the staffing of the regional committee. We will parse out tasks to avoid duplication. There is also a way for others to contribute more funding when and where they see fit. There may be some potential areas for duplication in regards to criteria. We're making good progress, but we're not all done.

MEADOWS: Through this process, we have identified that each organization has core competencies to bring to the table. The process we are working out provides a way for others to bring their strengths to the table, too. Agrees that we're making a lot of progress.

SHIRLEY: Wondering how the focus of NEEA's market transformation integrates. BPA's focus is heavy in basic R&D. NEEA's focus is limited to technologies that are already available on the market. Market transformation helps, but this is one of the areas that needs more fleshed out.

MEADOWS: BPA is not trying to do the market transformation. We have a large engineering staff and are working to identify what the savings are from each technology.

SAVAGE: Who is paying for demonstrations?

FULENWIDER: It depends on how the project fits with each organization's core competencies.

BALZAR: Very complex issues. This is a solution and compromise that needs to be closely watched. Should be a check-in point, some kind of feedback loop. Not 100 percent sure it will look like this 4 years from now.

HARRIS: Admires the goal of avoiding duplication. The process looks very complicated and raises some flags for me. Will need to watch. Wants to know who is on the RETAC [Regional Emerging Technology Advisory Committee]. It should include experts.

ELDRIGE: Are we getting enough direct information from the end-user? That should help us know where their greatest need is. Are we devoting enough time to get manufacturers to develop products that we need?

FULENWIDER: To your first question, not sure if we ever get enough end-user data. To the second, that is what we are working to accomplish.

CANON: Steve does raise a good point. This is a big challenge.

WELKER: Wants to encourage some more interaction with California.

CANON: One of the things we're looking for NEEA and BPA to do is to call out who they are working with.

WOODWORTH: At the end of the day, the simple commitments of NEEA and BPA are working out a way to collaborate. Phil is saying that along the way, we should listen to what others have to say.

MEADOWS: Points out that originally, the work group wanted a centralized entity that pooled money. This effort does not follow that model.

ACTION 4 – Create a forum within an existing regional entity to increase regional collaboration and help move forward new and expanded energy efficiency efforts.

This recommendation surfaced at the top of a list of about 30 recommendations coming from Work Group 3. Need a place to meet to discuss best practices, regional initiatives, developing programs, and sharing learning. Had an excellent work group meeting, well attended, with a lot of excitement about this. NEEA has been very clear about its role of hosting the forum and participating in it. The real success will come from how this is being used. You will also hear about this with Work Group 4. What is laid out in here are some roles and missions that are suggestive. What is clear is that their need to be dedicated resources and staff to support the forum. The budget falls within NEEA's existing business plan, even if it hasn't been funded yet. This can be as big or small as people want to make it. It allows for creativity. If Steve Eldrige wanted to form a group about irrigation, he could get on the phone to NEEA and have them put together an invitation for participants. The big questions identified and still unresolved is the question of dedicated technical resources. We still don't know how much or where it will be housed.

SAVAGE: Saw the forum concept in operation effectively through the workings of Work Group 3. In several meetings, they generated 30 great ideas. Sees vast potential for rich results coming from forum. We need some technical support to see it go.

PRICE: Was a lot of excitement in the room to see this concept play out. Liked the idea of having a place to test and incubate good ideas in order to eventually find a way to housing them.

HORKITZ: Adds that at a minimum this will provide a mechanism to share information across the region. At the next level, it will allow for coordination. From there, the potential for collaboration exists.

CAVANAGH: Has someone volunteered to lead this effort? A person needs to be found. Who is the Ken Cannon for this effort?

FULENWIDER: We will be hiring to fill this position.

CANON: There is an acknowledgement that there is a person needed.

ELDRIGE: Likes what he is hearing. Wants to make sure there are appropriate success metrics, along with some next steps if it is not meeting needs.

FULENWIDER: Excited about the forum's possibilities. Thinks the entire region will benefit from it. Has been talking to Mike Weedall about using this forum to help identify the widows and orphans. Thinks Steve is right about doing it correctly.

