

Conservation Advisory Council Meeting Notes

September 18, 2019

Attending from the council:

Warren Cook, Oregon Department of Energy
Kari Greer, Pacific Power
Julia Harper, Northwest Energy Efficiency Alliance
Tim Hendricks, Building Owners and Managers Association (phone)
Anna Kim, Oregon Public Utility Commission

Jason Klotz, Portland General Electric
Lisa McGarity, Avista (phone)
Kerry Meade, Northwest Energy Efficiency Council
Dave Moody, Bonneville Power Administration
Alyn Spector, Cascade Natural Gas
Danny Grady, City of Portland
Rick Hodges, NW Natural (for Holly Braun)

Attending from Energy Trust:

Caryn Appler
Kathleen Belkhatat
Melanie Bissonnette
Quinn Cherf
Amber Cole
Ryan Crews
Hannah Cruz
Becky Engel
Sue Fletcher
Fred Gordon
Jackie Goss
Jack Cullen
Ronald Haynes
Marshall Johnson
Steve Lacey

Oliver Kesting
Jessica Kramer
Scott Leonard
Spencer Moersfelder
Nancy Morales
Jay Olson
Amanda Potter
Eric Sayre
Kenji Spielman
Cameron Starr
Thaddeus Steerman
Greg Stokes
Jay Ward
Kate Wellington
Peter West

Others attending:

Shelly Beaulieu, TRC
Rachel Dawson, Cascade Policy Institute
Jon Eichler, ICF
Lindsey Hardy, Energy Trust board (phone)
Karla Hendrickson, ICF
Jacob Jones, Nexant
Debbie Kitchin, Energy Trust board
Brian Lynch, AESC

Don MacOdrum, TRC
Joe Marcotte, LM Energy
Alan Meyer, Energy Trust board
John Molnar, Rogers Machinery
Stephanie Petit, CLEAResult
Whitney Rideout, Evergreen
Rory Schmick, Stillwater Energy
Ryan Shanahan, Earth Advantage

1. Welcome, old business and short takes

Hannah Cruz convened the meeting at 1:35 p.m. The agenda, notes and presentation materials are available on Energy Trust's website at www.energytrust.org/about/public-meetings/conservation-advisory-council-meetings/. The meeting was recorded on GoToMeeting. If you'd like to refer to the meeting recording for further detail on any of these topics, email info@energytrust.org.

Hannah introduced the agenda. The July meeting minutes were approved with no changes.

Hannah provided an overview of the strategic planning process. Energy Trust received comments from 27 organizations around the state. Feedback about the five focus areas was generally positive, and organizations generally indicated agreement that focus area one is the priority for Energy Trust. Comment responses will be handled differently this year due to the high volume of comments. Energy Trust will present to the board comments organized by theme for review and discussion. The final proposed strategic plan will be presented at the October 16 board meeting for board consideration, and the plan will be shared with council members at the November meeting.

Hannah informed members that all advisory council members are invited to a social hour on October 15 to allow members of the board and three advisory councils to network and get to know one another.

2. Year-end forecast

Topic summary

Director of Energy Programs Peter West highlighted Energy Trust's progress to achieving its 2019 annual energy efficiency goals, including current savings and generation by utility as well as 2019 forecast for each. Energy Trust expects to fall short of 2019 goals for some gas and electric utilities due to construction equipment and labor price increases, and shortages in labor that can delay or reduce the size of projects. Lighting participation also is down due to tariffs and a decrease in Energy Trust's incentive amounts.

Areas that are performing better than expected include new homes, residential retail and midstream offerings, Existing Multifamily, commercial/industrial Strategic Energy Management, prescriptive industrial and agriculture incentives, and Existing Buildings offerings for Avista and Cascade Natural Gas.

Energy Trust has begun looking at increasing custom and prescriptive incentives for gas territories. Incentives have been increased for PGE and Pacific Power customers for lighting, including for direct installation for commercial customers. Energy Trust has increased outreach for residential lighting and Energy Saver Kits for PGE and NW Natural customers and has begun a smart thermostat marketing campaign.

Discussion

Anna Kim asked how savings compare to last year at this time. Staff will check and follow up.

Next Steps

Energy Trust will continue to update council members about progress to goals and efforts to increase participation and savings.

3. 2020 action plans preview

Topic summary

Members received an overview of in-progress 2020 action plans for each sector, including context, new strategies for 2020 and any significant changes from 2019. Presenters included Residential Program Manager Marshall Johnson, Commercial Sector Lead Oliver Kesting and Industrial and Agriculture Sector Lead Amanda Potter.

Among the factors influencing Residential program action plans, Marshall Johnson explained that the federal Energy Independence and Security Act (EISA) standards for incandescent bulbs will not go into effect in 2020. As a result, Energy Trust will maintain a retail lighting presence in 2019 and 2020. Other factors impacting the Residential program include declines in new construction savings and a decline in savings from ductless heat pumps and gas furnaces in

rental properties. In the future, the Residential program will make strategic changes to improve savings and outreach, including expanding participation, expanding utility-driven programs, making shifts to reflect new building code in 2021, and launching new measures and new pilot offerings.

Oliver Kesting noted commercial sector savings decreases and described key activities in 2019, including marketing campaigns in outlying areas and working with utilities and many partner organizations to expand Energy Trust's reach. New activities include more efforts with schools; new pilots that will launch this year through 2020; location-specific incentives; and releasing a request for proposals for program management and delivery services for the Existing Multifamily program, Existing Buildings program, and commercial and industrial lighting.

