Commercial Sector Overview

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OVERVIEW

Energy Trust's Commercial Sector provides energy efficiency services and incentives to Commercial customers, Institutional customers and Multifamily properties. Primary Sector activity is accomplished through three Program Management Contracts: Existing Buildings, New Buildings and Multifamily. In addition, the sector supports Building Operator Certification, Strategic Energy Management and other efforts.

Sector staff oversees program implementation contracts, drives program strategy and design, manages relationships with stakeholder, and coordinates marketing and outreach activities.

OBJECTIVES

The primary objective of the Commercial Sector for 2013-2014 is to meet IRP goals by providing incentives and services that enable customers to invest in energy efficiency projects within their cost constraints. In order to achieve the goals and lay the foundation for future savings, the programs will focus efforts on:

- Accelerating energy efficiency investments by customers by providing incentives, technical assistance and building the business case for energy efficiency investments
- Enhancing operations and maintenance based offerings
- Helping customers to identify future capital projects and funding sources

The Governor's 10-Year Energy Action Plan sets a new bar for energy efficiency activity in Oregon and the State. The Commercial Sector will coordinate with statewide stakeholders, as appropriate, to support the aggressive goals of the Action Plan.

STRATEGIES

The Commercial Sector faces significant challenges in 2013. Recent changes to the gas avoided cost will require targeted program and incentive adjustments to ensure the programs meet their goals through supporting cost-effective measures. Federal Lighting Standards will continue to impact opportunities in lighting. In addition, the slow economic recovery limits customer's willingness and ability to make substantial investments in energy efficiency.

The Sector saw great success with the first cohort engaged with Strategic Energy Management in 2012, and plans to double the number of customers enrolled in 2013. Additionally, the Sector plans to utilize Strategic Energy Management contractors to support key account management, leveraging plans and relationships established during the initial SEM engagement to ensure an overarching strategy that addresses all retrofit, new construction, and renewable opportunities.

The Sector will consider long-term program enhancements while continuing to focus on meeting aggressive goals through near-term acquisition of cost-effective savings. The sector will increase program near-term enrollment through:

- Developing new incentives to support greater market adoption of new cost- effective technologies such as LEDs.
- Providing streamlined approaches such as Small Commercial New Construction.
- Introducing new program offerings that require minimal up-front investment by the customer, such as direct install, behavioral savings, or operations and maintenance measures.

- Developing tools to assist customers with decision-making, and developing the business case for engaging in deep energy efficiency investments.

Operations and maintenance strategies offer cost-effective savings with little up-front capital investment by customers. The Commercial sector will continue to grow these opportunities through:

- Expanding Strategic Energy Management offerings for larger customers to help identify operations and maintenance opportunities and to institutionalize strategies and policies to capture these savings.
- Targeting operations and maintenance incentives such as Rooftop Tune-ups.
- Enhancing activity in improving operations & maintenance practices, training and tenant awareness campaigns.

Long-term objectives will be met through fostering deeper relationships with key customers, trade-allies and partners, and by supporting customer's strategic energy planning efforts. For 2013 this will include:

- Expanding Strategic Energy Management offerings with a focus on helping customers to identify future capital projects and funding strategies.
- Leveraging partnerships with external organizations such as ODOE and Network for Affordable Oregon Housing to more effectively address planning needs and challenges for Schools and Multifamily properties.
- Expanding relationships with Public Sector customers through the Government Sector Account Manager to ensure an overarching strategy that addresses all retrofit, new construction and renewable opportunities.
- Coordination with NEEA, Building Codes Division, and designers to provide support new codes and to maximize code compliance.
- Coordination with NEEA, regional utilities, and lighting experts to develop an Enhanced Lighting Design Pilot that supports the transition to 2012 and 2015 Federal Lighting Standards.

To ensure the best qualified contractors are delivering the programs to the market, Energy Trust will issue an RFP for the New Buildings Program Management Contract.

Some program activities are managed in-house rather than through a PMC. Direct management of these strategies diversifies our contractor base and ensures more continuity in case the PMC contracts are awarded to other contractors in the future.

Planned expansion of non-PMC activities include:

- Strategic Energy Management
- Lighting Design Lab
- Building Operator Certification
- Pilot Resource Conservation Management incentives

2013 Stretch Savings Goals for the Commercial Sector are targeted at 20.39 aMw and 1.8 million annual Therms. The breakout by utility is:

- Cascade Natural Gas at 165,800 annual Therms
- Northwest Natural at 1.64 million annual Therms
- Pacific Power at 7.23 aMw
- Portland General Electric at 13.15 aMw