ELDRIGE: In addition to comparison to the 6th Power Plan, shouldn't we be comparing against other things?

YOUNG: Thinks the forum is a good idea. A challenge will be to make it accessible to the entire region.

HARRIS: Thinks this is a great gap filler. It is how the region operates and memorializes that. Is assuming that one of the first challenges of this group is to look at the first 30 ideas. Great work. Don't want to lose it.

KARIER: Council is also excited about this. It will be helpful in creating implementation plans for the Council's power plans. For example, building codes are a vehicle to accomplish many things through the states. If we put a little effort into the state codes, we could save a lot of efforts at the utility level. Thinks it will also help with ideas that have come out of NEET and beyond.

ACTION 5 – Conduct secondary research focused on behavior change initiatives specific to consumer energy efficiency.

NEEA worked with co-chairs and Executive Committee liaison. Wrote an RFP to accomplish secondary research in regard to behavioral aspects of energy efficiency. Fundraising is underway. Work is expected to be complete in October. There is so much being done around the world on this. The co-chairs have already initiated the next steps in putting together the coordinating council. Sees this certainly being housed through the forum function at NEEA.

HARRIS: Thinks that this will provide a missing piece for our efforts. Ties back to what we measure and how we measure behavior change. There is a meeting set up for next week on Tuesday, May 26. The number is available for anyone.

RINGEL: Has been covered well. We are hoping to have the first official meeting in Spokane in June. [This meeting has been scheduled for June 9, from 9:00 am to 3:00 pm in Spokane. Contact Grant Ringel for details.]

WELKER: Warns about taking too big a view about this. Need to move beyond a homework assignment.

HARRIS: This should guide us into understanding our consumers better.

ELDRIGE: Personally believes the single biggest thing is to change behavior. Not interested in putting beliefs onto others. What we are planning to do is to put devices into people's homes that allow them to see the effects their actions in the home have on their consumption level.

REITEN: This funding is separate from the NEEA budget. Will the data be available to all?

CANON: Yes. We are encouraging broad-based funding. Darby is working through the funding aspect of it.

HARRIS: We are also engaged with the question of how to form the coordinating council.

CANON: **Regarding carrying the Taskforce mission forward:** Wants to spend the next 20 minutes talking about where the taskforce should go. There is some level of follow-up to many of the actions. Any thoughts or suggestions?

KARIER: Don't have an answer. Wants to hear what others have to say. There is follow-up. We're talking about creating a number of other groups, but I'm not sure if it hits the high level policy group with us at NEET. Sort of thinking we need to have at least one more meeting. Maybe we don't decide today if we need more than that.

WRIGHT: Tremendously encouraged at the excitement around the table regarding the first four work group efforts. Means we have something that is working here, though there is still more nurturing needed. When large organizations are intent on collaborating, there is a need to make commitments to do the work at high levels. For my part, I am willing to continue to stay involved. How long? Don't know. Doesn't appear to be a taskforce that will last forever. Certainly a meeting of the willing at least one more time seems to make sense.

CAVANAGH: Appreciates that no one signed on for more than a year, but come on? This is working. Why shut it down?

SAVAGE: Likes the wind integration model. We could meet as needed.

NICHOLSON: Agrees wholeheartedly. Does not know how many more meetings, but it almost doesn't matter.

GAINES: Agrees that it doesn't need to go on forever. Would like to continue working on this.

DRUMMOND: Has learned a lot through this process. It has even changed his perspective 180 degrees on some things. Would stay involved even if it were just to satisfy his curiosity of how this all turns out.

HARRIS: Strikes me as odd for us to disband now without seeing the fruits.

FULENWIDER: Our meeting would be tremendously valuable for NEEA. Has already validated the goals coming out of our business plan and strengthened it. Subsequent meetings would help us fine tune our business plan as we move forward.

WELKER: Interested in seeing things move forward. The measures in the 6th Power Plan are a different type coming at a time when savings are expected from moving deeper and more dynamically than we have ever done before. Thinks we still need to confront how to do things differently. The current cost-containment paradigm is problematic. The Northwest has the advantage over California in being able to pull a table like this together. We need to realign business models to accommodate for the development of the present and future opportunities.

