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December 5, 2017

MEMORANDUM

TO: Council Members

FROM: Charlie Grist

SUBJECT: Briefing on vision and priorities for Bonneville energy efficiency program

BACKGROUND:

Presenter: Kim Thompson, Vice President of Energy Efficiency, Bonneville Power Administration

Summary: Kim Thompson has been permanently selected as the vice president of energy efficiency at the Bonneville Power Administration. In her first presentation to the Council since being selected, Ms. Thompson will share her vision for energy efficiency at Bonneville and discuss her immediate priorities. She also expects to provide an update to the Council on progress to date in some programmatic areas.

Relevance: As the leader of Bonneville's energy efficiency teams, Ms. Thompson is responsible for achieving agency efficiency conservation goals and managing a diverse set of programs, activities and relationships. This includes the relationship with the Council and implementation of Bonneville-specific action items in the Seventh Power Plan.

Workplan: A.1. Conservation

More Info: <https://www.bpa.gov/news/newsroom/releases/Documents/20171109-PR-15-17-Kim-Thompson-named-vice-president-of-BPAs-Energy-Efficiency-program.pdf>

BPA Energy Efficiency

Perspectives From a New VP

Kim Thompson

December, 2017





Getting Acquainted

Who I Am and What I Bring

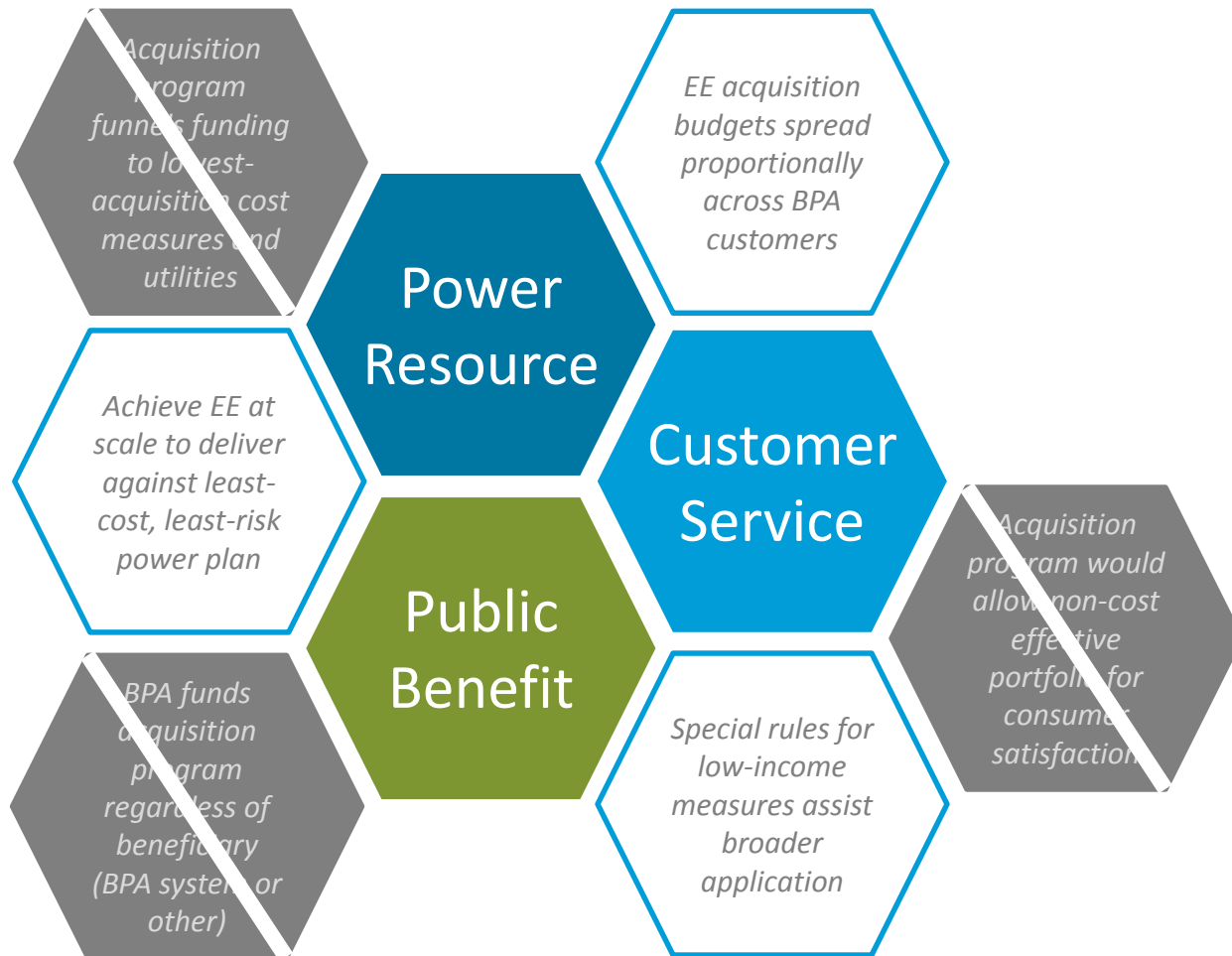


What We Planned and How We Are Doing

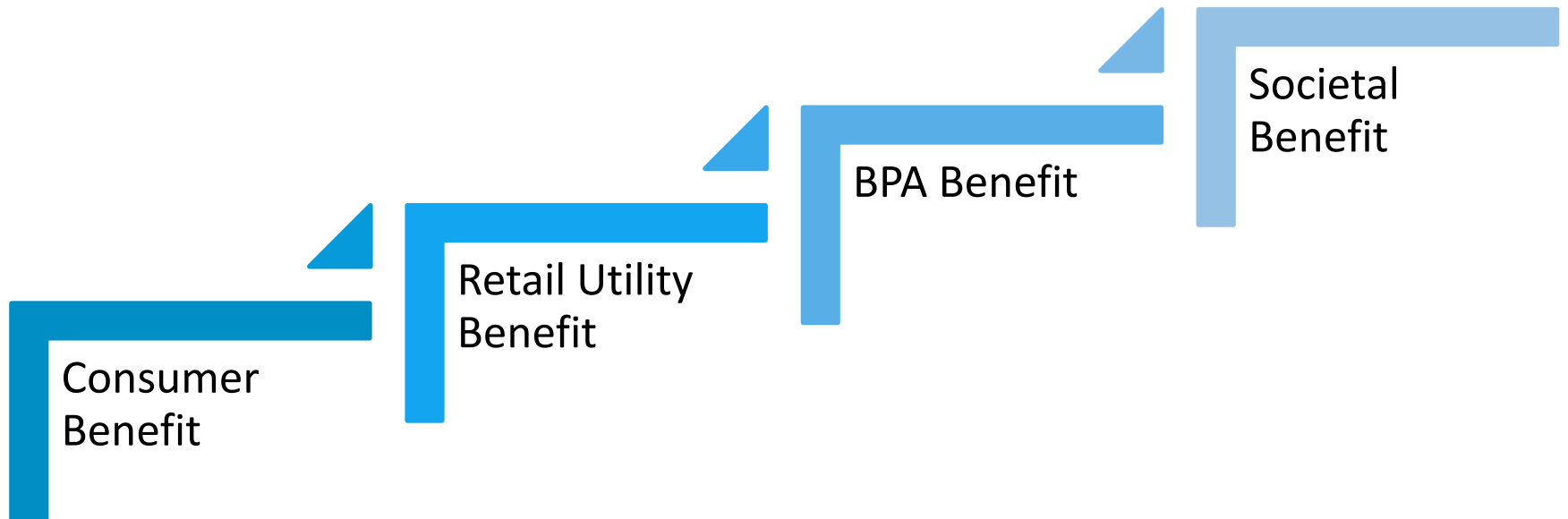
BPA's EE Action Plan and Preliminary FY16 and FY17 Achievements



