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Washington

Chuck Sams
Oregon

Ginny Burdick
Oregon



Northwest **Power** and **Conservation** Council

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Montana

Mike Milburn
Montana

November 9, 2021

MEMORANDUM

TO: Council Members

FROM: Tina Jayaweera

SUBJECT: Update on NEEA Accomplishments and Plans

BACKGROUND:

Presenter: Susan Stratton, Executive Director; Jeff Harris, Chief Transformation Officer

Summary: The Northwest Energy Efficiency Alliance (NEEA) was created in 1996 to drive market adoption of energy-efficiency products, services, and practices for the benefit of utilities and consumers and the region. This year celebrates 25 years of market transformation. NEEA is a vehicle for Bonneville and regional electric and natural gas utilities to band together to produce results that would be difficult to accomplish without the collective voice of 140 utilities and 13 million customers. The scope of NEEA's work includes scanning for emerging technologies, assessing opportunities for market leverage, conducting research and product testing, providing data and analysis for regional and national code and standards organizations, and managing a portfolio of market transformation initiatives for both electric and natural gas energy efficiency.

Susan Stratton and Jeff Harris will summarize NEEA's accomplishments, both in the past year as well as over its 25-year history, brief the Council on NEEA's 2022 operations plan, and discuss strategic and business planning needed for the 2025-2029 business cycle.

Relevance: Since its creation in 1996, NEEA has delivered over 1,400 aMW of cost-effective energy efficiency through market transformation and the cost of savings from NEEA programs has been very low – about 2.7 cents per kWh. In addition, NEEA’s work in emerging technologies has been instrumental in providing data for many of the conservation measures new to the 2021 Power Plan.

Background: The creation of the Northwest Energy Efficiency Alliance (NEEA) was the outcome of the 1996 Comprehensive Review of the Power system facilitated by the Council. The region’s utilities, Bonneville and stakeholders decided to band together collectively to drive market adoption of energy efficiency products, services and practices for the benefit of utilities and consumers and the region.

More Info: <https://neea.org/about-neea>

25 Years of Market Transformation in the Northwest

Susan Stratton, Executive Director
Jeff Harris, Chief Transformation Officer

November 17, 2021





Today's Agenda

- Alliance's 25th Anniversary
- Current 2020 - 2024 Business Plan Progress
- 2022 Operations Plan Summary
- 2025 - 2029 Strategic and Business Planning Approach



Alliance turns 25

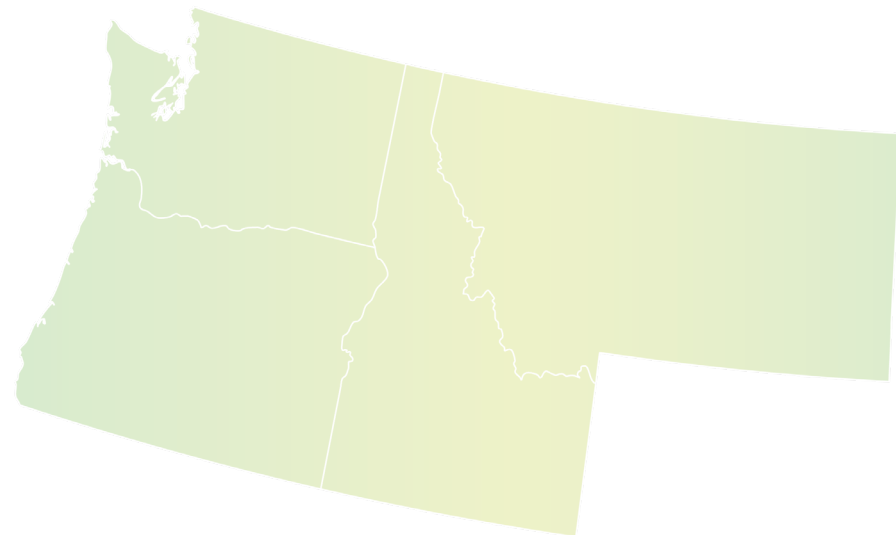
Twenty-five years ago, the energy efficiency community in Idaho, Montana, Washington and Oregon created the Northwest Energy Efficiency Alliance (NEEA) based on a shared belief that together, the region can accomplish far more than any one organization can alone.

View the full timeline at neea.org/25years





The Alliance





Purpose of the Alliance

- NEEA is an alliance of utilities that **pools resources** and **shares risks** to **transform the market for energy efficiency** to the benefit of consumers in the Northwest.



Why an alliance?