BERKE: As someone representing the low-income end-users, really appreciates being welcomed into the group. The low-income side is impacted most dramatically by these forces. Agrees that there are many more issues that need discussed. Looking forward to more.

WOODWORTH: There is a distinct advantage of being able to bring a brain trust like this together. This can really make a difference. Must move forward with full intent.

WRIGHT: Thinks Phil and Rogers thoughts are important. They are challenging us to approach new topics. At this point, we don't have a mechanism to deal with this reality. Would like us to follow up with this after lunch.

[Break for Lunch]

ACTION 6 – Define and segment energy efficiency jobs from other green economy jobs, establish skill standards and identify job classifications that can be used throughout the Northwest. In addition, create a regional clearinghouse for energy-efficiency job openings.

ACTION 7 – Create a strategic coordinating body to partner with energy efficiency entities to increase regional coordination on energy efficiency training, educational programs, curriculum and skill standards.

These are related, but different. Action 6 is a professional assessment that would define and segment energy efficiency job classifications—with skills identified for each. One of the real challenges—with both—is that there is no natural hosting entity in the region for this kind of work. This has been a challenge throughout.

Action 7 calls for the development of curriculum and training programs for energy efficiency. This need surfaces when talking with any utilities. It is not just utility-utility competition, but also utility-other-private-industry competition.

Tremendous amount of activity going on—almost too much. There is a chance that we could spend a lot of money on a lot of things, without really ever getting where we need to be.

Co-chairs are recommending we hire a contractor to go about defining and segmenting the job classifications and establishing a clearinghouse function to disseminate info and provide a jobs portal. This is already moving in the right direction.

SHIRLEY: Sees this as something that will become more critical. Stimulus dollars are starting to hit state offices. There is indication that different entities are looking to launch into energy efficiency stimulus projects. None of them know where they are going to get people from.

Counting up the numbers, we're looking at being about 10 million short of the needed people. There is some knowledge of the kinds of people we need in certain positions; in others, we don't know. That's the critical piece of this first phase of work.

Regarding the problem with hosting: We see the Center for Energy Workforce Development (CEWD) taking up this effort for the region. They started as a national group funded by DOE. They have indicated that they are interested in developing a Northwest function for energy efficiency. When it comes to coordinating all of the people who will be needed, I would love to say that all of the entities are coordinating. They are not. Instead, they are competing.

Barbara Hins-Turner from Center of Excellence for Energy Technology at Centralia College has stepped up to help coordinate. With respect to stimulus, the pandemonium continues. The money is going to be out there, and we will need to coordinate with the groups getting these dollars. No question.

There are also a number of studies, almost too many, to figure out what jobs will be needed (and how many). We've got a long list of the current activities. One ongoing function needing done will be to track all these ongoing assessments and then coral it together.

CANON: Calls for comments/questions.

CAVANAGH: Any sense of how many institutions are involved in this effort across the region?

HINS-TURNER: Oregon has 17 community colleges. Washington has 34 community colleges and is using the center of excellence model.

CAVANAGH: That's good news that we have all these community colleges working on this. There are some very large grants being prepared by DOE. As far as I know, we still don't have an academic center for energy efficiency in the Northwest. The stakes are high. Unfortunately, it seems that the Northwest is out of the game.

CANON: How long are stimulus dollars going to be around?

CAVANAGH: I'm not talking about stimulus. There are seismic shifts within DOE to provide long-term funding for support of energy efficiency science and technology.

SHIRLEY: One challenge is that there are different sources for money. But before going for the money, there needs to be a plan for what we are going to do with it. In the Northwest, everyone has their own way of doing things, each school operates as a closed system. We're hoping to get to a regional system, but we need it to be data driven.

ELDRIGE: Wondered if training requires a classroom. In the past, we had trade alliances and apprenticeship programs and other efforts that didn't rely on classroom study.

CANON: There is a wide array of needs. There are jobs out there now that are just not seen as energy efficiency jobs.

GAINES: We've been working on something similar in power engineering. Academic institutions are very competitive with each other. What would be helpful would be for the industry to drive this. It could be a group like this that does it. They could make some decisions about which school got the money. It's always industry driven.