Balancing Objectives for Energy Efficiency

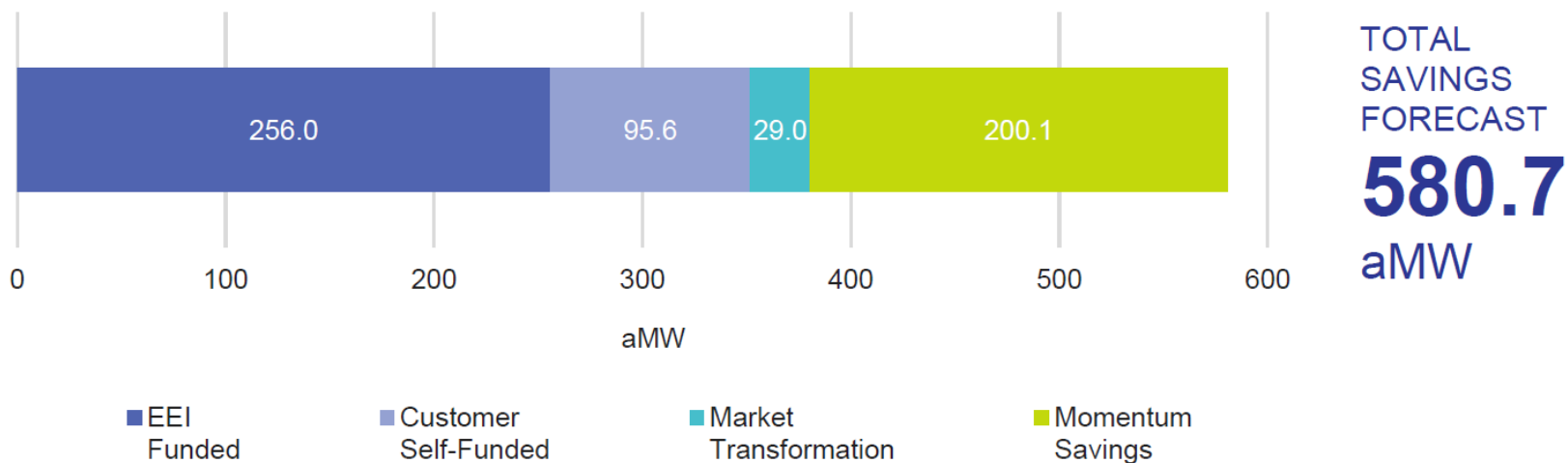


Balancing Objectives for Energy Efficiency



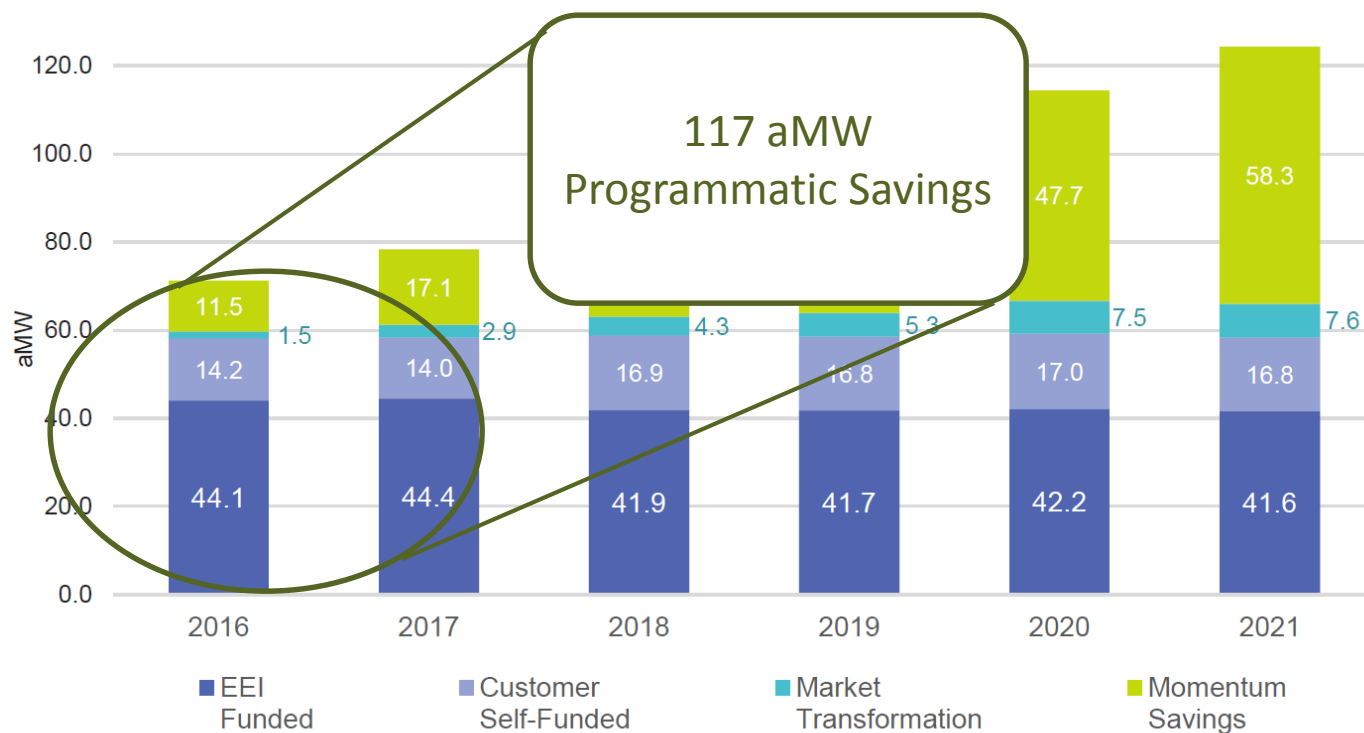
BPA Savings Forecast: 2016-2021

Figure 3: BPA Savings Forecast by Source, Combined (aMW): 2016-2021^{20 21}



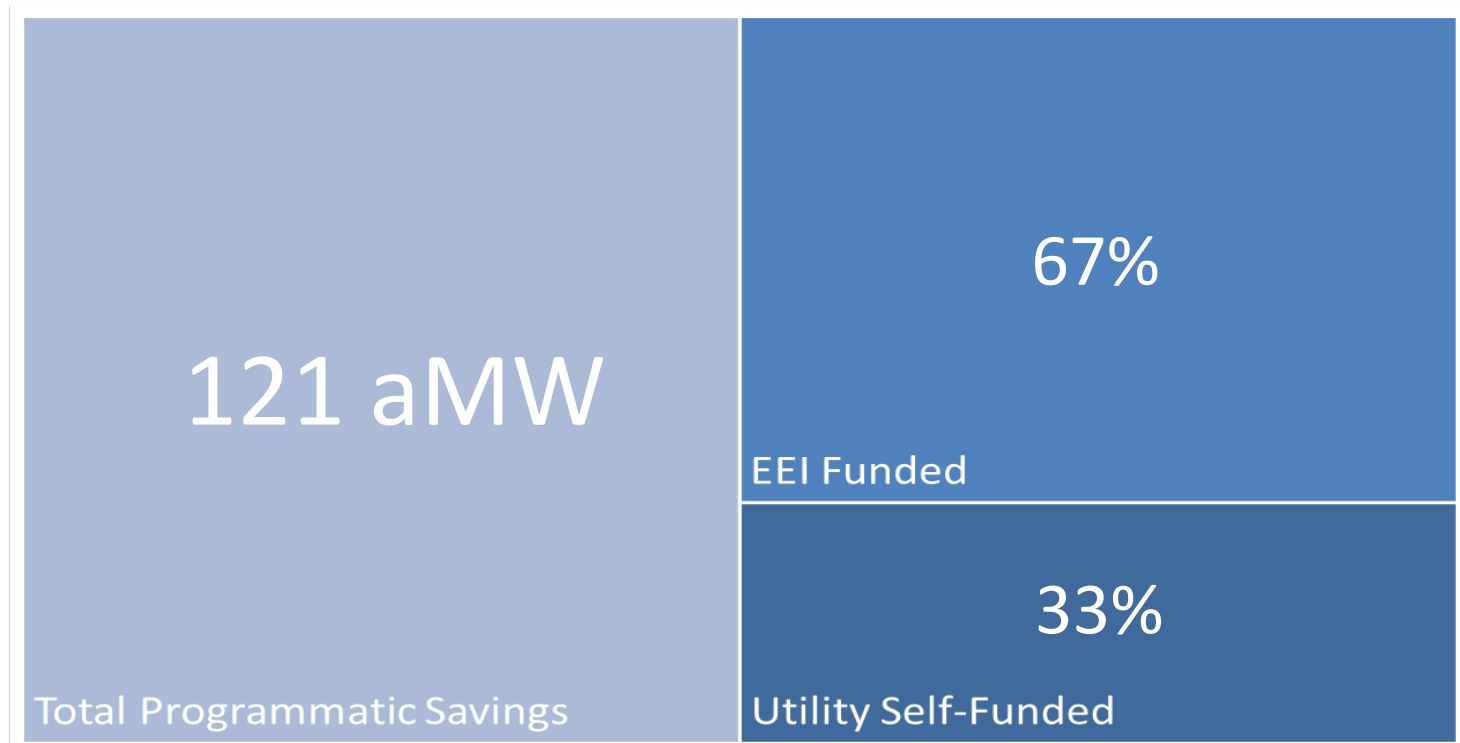
BPA Savings Forecast 2016-2021

Figure 4: BPA Savings Forecast by Source and Year (aMW): 2016-2021



