



## Regional Technical Forum

### RTF PAC Q4 Meeting Minutes

December 4, 2024

1:00pm – 4:00pm

#### Meeting Participants in person and via Zoom Webinar

Ginny Burdick, Oregon Council (Co-Chair)	Jennifer Langdon, Cowlitz PUD
Debbie DePetrus, Clark PUD (Co-Chair)	Quentin Nesbitt, Idaho Power
Mark Jerome, RTF Co-Chair	Clay Monroe, PacifiCorp
Suzanne Frew, Snohomish PUD	Jim White, Chelan PUD
Jennifer Light, RTF Chair	Jennifer Finnigan, Seattle City Light
Laura Thomas, RTF Manager	Kevin Smit, NWPCC
Wesley Franks, WA UTC	Dan Adams, Avista Corp
Juan Serpa Munoz, EWEB	Rachel Clark, Tacoma Power
Spencer Moersfelder, Energy Trust of Oregon	David Moody, BPA
Craig Patterson, independent	Jeff Harris, NEEA
Alan Zelenka, ODOE	Alexa Bouvier, Idaho OER
Josh Rushton, RTF Contract Analyst	Jamae Hilliard Creecy, BPA

#### Key Outcomes:

At the Q4 RTF Policy Advisory Committee meeting, members discussed the following:

#### Discussion:

RTF PAC Co-Chair Ginny Burdick welcomed attendees in the room and on the webinar before asking Laura Thomas, RTF Manager, to call for attendance.

#### RTF Policy Advisory Committee Meeting: Management Update

Laura Thomas, RTF Manager

Slide 7

Jennifer Finnigan, Seattle City Light, noted Thomas said that there have been fewer subcommittee attendees this year than in past with only three to four utilities participating. She asked if that means that subcommittees only had three or four attendees. Thomas said that this only applies to the Small/Rural subcommittee while others have had between 10-30 attendees from multiple utilities and other organizations.

Slide 11

Alan Zelenka, ODOE, asked what “increase the home or building’s resistance during a long-duration power outage” means, wondering if it refers to more insulation or better windows. Thomas answered yes, the project is about increasing insulation to allow a home to stay above freezing temperatures for a longer period of time. She offered to send the original report around and will alert the PAC to future presentations.

## **Planning Measure Research Work for 2025 Discussion**

### **Laura Thomas, RTF manager**

Slide 9

Jennifer Light, RTF Chair, touched on the differences between Proven and Planning, stressing that achieving the gold standard of Proven is the whole point of RTF work. She appreciated the PACs willingness to spend budget on moving measures to Proven and close the reliability gap for the region.

Slide 20

Mark Jerome, RTF Co-Chair, noted that two-years ago he spoke to Thomas about this important issue and voiced satisfaction with these steps forward. Thomas thanked him, reporting that the RTF is also pleased and excited about this.

Zelenka asked for the slides to be posted. Staff answered that they will be posted shortly.

Jeff Harris, NEEA, was also excited but stated that not all measures on [Slide 10] are created equally, and a small handful add up to a lot of savings potential. He asked if this work will be triaged to focus on the biggest measures. Thomas said this will be discussed later in the meeting but previewed with “no.” She explained that the measures on the right side of the graph are big projects and are already receiving a lot of attention from the region. Thomas noted that the PAC did not want to pile onto active research projects and stay within the agreed upon small budget.

Harris agreed that the PAC directed the RTF to stay away from active research projects but wondered if there is an engagement or coordination role for the RTF play. Thomas said she has heard feedback about the RTF playing a convener role around certain topics and will talk about specifics later in the presentation.

Slide 24

Debbie DePetrus, Clark PUD & Co-Chair, observed that the uncertainty around connected commercial thermostats is large, calling it a lot of opportunity. Thomas agreed, saying it’s 70% uncertainty. DePetrus asked why that is. Thomas said she is about to discuss this.

Light clarified that the large uncertainty is around residential connected thermostats. She said uncertainty around commercial is not as big but is still present [Slide 10].

Slide 28

Jamae Hilliard Creecy, BPA, supported the outlined Commercial Connected Thermostats research project, asking if it would take five years to complete. Thomas said no. Hilliard Creecy asked to coordinate ahead of requesting customer information to avoid overloading the BPA workflow. Thomas said March would be the earliest this would be up and running but promised to coordinate with BPA.

Slide 29

Rachel Clark, Tacoma Power, generally supported this effort, calling the research scope reasonable. She cautioned, however, that staffing the program to collect the data might be harder than imagined. Clark thought the survey component might be easier, and agreed it was worth trying, but voiced skepticism around data collection. Thomas admitted her misgivings as well but said this is an effort to learn what is feasible. Clark again voiced her support for the effort.