EGAN: The word that strikes me here is balkanization. It's not just energy efficiency. There are so many diverse programs. What you get into in workforce development is an array of issues that need a plan to focus them. That is what we are striving to do in Work Group 5. I agree with Ralph that we should be more aggressive, but we really do need to formulate a plan.

BERKE: Part of what CAPO is doing is developing a curriculum for training folks for weatherization projects. Weatherization is a unique training position. As I get more involved, I am willing to bring this more into discussion.

GAINES: Before you leave this, I'd like to pick up on a thread. There is a free-for-all over block grants that is tremendously over-productive. As a future function for this group, we could provide some direction and structure to avoid waste.

HARRIS: There is already a lot of talent around the region. How do you take advantage of that?

HINS-TURNER: It is absolutely getting into what these programs are. What deans say and what faculty say are in their programs might not be the same. How we align and categorize them is critical. Even at the national level, energy efficiency is very mushy for them. I'm excited to work with the NEET process to work with other states.

SHIRLEY: One thing interesting about the Centralia model is that they have the only model that tries to reach out to all academic segments. We saw that and wanted to spread that system across the region. One thing we've learned about Barbara is that she's one of the few people that have connections in Idaho and Montana. We saw a system that is already working. It could be leveraged for the region's benefit. Ralph, to answer your question, if we were going to do something to capitalize, we really need a plan.

EGAN: At the front end, we tried to pull in all of the logical players. We saw people making connections for the first time in our meetings. It is going to take some diligence to make sure those connections continue. They are not going to happen on their own.

HARRIS: Is the forum envisioned to capture some of the research that is coming out of Work Group 5?

CANON: Only if it needs to be.

ACTION 8 – Review regional cost effectiveness policies and create a guide to increase understanding of how cost-effectiveness rules and regulations are currently applied.

Council provided the hosting function. This is ongoing. The guidebook for cost-effectiveness may be close.

PATTON: The tests we use for determining cost effectiveness are manifold, have lots of inputs, etc. While many utilities have the ability to provide flexibility in evaluating cost effectiveness, many don't realize it. The idea was to create a guidebook. There is one example already created by the U.S. government. That will get us down the road a bit, although we need to adapt it to be more regional. Should reduce the costs.

This also covers cost-recovery proposals. We have not yet made the progress we had hoped for. Grant Ringel really helped with the initial work on that. Must apologize to him that we have not made it very far along. That remains to be done.

GAINES: Earlier in the day, Steve Wright asked us to speak up if we have reservations. This is an area that I have reservations. Are we thinking about going down the path of masking incremental costs? We would not support that.

CANON: As I understood the idea of that document, there was a need to explain the five cost effectiveness tests used in the Northwest. It would be helpful to have an understanding of how those tests are applied.

ELDRIGE: I remember part of the original idea was to bundle cost-effective and non-cost-effective measures. Are we abandoning this?

CANON: There was some agreement on the bundling of measures at the project level, but not at the utility level.

PATTON: The idea in the guidebook regarding this was to lay out the advantages and the disadvantages of doing this to provide some description of flexibility for energy efficiency managers.

ELDRIGE: Right now there isn't sufficient transparency in the methods that lead to different conclusions. Thinks everyone would be served if it was absolutely transparent.

CANON: The guidebook can help people understand what the assumptions are and lay them out.

ACTION 9 – Increase regional collaboration on current programs addressing Smart Grid, load management, distribution efficiency and conservation voltage regulation.

Melinda Eden was the liaison. There was a lot of activity underway. Look under slide 9 and focus on BPA's proposal. BPA is looking to create a regional smart grid test bed. There is a council that is working on standards in this area. The idea is to do a series of pilot programs. There is a lot of money flowing into smart grid and it is important for BPA to work closely with utilities and have a program that is adaptable. Smart grid needs to be tested like energy efficiency to make sure it is reliable and efficient. I encourage you to interact w/BPA on this; we need to be ready to take advantage.