Amanda Potter explained that savings in the industrial and agriculture sector are decreasing because of fewer custom opportunities with larger customers, less lighting savings and the impact of the strong economy and tariffs on available labor and project costs. Future program efforts to mitigate the effects of these market conditions, including an request for proposals for delivery of commercial and industrial lighting offerings, a lighting pilot, new measures and an evolution of the industrial Strategic Energy Management offering to support smaller customers. Changes in 2020 include increasing in custom and lighting incentives, reaching small- to medium-sized customers and launching new standard measures.

Discussion

Members asked questions about the causes for declines in Residential program participation (Julia Harper) and the timing for code changes (Warren Cook). Julia Harper also asked if Energy Trust would extend the successful industrial and agriculture network pilot to the commercial sector.

Next Steps

Peter West encouraged council members to attend the October 16 budget workshop for more information about Energy Trust's draft 2020 budget and action plans.

4. 2020 program and measure changes

Topic summary

Staff provided further details on measure and program changes in development for 2020, including a status on measures with OPUC cost-effectiveness exception requests. Scott Leonard, senior residential project manager, described Residential program measure changes and new measures for 2020. Kate Wellington, Existing Multifamily program manager, provided an overview of Existing Multifamily program changes and new measures for 2020. Jay Olson, Existing Buildings program manager, provided an overview of Existing Buildings measure changes and new measures, including new pilot programs and targeted load management support.

Jessica Kramer, industrial and agriculture program manager, Kate Wellington and Jay Olson shared an update about future lighting strategies to support commercial and industrial sector customers, including how the changes in lighting may influence projected savings. This discussion provided more detail about the forthcoming competitive solicitation for delivery of commercial and industrial lighting offerings, which will be issued in 2020.

Discussion

During the discussion about residential measure changes, members asked about who receives the incentives for new central air conditioning measures (Alan Meyer), requirements around baseboard removals for ductless heat pump incentives (Danny Grady) and how many products are qualified for smart thermostat incentives (Warren Cook).

Marshall Johnson also explained NEEA's incentives for smart thermostats, and Julia Harper mentioned NEEA's instant coupons for smart thermostats. Members asked questions about the air exchange data cited in the meeting (Anna Kim and Warren Cook), the definition of fireplace savings and whether Energy Trust would pursue incentives for wood-burning fireplaces (Julia Harper and Jason Klotz).

Jason Klotz also asked question about net zero and smart grid incentives and whether there is a renewable component to the smart grid incentives.

Members asked about the impact on cost-effectiveness for expanding Savings Within Reach (Anna Kim) and about water heating savings (Alan Meyer). Members asked questions about air conditioner incentives and the potential impacts on peak (Jason Klotz). Fred explained that the purpose of Energy Trust's air conditioner incentives is to encourage people to invest in a more efficient model. The existing incentive amount is not enough to catalyze someone not already considering a purchase to consider purchasing one. Jason Klotz encouraged Energy Trust to be sensitive to the impact of these incentives on peak demand.

During the discussion about Existing Multifamily, members asked if Energy Trust has trends about air conditioners (Anna Kim) and whether air conditioner incentives are only for homes with natural gas or if they will apply to electric customers (Alyn Spector). Questions were also asked about potential incentive changes for custom offerings (Dave Moody), the ability to change the pool size requirements for pool heater incentives (Jason Klotz) and if the clothes dryer incentive was for electric customers only (Lisa McGarity).

During the discussion about Existing Buildings, members asked if Energy Trust offers pool cover incentives and whether chemicals and other savings were measured as part of the non-energy benefits (Lisa McGarity). Members also asked how many sites Energy Trust will target for the network lighting controls pilot (Anna Kim).

During the discussion about commercial and industrial sector measure changes, members asked how long the program management and delivery competitive solicitation process will take (Anna Kim). Peter West explained that the decision of the selected Program Management Contractor will be recommended to the board at the July 2020 board meeting. Julia Harper offered NEEA's support to Energy Trust to leverage its data and insights from other NEEA relationships and programs.

Next Steps

More details about program and measure changes will be shared at the November meeting. Members are encouraged to attend. Jason Klotz requested more data about the market size for pool pumps.

5. Board nominating committee

Topic summary

Debbie Kitchin, board member and chair of the board's nominating committee, presented an overview of the current member composition of the board and the board's functions and responsibilities. Energy Trust will begin recruiting two new board members in late 2019 to fill the positions of existing board members who will step down in February 2020.

Debbie described the recruitment process, including methods to recruit more members who bring broad perspectives, skills and experiences that complement those of existing board members. Debbie shared feedback from past recruitment efforts that could improve future

recruiting efforts. The timeline for the board recruitment process will be determined soon. Nominations will go to the board for approval.

She then invited council input about the skills, experience and perspectives the nominating committee should consider when recruiting for board members.

Discussion

Members asked how many positions need to be outside Portland (Anna Kim) and whether someone living in Vancouver but working in Portland could be considered (Alyn Spector).

Council members provided suggestions to the nominating committee about relevant skills to consider in future candidates, including climate experience (Warren Cook) and someone with background in finance, trading markets and commodities (Kerry Meade).

Next Steps

Alyn Spector suggested Energy Trust determine if a potential candidate living in Vancouver with professional experience in Portland could apply to serve on the board. An announcement about the recruitment process will go out this fall, with selection of new members by February 2020.

6. Public comment

There was no public comment.

7. Meeting adjournment

The meeting adjourned at 4:10 p.m.

Council members are invited to attend the social hour on Tuesday, October 15 to meet other advisory council members and the board of directors.

The next meeting is the budget workshop with the board and other advisory councils on Wednesday, October 16, 2019. The last Conservation Advisory Council meeting of the year is Wednesday, November 20. Meeting dates for 2020 are forthcoming.