

Scope of Work

Community Energy Scoping Study

DRAFT September 8, 2004

Background

In 2002-03, The Energy Trust of Oregon, Inc., initiated operations for energy efficiency and renewable energy programs, supported by a public purpose charge on the bills of Portland General Electric and Oregon customers of Pacific Power and NW Natural. The organization is now offering a full range of services and programs to residential, commercial and industrial customers including incentives and other assistance to install efficiency measures and renewable generation equipment. We are also exploring ways to work with other entities to encourage more fossil-fueled cogeneration.

One of the implicit purposes of the Energy Trust is to integrate and concentrate the delivery of renewable energy and energy efficiency programs and to find efficiencies by combining delivery of several programs in one or more distinct geographic areas. During statewide public meetings held to introduce the Energy Trust and solicit comments on our draft strategic plan, several communities and individuals expressed interest in community-based energy programs.

The Energy Trust is now turning its attention to demonstration projects and other examples of concentrated services at the local community, neighborhood and block level. The Energy Trust Board and staff are interested in the advantages of community approaches in achieving energy savings and renewable generation, along with beneficial byproducts related to distributed generation, enhanced reliability and congestion relief in local substations, reduced capital costs associated with expansion or construction of new transmission and distribution systems and opportunities for peak reduction benefits to the utility system.

Purpose of the Study

The purpose of the study is to identify community energy “best practices” and how they might shape an Energy Trust community energy program. The study should define practical strategies, recommended approaches, projected outcomes and benefits associated with potential community energy projects to enhance the likelihood of success. Consultants are asked to:

- * Summarize the range of options and opinions that define distributed energy provision and its relationship to community-based energy programs.
- * Evaluate the knowledge, summarize the history and glean lessons learned from prior attempts to implement community energy programs.
- * Identify particular interests, receptivity and specific opportunities suggested by key stakeholders, including utilities, local government, community and potentially involved neighborhood organizations.
- * Define the Energy Trust’s optimal role in delivering community-based programs that can cut across issues, renewable resources and energy efficiency and (with others as the lead) load shifting, and local fossil generation.

- * Provide actionable recommendations for the board and staff to consider when implementing a community-based initiative. The recommendations should consist of a series of 2 to 5 “best options” for near-term action representing a range of levels of commitment and strategic emphasis.

We are not looking for strategies for transmission and distribution system planning to identify and address system constraints. We see this as environment where community energy programs have value, but are more interested in how to make those programs work.

Scope of Work

- * Working with a definition of community energy approved by staff, provide examples of community energy and distributed energy projects from the U.S. and abroad; summarize relevant lessons learned from community energy and distributed generation applications – what worked, what did not work and why
- * Identify key criteria, specific opportunities, interrelationships, interdependencies, and tradeoffs corresponding to integrating energy efficiency and renewable resources projects
- * Complete a feasibility study of mechanisms that especially lend themselves to distributed efficiency and renewables:
 - Current and emerging strategies and tools useful for community-based projects
 - Basic models and options for organizing a community-based efficiency and renewables program
 - Success factors for implementation based on current circumstances
 - Barriers to implementation and corresponding mitigation, where applicable
 - Likely beneficiaries of a community energy project with exploration of equity issues relative to our strategic goals
 - Interdependency of potential projects with utilities in Energy Trust service territory
 - Ideas about how these can be linked to utility projects to defer investment in transmission and distribution capability or to more reliability serve consumers.
- * Outline elements and requirements to help ensure success, such as project size and scale, utility requirements and policies, structural needs, etc.
- * Identify related federal, state or local codes, policies, funding/incentives, certifications, or program opportunities to be leveraged as part of community energy projects, including and not limited to:
 - Federal and/or state tax credits and loan programs
 - Main Street redevelopment programs
 - Utility initiatives
 - Sustainable, green building programs
 - FERC regulations and their relationship to distributed generation
 - Other state policies or programs that relate to and/or encourage distributed generation
- * Recommend opportunities and approaches including daylighting, passive solar heating, solar water heating, and passive cooling
- * Suggest what the Energy Trust might consider modifying or changing to enhance the chance of success of community energy efforts
- * Identify the benefits to the utility system and to the communities served
- * Provide an overlay of how community energy efforts relate to and benefit to Energy Trust mission and goals

Budget

The budget for this project will reflect the competitive range established by proposers.

Timeline

<u>Task</u>	<u>Due week of:</u>
Draft scope	August 23, 2004
Board review	September 8, 2004
Final scope/distribution list	September 13, 2004
RFP released	September 15, 2004
Proposals due	October 15, 2004
Proposal review & evaluation	October 18-29, 2004
Contractor interview & selection	November 1-12, 2004
Contract negotiations	November 1-19, 2004
Work starts	November 29, 2004
Interim Report	January 10, 2005
First Draft	February 7, 2005
Final Report	February 28, 2005