EDEN: Thanks BPA folks for presentations. Lumps these distribution projects all under the heading of load management. 67 percent of energy is lost between generation and end-use. If we can measure that, and it's true, than there is a lot of benefit in working on this.

ELDRIGE: Not clear to me are the obligations of anyone that partners with BPA. We're interested, but we don't understand what the implications and obligations are.

WEEDALL: We recently received 31 responses of interest in regard to our call.

ELDRIGE: We had the recommendation to not participate because there were too many strings involved.

WRIGHT: Legitimate concern. We are proceeding down this path. There are unknowns. Having said that, we have done a lot of work in this area.

SHIRLEY: Regarding the smart grid plan: What is the \$100 million referring to?

WRIGHT: That would be stimulus funding. Part of this conversation is about putting in money—and finding partners to put in money as well.

PATTON: The load management group came up with an idea of having a regional forum to share information on technology, R&D, load management and smart grid regulations, and dealing with the impact that these technologies will have on low-income households. Feels this proposal gets strongly at the testing and R&D items, but the other items also need to be addressed.

CANON: The forum that NEEA will be hosting will provide the perfect arena to talk about these issues.

Let's move onto CVR, which didn't actually come in through a work group. It was pulled in late because some of the work that Tom and Charlie were doing at the Council pointing to some significant energy savings.

BPA will be examining current experiences with CVR across the region. There is already some activity started, and it's picking up pace. Slides 10 and 11 of the CVR PowerPoint capture how BPA is looking to engage all of the utilities.

EDEN: Now concerned about the 67 percent loss number.

CAVANAGH: That's the terminal efficiency of a coal plant. Rural lines lose about 6 percent, urban about 4 percent.

WRIGHT: Personally very excited about this opportunity. The only way that we can work on this is to have partners. Other efforts are also underway. For example, is there a way we can put a program together across the region on a regional model? How can the utilities work together?

ELDRIGE: This was a surprise to me. Inductive loads are pretty high now. Too low a voltage is just as bad as too high a voltage. I was surprised at the high numbers.

CANON: Thinks we are right on the front end of this.

ELDRIGE: For example, we put regulators on some of our long lines and got calls thanking us for making their lights brighter.

EDEN: The numbers from BPA is that 90 percent of customers are getting more than they need.

SHIRLEY: It's one of those things where it just depends on where it is on your system. There are certain places where you apply it. Certain places where you don't.

ELDRIGE: There are so many different variables.

NICHOLSON: I think there will be some work done on new technologies. We have to learn more.

CANON: This will cause a lot of interesting dialogue between energy efficiency and power groups within each utility.

Ralph, do you want to talk about decoupling?

CAVANAGH:

ACTION 10 – Develop a decoupling pilot program for a public power utility.

Right now, PGE, Avista, Northwest Natural, Idaho Power, Cascade, and Northwestern are all involved. On the public power side, they can announce themselves when they are ready. The appealing thing about the approaches is how well they can be tailored to different circumstances. What I ask is that some of you join me in the public process that will be available. I will want some of you to be willing to help the soon-to-be-announced public utility volunteer through this process. One thing that helped is that decoupling is not about profits, it's about not having fixed cost recovery be adversely affected by sales. This might be a good time for some reevaluation of decoupling, especially considering the economy.

CANON: With that, perhaps we should continue the short discussion started by Steve Wright before lunch.

WRIGHT: The challenge that Phil put in front of us is how active we should be between now and the next meeting. There may be other things going on out there that we should be taking a position on. That would provide some ongoing subcommittee structure. I must admit that I hadn't thought about this. Is this the appropriate role for this group? How should we manage this?

CAVANAGH: I would hope that we could endorse NEEA's business plan. The views of this group would carry a lot of weight.

CANON: Is there another specific task besides looking at the progress on the 9 incomplete action items?

CAVANAGH: My second is to look at the RTF recommendation and come up with a recommendation. Let's take it somewhere.

CANON: There are ongoing decisions that are already on the radar for this group. There are others that are currently not envisioned.

ELDRIGE: Thinks that the future will be significantly different than the past. If we could begin envisioning some of those things, it would be helpful. Smart grid alone will be very difficult. Perhaps between meetings, we could have some work done to present the group with some ideas of what we might expect.