Big Picture

- Mid-point of the 2020-2024 cycle
- Focusing on program advancement and identifying trade-offs
- Managing opportunities within context of five-year plan
- Leveraging opportunities from outside the region



Opportunities + Risks

- Growing national attention for Market Transformation in energy efficiency
- Pace of DOE notices and rulemakings
- Shifts in regional energy policy
- On-going pandemic disruptions to supply chain, workforce availability

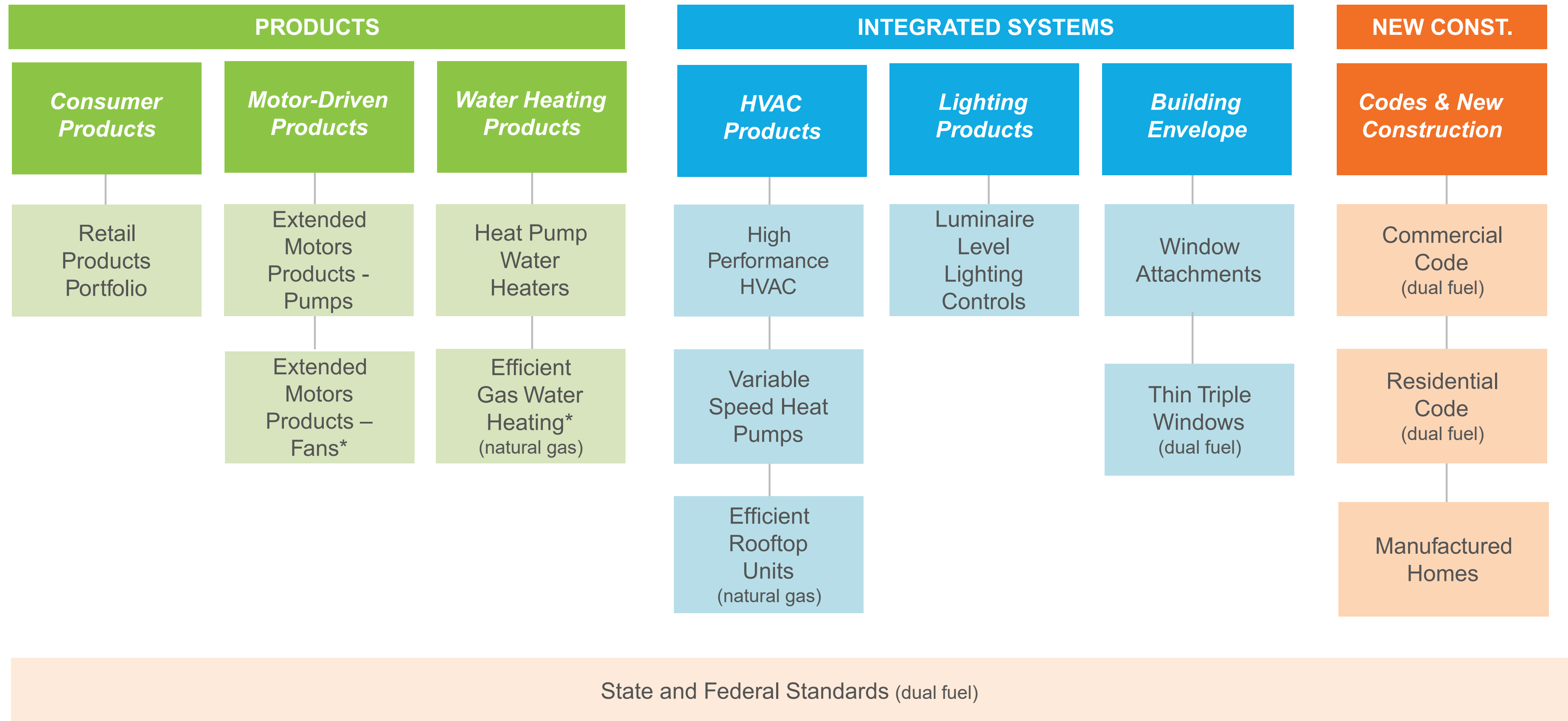


*Alliance Operations
+ Portfolio
Overview*





Market Transformation Portfolio, 2022





Portfolio Health & Long-Term View

2022 Portfolio Management Goals:

1. Ensure success of key programs
2. Build a more diverse portfolio
3. Explore dual-fuel opportunities





Portfolio Metrics

Criteria used to balance the alliance portfolio:

1. Short- and long-term savings
2. Regional equity
3. Risk factors: market, technology, late life savings, measurability, and cost-effectiveness





Emerging Technology



Scanning activities for over 40 products

- High-efficiency televisions
- Heat pump commissioning/diagnostics
- Induction cooktops
- Hybrid (dual-fuel) heating systems
- Fans





Electric Portfolio: Products



Highlights

- Voluntary and Federal standards opportunities accelerating
- Heat Pump Water Heaters: preparing for a potential Federal standard while continuing to drive demand and address installation gaps in the region
- Closely monitoring impacts of supply chain disruption





Electric Portfolio: Integrated Systems



Highlights

- Leveraging national momentum for Thin Triple Windows
- Advancing HVAC and cold-climate technologies
- Expanding data access to inform strategy
- Leveraging city and state level policies that are driving whole building retrofits across the region





Natural Gas Portfolio



Highlights

- Preparing the market for commercialized gas heat pumps
- Advancing two programs to Market Development (Efficient RTUs and Thin Triple Windows)
- Developing emerging technology opportunities
- Leveraging strategic partnerships and co-funding





Codes, Standards and New Construction



Highlights

- Participating in active code processes (national, Oregon, Washington, Montana)
- High pace of standards and test procedures continuing through 2022 - 2024