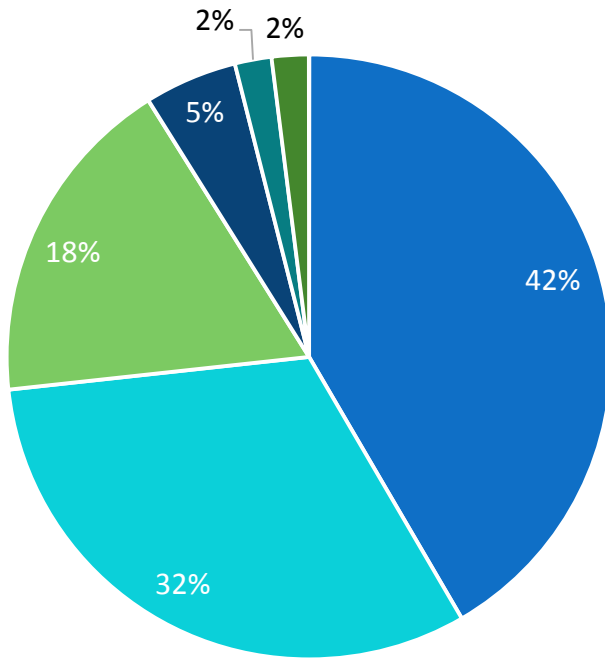
Preliminary Rate Period Results

FY2016 and FY2017

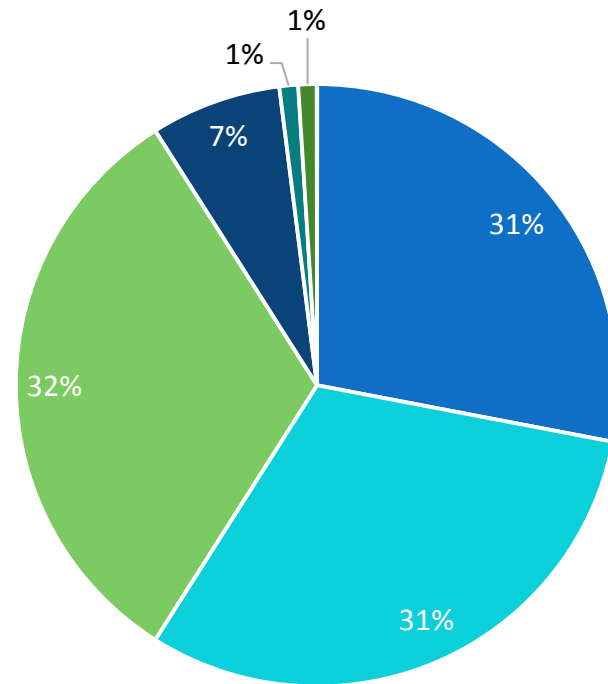


Savings Composition Comparison

EE Action Plan



FY2016 – FY2017



■ Commercial ■ Residential ■ Industrial ■ Agricultural ■ Distribution Efficiency ■ Federal

Rate Period Activities

- Processed over 2,500 invoices.
- Expended ~98% of energy efficiency incentives (EEI), rolling remainder into new rate period.
- Administered 84 bilateral transfers, moving almost \$9M of EEI budget.

- Rolled out real-time oversight.
- Rolled out rate-period Implementation Manual.
- Implemented new Energy Conservation Agreements.
- Increased self-funding reliance by 5%, starting in FY2018.
- Increased EEI roll-over, helping utilities navigate uneven timing or scale of EE opportunities.