Zelenka voiced his support in the question pane.

Harris voiced support of the research plan in general. He also thought Commercial Connected Thermostats offered a great, small-scale opportunity as long as the data already exists, and people were willing to provide it. Harris then asked if there was any thought given to simultaneously exploring if that data could support demand response value. Thomas said that is not on her radar, but thought the effort could reveal lessons and applications for DR. She stressed that she must keep energy efficiency and demand response budgets separate, which complicates matters.

Harris thought it would provide great value to do both and worth the extra thought. He suspected there would be more upcoming measures with that same opportunities. Thomas agreed that this is a good to flag.

Jerome said CLEAResult is working with PGE on a DR program where they are installing Commercial Connected Thermostats and not looking at the energy efficiency side. He thought connecting with PGE would present a great opportunity as there are more than 1000 thermostats already out in the marketplace.

Finnigan applauded Harris's suggestion about including DR research and hoped that any planned research would ask smart questions about the topic. Thomas offered to look into what she could allocate for that combined effort.

Jim White, Chelan PUD, also agreed, saying it would actually be hard to split the efficiency and DR effects.

DePetrìs asked if Commercial Connected Thermostats are on the radar for the end-use load flex program. Harris said NEEA is about to dig into what a portfolio project could look like, and this is on his list of things to think about.

DePetrìs then said that Clark PUD doesn't have a research department but offered to pull data and participate. She said the value of that depends on how many projects are in their service area but stressed that they want to be helpful.

Thomas reiterated that she is hearing general support and will keep the PAC informed of next steps.

Quentin Nesbitt, Idaho Power, voiced support from the proposed planning measure scope, saying that Idaho Power gets the most value out of the RTF focusing on small residential measures. He also voiced support for working on Commercial Connected Thermostats but wasn't seeing the value in exploring DR and offered to talk about it more offline.

Thomas addressed Nesbitt's comment about residential work, saying the RTF will explore new measures in December and she instructed the CAT to start with small, residential ones.

Slide 36

Harris thought the Convener Role could facilitate a broader discussion about heat pump UES with regional participants, saying NEEA is committed to this idea.

Spencer Moersfelder, Energy Trust of Oregon, called heat pump research important as the equipment is not yet yielding as much savings as expected. He wondered about the risk of vetting a new RTF process with something as crucial to the region as heat pumps. Moersfelder asked if there is a contingency plan if this idea doesn't succeed. Thomas understood the importance of this technology and said work will be ongoing. She thought if entities were willing to thoughtfully collect the data, the Convener Role could help move this forward. If not, Thomas said this effort would not change other efforts around the research that is already being done.

Light added that this is so big and important that it makes sense for the RTF to play a Convener Role. She said there are enough groups talking about research now, but this offers a different way to get traction that a lower stakes measure would not.

Nesbitt said Idaho Power has no plans to conduct heat pump research and looks to the RTF for savings.

David Moody, BPA, said Bonneville was supportive, calling it a good role for the RTF. He thought the commitment to increasing or changing scope would be contingent on practicality and existing research.

Light assured Moody that the RTF would not be just another convener but would be open to everything he mentioned.

**BREAK**

## **Quantifiable Resource Cost Framework and Non-Energy Impacts**

**Annika Roberts, NWPCC**

**Laura Thomas, RTF Manager**

Slide 5

Zelenka wrote the following in the question pane: At ODOE we refer to this (the benefits not included in traditional cost-effective calculation) by the acronym JEDDI CREBBER, including:

Jobs

Enhancing DERs

Decarbonization

Invisible (environmental benefits)

Capacity

Resilience

Energy Burden

Beneficial Electrification

Reliability

Slide 9

Light stressed that the Council and RTF are limited to language in the Power Act when exploring costs and benefits of non-energy impacts.

Harris insisted that the RTF is missing the benefits and costs around improved outdoor air quality impacts from woodsmoke displacement through electrification measures. He thought eliminating the particulates from residential woodstoves could be considered a quantifiable environmental cost/benefit. Harris pointed to existing frameworks from the EPA and air quality management districts that can be used to calculate the value of reducing woodsmoke particulate. He called this significant because it would make the installation of some heat pumps cost effective from a societal perspective. Harris added that, because it is quantifiable, this technology would also be cost effective from the Act's perspective.