CANON: There are a lot of things that are going to create challenges and opportunities.

SHIRLEY: In terms of context, you were talking about things in the regional plan that we haven't seen before. In terms of all the things before us, I get a bit worried about taking in new items. Still, I think it's important that we take into considerations new paradigms and how they affect what we're shaping now.

GAINES: I think I could see some role for the group going beyond the current issues being explored. I also think we should beware of scope creep. I think this is a perfect group for energy efficiency. Not sure about smart grid.

CANON: If you assume that we are going to look at doubling energy efficiency through new approaches like behavior and going more deeply into the relationships with customers, we're probably just not structured for that. Is there something that we could do in that area that would be beneficial in the next 7 – 8 months?

KARIER: I really want to see where we are in the next 6 – 10 months. I want to know how the story ends. I think success is tied to a lot of different things. Perhaps we should think about reassessing the next steps at our next meeting.

REITEN: Agrees with Tom's remarks. Don't need another acronym organization. That said, we don't know what is coming in the future. This is a great group and we're well positioned to deal with things as they come up. We need to have a conversation with Ken about how this would look from his perspective.

CANON: My suggestion is that at this point in time, we address the topics already in front of us. This doesn't preclude other items being addressed outside of NEET.

CAVANAGH: Would like to test this assumption. Would like to float the NEEA business plan to the NEET Executive Committee and ask for a vote of support.

SHIRLEY: To support the NEEA business plan, just needs to meet with commissioners to explain the need to increase funding to support increased NEEA efforts.

GAINES: What would help me would be getting together with my co-funding counterparts in a room to look each other in the eye. Claire?

FULENWIDER: We were considering doing that after we had the letters of commitment. We could do that prior to that if there was interest.

EGAN: Thinks NEEA should do what is helpful to them. Supports Ralph's idea of sending the business plan to the NEET Executive Committee.

CANON: Proposes circulating whatever is appropriate to the NEET Executive Committee. Then will communicate.

ELDRIDGE: What I want to know is where does BPA stand on increased funding for NEEA?

WRIGHT: We go through an internal decision process on something like that and that is incomplete and nothing has reached my desk yet. Having said that, it is completely clear to me that if there wasn't a NEEA in the region, we'd be going through the process of creating one. An expansion of NEEA budget is in order, though we still have some discussions that will determine what that looks like.

CANON: We will let this process work and will check in the future.

Regarding the NEET Report:

[Highlights modifications to NEET Report, most significant from page 20 to end.]

WOODWORTH: In the section that starts on page 20. It is characterized as a thought piece. Are they all thought pieces?

CANON: Basically, yes. I don't think we should be bringing up new issues. When we get back together, let's evaluate the progress on the action items.

EDEN: Appreciates the digesting of large binder to smaller report. Also wants to make sure people understand that the charts are a draft drawn from ongoing work at the Council.

CANON: That gets to the question of whether we should be waiting to release the final report until after the Council's work has been complete.

WRIGHT: Believes it is good to have points of demarcation. This is the set of conclusions that we are moving forward on. We should complete the report.

CANON: Does anyone feel a need for a comment period on this? If it's needed, we can have one? [No response around room.] Then we'll just move on.

We've made great progress. Has enjoyed working with everyone. There's always more that needs to be done. We still have a lot of learning to do in regard to collaboration. Asks all to really think about this. Thanks Darby. Thanks Joshua.

REITEN: Thinking that things have changed so much over the course of the NEET process in some regards. Still, many things have remained constant. This process is very much about people.

KARIER: Expresses appreciation for everyone's involvement. Had no idea how this effort was going to play out. The work groups came up with a lot of valuable information. That we were able to winnow all of that down to ten very doable action items is great. Thinks this has been an invaluable experience.

WRIGHT: Thanks co-chairs and other Executive Committee members for help. Everyone at the table was chosen because they have a leadership role. Over the next 6 – 10 months, the folks at this table will provide important leadership to the region on the issues we've explored. Really has appreciated the discussions today. Has brightened his day.