Energy Efficiency at BPA

How it fits, today and in the future



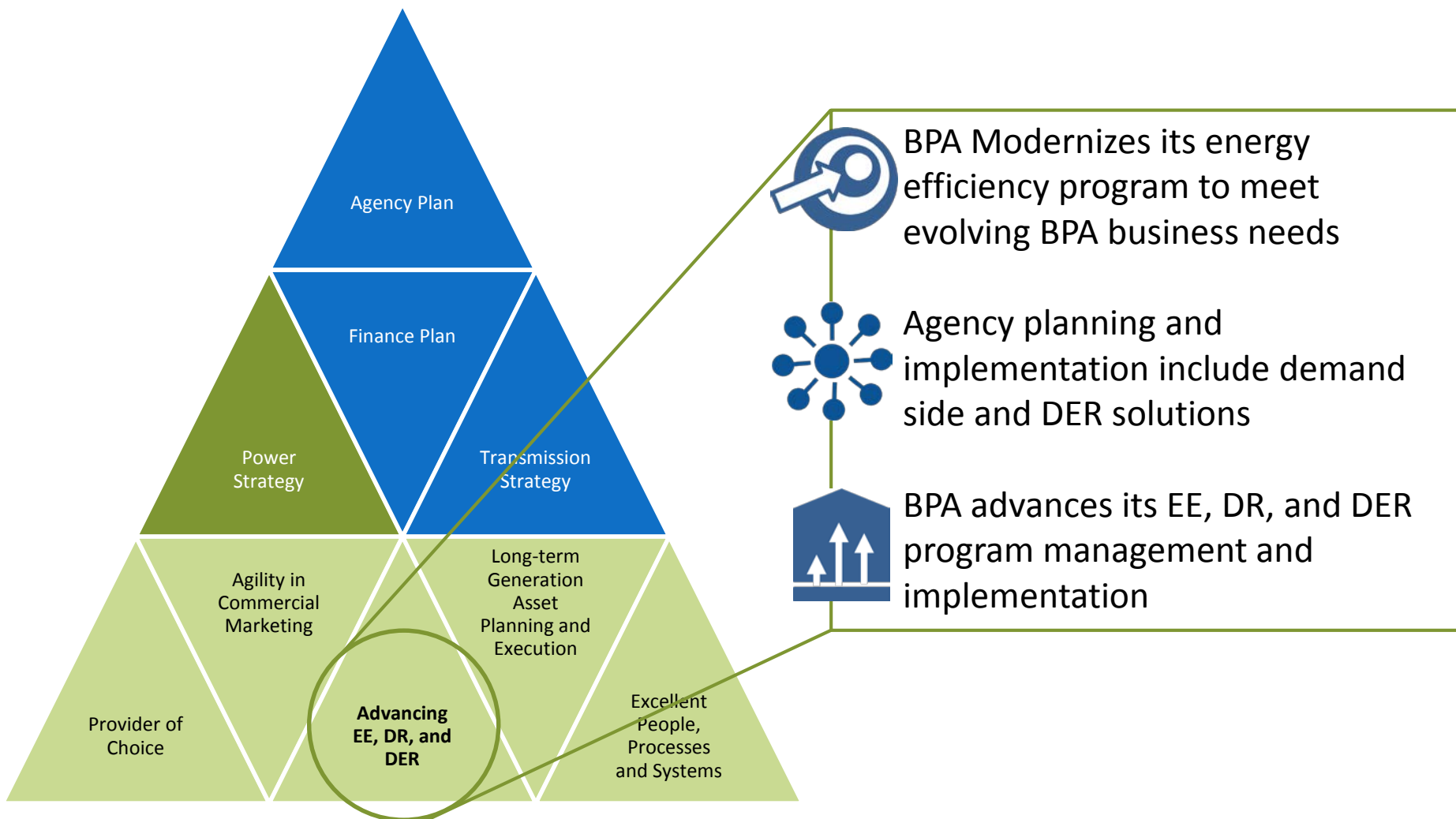
Strategic Alignment*



Power Services Focus: Provide Competitive Products and Services

- Manage Total IPR costs at no more than inflation per year
- Modernize operations to extract greater value from FCRPS
- Increase value of clean hydro in new markets
- **Assure that energy efficiency and demand response investments are aligned with the needs of the FCRPS and BPA customers**

Strategic Alignment*



Modernize EE Program to Meet Evolving Business Needs



- Maintain our important regional partnership with the NW Power and Planning Council, optimizing EE for BPA's needs and the administrator's forecast obligations.
- Adaptively ensure the EE program delivers least-cost, risk-managed EE with characteristics tuned to address BPA's identified needs.

Agency Planning and Implementation to Include Demand Side and DER Solutions



- Fully evaluate EE, DR, and DER solutions alongside traditional supply-side solutions for power and transmission.
- Select appropriate solutions for implementation, including EE and other DSM and DER solutions, based on standardized valuation and commercialization tools.

BPA Advances its EE, DR, and DER Program Management and Implementation



- A 'One BPA' demeanor drives DSM and DER solution definition, delivery and associated organizational support.
- Formalize roles, processes and capabilities to develop demand side and DER products and services, carefully managing relationship, accountability, and process seams.
- Establish mechanisms to connect program costs to benefitting business line.
- Drive cost effective and priority-aligned DSM research to create an adaptive and evolving suite of solutions.

Things I Am Looking Forward To

Upcoming engagements and collaboration with the Council



Upcoming Council Collaboration

- **Mid-Term Assessment**
 - Including check-in on regional progress on the 7th Plan Action Items.
 - Changes to the landscape since the 7th plan was passed.
 - Working with staff to provide data and reporting on achievements.
- **Conservation Potential Assessment**
 - Continued coordination with staff on the Conservation Potential Assessment.
 - Council staff have been essential partners in the development of the BPA CPA.
- **Resource Program**
 - Working closely with Council staff to review inputs, assumptions and draft results.
- **Hard-to-Reach market research**
 - Continued engagement in Hard to Reach markets research.
- **End Use Load Shape Research**
 - Regional partnership in NEEA-conducted end-use load shape research.