Harris continued, saying this thinking extends past woodsmoke. He explained there could potentially be similar issues around partial electrification of the gas heating load that may reduce CO<sub>2</sub> or methane emissions. Harris stressed that he thinks the RTF PAC is missing something that the Power Act would actually allow.

Light explained that both the 7<sup>th</sup> Plan and the 2021 Plan dealt with woodsmoke and residual emissions. She said both Plans agreed that these particulates exist under the framework of the Power Act, but staff could not systematically and symmetrically quantify them. Light said this means the Council would be "putting a thumb on the scale" for one specific resource, in this case DHPs.

Zelenka asked Harris if most of his concerns were in fact covered in the particulate square on the Slide. Light agreed that this is, in fact, in but staff have not found a way to symmetrically quantify damages and impacts. Zelenka confirmed that symmetrical means quantifying effects for each and every resource type. Light answered yes, stressing that this is to avoid putting “thumb on the scale” for one specific resource. She said environmental impacts are considered as Council members put forward recommendations.

Slide 12

Harris wrote, For the record, I believe there is a uniform value to particulate emissions applicable for both generating and demand side resources and I believe that the reduction in particulate emissions for heat pumps displacing wood heat are quantifiable as evidenced by the RTF's current reduction in energy savings due to displacement of heating load previously served by a wood stove. I would like to discuss this further, just not today, in the question pane.

Zelenka moved back to [Slide 11] pointing to items below the orange line that are tough to shoehorn into the Power Act's definition of system cost. He asked what it would take to change that statute. Light answered that it requires Congressional action. Zelenka asked if this has been done before. Light did not think this was the correct forum for the discussion but recalled a past amendment to the Act on the Fish and Wildlife side.

Zelenka said that many items are in fact quantifiable pointing to analysis in CA that takes things like equity out of the calculation.

Light thought that this particular meeting of the RTF PAC was not the place for this discussion. She recognizes that other jurisdictions might want to value these things, and the RTF is funded by this body. She said if funders want the RTF to spend time on this it could happen, but it doesn't mean that results would automatically make it into quantifiable power planning, but it could still be useful information.

Hilliard Creecy called the matrix helpful and asked what the Council Plan would be if all the “nos” could be quantified and turned to “yeses.” Light said based on previous Plans and the proposed approach for the 9<sup>th</sup> Plan, these potential cost considerations would not be factored in.

Hilliard Creecy asked if the answer would still be “no” even if these were quantifiable. Light answered yes, explaining that the goal is understanding what the Power system should be paying for cost effective resources. Light agreed that staff get very focused on what can be done in the model but pointed to an ability to do side analysis that informs recommendations and a final strategy.

Clark agreed with the Council's delineation about what is appropriate to pay for but pointed to Washington State's broader cost benefit analysis definitions. She asked where the line is if some funders need that information from the RTF.

Finnigan expressed gratitude for the opportunity to discuss this. She said the RTF is the region's place for information on measures, savings, and what works for the northwest. Finnigan understood that the Power Act limits non-energy impacts that can be quantified but lamented that the region is missing a centralized library of quantified non-energy impacts. She wondered if the RTF could become that library of NEIs, with a delineation between what could and could not be included by the Power Act. Finnigan noted that her utility as well as some IOUs have commissioned NEI research, and this library would prevent duplication while allowing others to leverage this work.

Harris wrote, Just want to note that Avista has funded non-energy impact quantification and has produced several reports that could be captured and included in a database for use by others, in the question pane.

Slide 17

Nesbitt said his utility does not consider any of the boxed items on the slide as Idaho Power uses a total utility cost test versus a total resource cost test. He also did not support the RTF spending resource on quantifying things the Council does not consider for use by the utilities.

Zelenka didn't think the RTF PAC needed to be confined by what the RTF already does but instead said the purpose of the PAC is to explore emerging topics. He said the non-energy benefits of energy efficiency has been emerging for a long time. Zelenka thought that by ignoring these benefits the region has put their value at zero even though their value is not zero, pointing to the energy efficiency adder as proof.

Zelenka moved on to the slide, saying he would proceed by starting with the NEIs that were quantifiable (Economic Development and Public Health) and growing from there.

Clark said she felt more comfortable having a central place where people could look at the numbers and be reasonable about how things are estimated. She said she preferred that to different one-off studies.

Clark then said her first priority is looking at things most directly impacted by energy efficiency measures and was concerned about trying to quantify public health. She recalled issues with trying to quantify woodsmoke, saying the numbers quickly grew really big and fuzzy.

Clark continued saying trying to quantify comfort would be much more direct as there is already some work behind it and is a driver of why some people do efficiency measures anyway.

