

Conservation Advisory Council Meeting Notes

February 17, 2021

Attending from the council:

Jeff Bissonnette, NW Energy Coalition
Warren Cook, Oregon Department of Energy
Tamara Falls, PGE (for Jason Klotz)
Kari Greer, Pacific Power
Rick Hodges, NW Natural
Tina Jayaweera, NW Power and Conservation Council
Anna Kim, Oregon Public Utility Commission
Kerry Meade, Northwest Energy Efficiency Council
Dave Moody, Bonneville Power Administration
Lisa McGarity, Avista
Tyler Pepple, Alliance of Western Energy Consumers
Elaine Miller, Northwest Energy Efficiency Alliance (for Julia Harper)
Monica Cowlshaw, Cascade Natural Gas (for Alyn Spector)

Attending from Energy Trust:

Hannah Cruz	Jay Olson
Peter West	Jackie Goss
Mike Colgrove	Amanda Potter
Elizabeth Fox	Wendy Gibson
Julianne Thacher	Adam Bartini
Alex Novie	Diamante Jamison
Thad Roth	Tom Beverly
Steve Lacey	Abby Spegman
Fred Gordon	Jessica Kramer
Tyrone Henry	Kenji Spielman
Sue Fletcher	Tara Crookshank
Oliver Kesting	

Others attending:

Elee Jen, Energy Trust board	Josh Weissert, Energy350
Alan Meyer, Energy Trust board	Erik Holman, Cascade Energy
Lindsey Hardy, Energy Trust board	Frederick Randall, Small Business Utility Advocates
Aaron Frechette, Cascade Energy	Tim Telfer, CLEAResult
Misti Nelmes, CLEAResult	Sara Fredrickson, CLEAResult
Dave Backen, Backen Consulting	Jeff Goby
Cindy Strecker, CLEAResult	Matt Arndt, Rogers Machinery
Chris Smith, Energy350	

1. Welcome

Hannah Cruz, senior communications manager, convened the meeting at 1:30 p.m. via Zoom. The agenda, notes and presentation materials are available at www.energytrust.org/about/public-meetings/conservation-advisory-council-meetings.

Hannah Cruz summarized the agenda and called for any changes or comments on previous meeting minutes. There were none.

Amanda Potter, the industrial sector lead, provided an update on contracting. A technical review request for qualifications will be released in March. A standard industrial track request for proposals was scheduled to be released this year but staff is asking the board for a one-year extension to the existing contract while it considers program structure options. A combined standard and custom track request for proposals will be released in 2022.

2. Findings from Member Outreach

Topic summary

In January, Hannah Cruz met with council members to get input on meeting facilitation approaches and agendas. Common areas of feedback were desire for opportunities to give meaningful input, providing connection among council members and members of the Diversity Advisory Council, and the council's role in regards to the board and staff.

Discussion

There was no additional discussion or questions.

Next steps

None.

3. Preliminary 2020 Results and 2021 Goals

Topic summary

Director of Energy Programs Peter West shared preliminary results for 2020, including progress toward achieving savings goals. Energy Trust reached 95% of electric and 110% of gas savings goals and 127% of the renewable energy goal. A handful of larger commercial projects pushed into 2021, so savings from those will show up this year. Given the unusual year, the results are notable and benefited from collaborative work with community partners and utilities to reach low-income customers. Peter West provided a reminder on the 2021 organizational goals guiding program strategies and activities for this year.

Discussion

Members asked how the achievement in renewables works with the fixed renewables budget and if Pacific Power incentives are lower than those in PGE territory (Kari Greer). They also asked what part of the Residential portfolio is driving savings (Dave Moody) and how this compares to the previous economic downturn (Lisa McGarity). Members suggested using economic indicators may be helpful in forecasting (Lisa McGarity).

Staff said renewable incentives were supported by carryover and reserve buffers. Pacific Power incentives for renewables are lower than PGE's. Residential savings were mostly driven by lighting and smart thermostats. Staff used the 2008-09 downturn as a model early in the pandemic, but by June 2020 it was not as similar a reference point. The previous downturn was financial in nature; this time, Energy Trust put more offers into the market and let the market choose.

Next steps

None.

4. Business Lighting Changes and Incentive Management

Topic summary

Jessica Kramer provided an overview of business lighting changes. High demand for business lighting incentives in Q4 2020 impacted availability of incentives for 2021 and necessitated changes to the 2021 business lighting incentive budget.

Business lighting incorporates commercial and industrial customers, delivering a third of Energy Trust's incentive portfolio. As COVID-19 slowed Oregon business activity, Energy Trust introduced a wide range of bonuses to help customers get more from their energy dollars when it really mattered. Project activity ramped up quickly in the fall due to bonuses. As a result, Energy Trust took steps to manage its 2020 and 2021 budgets, ending bonuses in October and pausing new applications in November. The organization is spending a large portion of the 2021 budget on those projects. It is typical to spend 20-25% of the annual budget on projects carried over from the previous year; in 2021, it will be 55-77%.

To spread incentives out as much as possible for the remainder of the year, only enrolled trade allies may submit lighting incentive applications; new contractors can still enroll in the network. There will be no self-installs except at public K-12 schools and public buildings. Prescriptive incentive levels were reduced by 10-30% with new caps and limits on the number of active projects allowed for each trade ally. There is a shortened application and completion timelines.

The program held a webinar in January to answer questions about the changes and staff is already seeing a lot of activity in February. More than 100 contractors have started signing up for the new program. The deadline for lighting bonus project submissions is February 28, 2021. Any projects that don't move forward by then will be added back into the budget.