Residential Building Stock Assessment *(includes specially funded Multi-family Stock Assessment)*

2020

- Planning
- RFP Release

Late 2021


- Site visits start

2022

- Site visits
- Finalize MFSA dataset

2023

- Finalize data sets & reports
- Finalize documentation



Commercial Building Stock Assessment

Begin Planning in 2022

- Conducted every 5 years
- Draft RFP for release in 2023
- Final data/report in 2025/2026



Northwest End Use Load Research (EULR)



Residential & commercial
buildings across
the 4-state Northwest



**Billions of data points
in 1-minute* interval**
to inform decision-
& policy-making



**One-of-a-Kind
Study**
including pre-, during,
& post-pandemic period for
residential study

*Note: 1-minute data is only available to project sponsors



Planning for Cycle 7 (2025-2029)

**Kick-off at
Q3 Board Meeting
(9/21)**



Strategic Planning (Sept. '21 – Dec. '22)

**Final Draft
Strategic
Plan (12/22)**



Business Planning (Jan.– Dec. '23)

**Final Approval of
Strategic + Business
Plans (12/23)**



Contracting (Jan.– Dec. '24)

**Contracts
Signed
(12/24)**



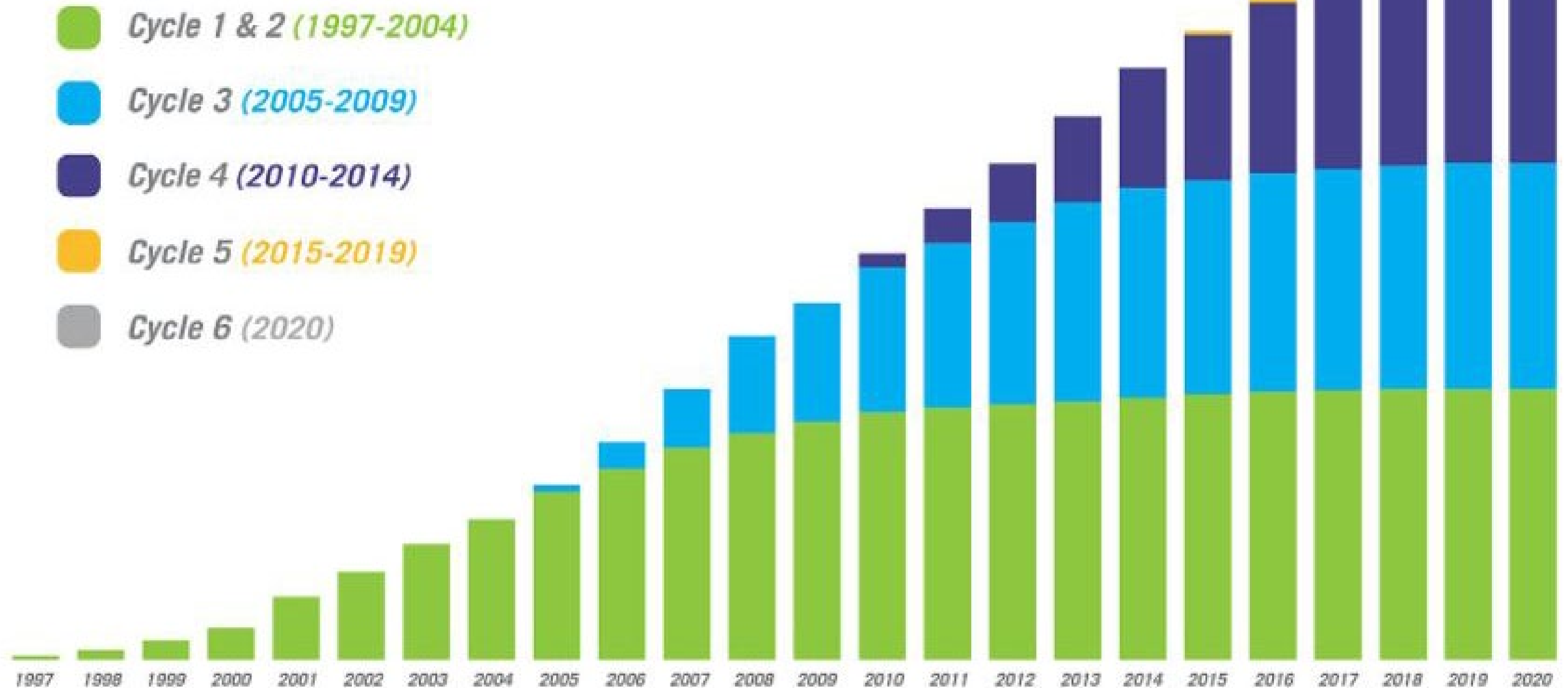
Policy Development, Bylaws, Governance



Market Transformation Creates Long-Term Savings

Cumulative aMW savings (1991-2020)

859 aMW





Key takeaways

- Market Transformation is a unique, long-term approach to energy efficiency, non-energy benefits
- Regional and national collaboration have proven success in aggregating and transforming markets
- Stable, regional efficiency commitments critical for market partnerships (retailers, distributors, manufacturers)



Questions?

» Thank you!