Josh Rushton, RTF Contract Analyst, wrote, I'm a little confused by the Act language quoted on Slide 8. It says "...all direct costs...including...". It seems like this discussion assumes

that only those items specifically listed after "including" can be considered. That seems like it conflicts with the word "all" in that passage. I'm not sure if that's actually the intent though (is that how the Council reads that passage or am I misunderstanding?). I do understand that some of these other considerations would fail quantifiability, directness, or symmetry tests, but those tests are downstream of getting considered at all.

Harris liked the idea of the serving as a clearinghouse or data base for Non-Energy Impact work. He noted that the Washington State IOUs have some requirements under CETA to quantify things but was not aware of any sharing of reports. He pointed to Avista's work, calling the reports worthwhile to aggregate for all see. Harris thought the RTF could do that, adding that it wouldn't be a big expense.

Hilliard Creecy was on the fence but thought the RTF should start small, perhaps with Economic Development, if the PAC decided to move forward. She agreed there would be value to the RTF serving as a central repository of information but stressed that they should start small to assess value and benefits.

Thomas said she has heard general support for the RTF acting as a repository. She suggested starting with compiling past research for the RTF PAC to discuss at a future meeting and going from there.

DePetrus voiced full supported that approach. Light called this approach smart as different jurisdictions have different needs.

Clark wrote, Starting with existing research sounds like a good starting place. in the question pane.

Zelenka agreed that this was a good first start, although not far enough. He argued that public health benefits have been quantified by the EPA COBRA modeling which has been fairly well-vetted and accepted.

Zelenka then said the equity aspects of energy efficiency that relate to energy burden and access is missing from the discussion. He urged staff to add that in but not as quantifiable. Thomas wondered if that would be a separate conversation as it looks at different things through a different lens. She said the PAC can include equity if wanted but it would be something separate.

Light said baselines posed a hurdle when this came up in the past conversations. She then moved to public health, saying when she used the EPA's COBRA model for woodsmoke she learned that it was not simple.

Zelenka agreed that equity was too broad a topic for this forum but thought that exploring energy burden would fit well, adding that it's something regulators, utilities, legislators and more care about reducing.



White noted that his utility offers windows even though they are not cost effective but people like them for comfort and added property value. He said he can't provide funding for that because it would be considered gifting of public funds and is therefore limited to things that benefit the utility like distribution savings, capacity, or resource adequacy. Because of this he aligned more with Nesbitt's line of thinking of not going down this path.

Finnigan asked where the categories came from. Light answered that in a past meeting at the WA UTC, Washington State was thinking about what was covered in their jurisdiction and put a spreadsheet together. Light said staff leveraged that work here. Finnigan said she found other studies with different, broader categories and wondered if they might be a better fit for the future.

Thomas said if the RTF does become a repository it would provide an opportunity to explore that other work.

Jerome said Non-Energy Impact discussions bring our minds to the benefits side and not the costs side even though they have to be treated equally. He talked about the impacts of switching over to low GWP refrigerants and how electrification adds a lot of refrigerant where there wasn't any before.

Harris dropped the following link [file:///Users/amym/Downloads/Appendix%20D%20Non-Energy%20Impact%20Studies%20\(1\).pdf](file:///Users/amym/Downloads/Appendix%20D%20Non-Energy%20Impact%20Studies%20(1).pdf) into the question pane. He then said that public health is controversial and hard to quantify but pointed to preexisting work that looked at the problems and the upside of improving indoor air quality. Because of this he thought it would be good to start with public health.

Harris then addressed the symmetrical treatment of the impacts of wood use. He theorized that if they cannot quantify the benefits of improved outdoor air quality due to the reduction of woodsmoke by adding heat pumps he wondered if it was symmetrical to deduct energy savings from a DHP because it's taking wood heat load and converting it to electric load.

Light suggested taking this conversation offline.

Finnigan dropped the following link <https://emp.lbl.gov/publications/applying-non-energy-impacts-other> in the question pane.

Slide 13

Harris thought the cost structure should be transparent with data collections to keep good track of these things as they are changing all the time. He asked how these are not all considered transfer payments as federal taxpayers are very closely aligned with rate payers.

Light explained that this is how the Power Plan proposes to treat all new resources and suggested interested parties send comments to the Conservation Resources Advisory Committee soon.

Thomas explained how the RTF currently accounts for federal tax credits, calling it pretty transparent. She said there is no reason not to continue that.

Zelenka wrote, I have a library of this type of studies I could share, in the question pane.

Burdick said there were no closing comments, bid the RTF PAC goodbye, and ended the meeting at 4:00.