Discussion

Members asked what percentage of trade allies who do lighting have applied (Lisa McGarrity) and if the caps would apply to large projects, adding this will give the schools more certainty, even with caps and different incentives (Warren Cook). Members asked about the drivers for these changes (Dave Moody) and if this information went to the Diversity Advisory Council (Rick Hodges).

Staff explained the cap is by individual site address, rather than by school district. Large projects will still be subject to the \$6,000 cap. The primary driver behind this new approach is to extend the budget as long as possible for as many customers and trade allies as possible. The program is still seeking a midstream incentive rollout, but right now is concentrated on downstream.

This has not been presented to the Diversity Advisory Council. Staff noted Energy Trust is still seeking new trade allies despite the closed network and is focused on recruiting minority- and women-owned contractors.

Next steps

None.

5. New Buildings Cost-effectiveness Workshops

Topic summary

Jay Olson provided background and an introduction to this discussion, and Cindy Strecker discussed details. Workshops continued through 2020 to determine a path forward for the New Buildings program as the state moves to higher, whole building efficiency levels in the energy code. The new code doesn't allow Energy Trust to incentivize individual measures the way it did previously. Energy Trust has a total resource cost (TRC) cost-effectiveness exception from the OPUC until 2022. Staff briefed the council on these discussions in summer 2020 and provided an informational update on the latest actions taken, including conducting building proxy

analyses that look at different building types where incentive packages may or may not work. Phase 1 of the proxy approach showed cost-effectiveness at the building level for various packages and levels of above-code performance. About 50% of packages met overall TRC. Cost effectiveness wasn't always a function of overall savings. Additional consideration should be given to interactive costs. Phase 2 will include more building types.

Discussion

Hannah Cruz asked how this work and the two-year exception line up with Energy Trust's budgeting process and about the delta between Path to Net Zero and the whole building approach. Members noted it is a complicated change to look at the whole building (Warren Cook) and asked if staff looked at an annual inflation factor for overall site costs or every three years (Lisa McGarity).

Staff is working on budget timelines now and want to have this figured out in time to include in 2022 budgeting. The big questions of how to move forward will come out of this initial study. Significant effort, time and money is required to run each of these packages and building types; staff will need to determine if this will happen each year or if there is another way to do it. That will impact how programs are designed going forward. It has been valuable to have Oregon Department of Energy and Northwest Energy Efficiency Alliance at the table to have a common understanding and goal.

Next steps

None.

6. State Legislative Update

Topic summary

Hannah Cruz provided information on energy-related bills staff is monitored during Oregon's 2021 legislative session, including a bill modifying the public purpose charge ([HB 3141](#)). There are limited in-person activities now at the Capitol due to COVID-19. More than 2,100 bills have been submitted so far, although there are indications there may be as many as 4,000 bills introduced. The main areas of focus will be COVID-19, economic recovery, wildfire recovery and racial justice. Staff does not advocate for or against any piece of legislation and can provide information only. Bills monitored are related to the public purpose charge, OPUC powers and duties, renewables, codes and standards, transportation, wildfire recovery, environmental justice and energy equity.

Discussion

Members noted this was a great summary on HB 3141 (Jeff Bissonnette) and asked about the potential impact on Energy Trust's scope and role (Dave Moody). Chris Smith of Energy350 asked for more information about change for large customers.

Hannah Cruz explained under the proposal, the biggest impact for Energy Trust would be continuation of its programs beyond 2025. It would allow additional uses of renewable energy funding and there would be a more official commitment regarding equity metrics, along with more coordination with utilities. Peter West noted there would be little impact to renewables budgets. For efficiency, budgets are set annually based on available opportunities for savings and integrated resource planning goals. This will require the OPUC and utilities to look at these goals in concert with us.

On HB 2398, members commented Energy Trust's EPS could match the REACH code but the question would be whether or not incentives are available at that level (Warren Cook). On HB 2062, an appliance standards bill, members said there is an opportunity to add a communications port to water heaters (Tina Jayaweera). Though it will take some time to build

capacity as new units are purchased, there is potential for this equipment to help with peak management.

Next steps

None.

7. Member Share-out and Meeting Survey

Topic summary

Hannah Cruz asked members to share what their organizations are focused on this quarter or year, particularly actions to support customers during the pandemic. She also asked for feedback on how programs could be more effective during this time. A short survey was shared with members to gauge interest levels on the topics discussed today.

Discussion

Warren Cook of ODOE stated it is watching the same bills as Energy Trust and that HB 3141 is a big deal. Schools and self-direct remain funded. ODOE is also watching a bill about radioactive materials because fracking waste ended up in Arlington. ODOE would have the authority to impose fines along with rulemaking ability.

Warren Cook announced he will retire on April 1 and this is his last Conservation Advisory Council meeting. He is pleased to have served here and on the Energy Trust board as a special advisor. The new ODOE manager in this space will be identified by mid-April.

Lisa McGarity of Avista said it is working to support customers during this time, as are other utilities. They want to advocate and do what they can for customers.

Next steps

None.

8. Public Comment

Tyrone Henry, diversity, equity and inclusion lead at Energy Trust, invited Conservation Advisory Council members to attend our First Thursday is Diversity Day events. The next will be on March 4 and will feature a panel discussion of women inventors.

9. Adjournment

The meeting adjourned at 3:50 p.m. The next meeting will be April 14, 2021, on Zoom.