

Conservation Advisory Council Meeting Notes

August 4, 2021

Attending from the council:

Jeff Bissonnette, NW Energy Coalition
Andy Cameron (for Roger Kainu), Oregon Department of Energy
Jess Kincaid, Bonneville Power Administration
Matthew Tidwell (for Jason Klotz), Portland General Electric
Kari Greer, Pacific Power
Rick Hodges, NW Natural
Tina Jayaweera, NW Power and Conservation Council
Kerry Meade, Northwest Energy Efficiency Council
Lisa McGarity, Avista
Becky Walker, Northwest Energy Efficiency Alliance
Tim Hendricks, Building Owners and Managers Association

Attending from Energy Trust:

Hannah Cruz	Kate Wellington
Mike Colgrove	Amanda Potter
Elizabeth Fox	Adam Bartini
Emily Findley	Jessica Kramer
Emily Estrada	Amanda Thompson
Emma Clark	Amanda Zuniga
Alex Novie	Dan Rubado
Thad Roth	Jay Ward
Amber Cole	Quinn Cherf
Caryn Appler	Kirstin Pinit
Fred Gordon	Mark Wyman
Sue Fletcher	Marshall Johnson
Jay Olson	Sletsy Dlamini
Jackie Goss	Scott Leonard
Bayo Ware	Spencer Moersfelder
Kyle Morrill	Steve Lacey
Ian Pagatpatan	Tracy Scott

Others attending:

Alan Meyer, Energy Trust board	Elias Pite, Henkels Law
Lindsey Hardy, Energy Trust board	Joe Marcotte, TRC
Adam Shick, CLEAResult	Jenny Sorich, CLEAResult
Chad Balthazor, Cascade Energy	Misti Nelmes, CLEAResult
Brien Sipe, CLEAResult	Patrick Murphy, CLEAResult
Brooke Landon, CLEAResult	Randall Olsen, Community Action
Chris Smith, Energy 350	Organization of Washington County
Cindy Strecker, CLEAResult	Tom Elliott, Oregon Department of Energy

1. Welcome

Hannah Cruz, senior communications manager, convened the meeting at 1:32 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 opened with a summary of the agenda and led a round of introductions among the Conservation Advisory Council and board members. Hannah Cruz stated that representatives from low-income customer organizations had been invited to attend the meeting.

Hannah Cruz invited feedback on notes from the June meeting, and they were approved with no changes.

2. Exploration of ways to provide cost-effective energy efficiency measures to DEI communities

Topic summary

Oregon Public Utility Commission (OPUC) has been having broader conversations about cost-effectiveness and exploring ways Energy Trust can better address energy burden within the existing framework. These two topics emerged at a public OPUC workshop in April as possible ways to expand measure availability for customers with limited incomes.

Estimation of non-energy benefit impacts of reduced utility customer arrearages from energy-saving measures

Energy Trust presented an analysis to estimate the impact that energy savings can have on reducing arrearages, or debt from past-due customer utility bills, for utilities as a non-energy benefit. Since the beginning of the COVID-19 pandemic, the total amount of arrearages has grown and become more widespread in Energy Trust service territory. Stakeholders have asked whether there is value in reducing these arrearages in order to make energy-efficiency measures more available to impacted customers.

Energy Trust staff used a proxy calculation framework and some borrowed assumptions to calculate the value of reducing utility expenses associated with arrearages and then applied these values as non-energy benefits to the Utility Cost Test and Total Resource Cost test to understand the impact that these values have on the overall cost-effectiveness of measures. Typically, non-energy benefits are only applied to the numerator of the Total Resource Cost test. However, because these non-energy benefits directly impact utilities, these benefits were also applied in the numerator of the Utility Cost Test.

Outcomes of this analysis demonstrated that this set of non-energy benefits can increase the incentive cap on the tested measures, though not by a significant amount. Current incentive levels for these measures are already well below the current maximum incentive that could be offered due to budgeting and program delivery decisions. In addition, results indicate that these non-energy benefits would not significantly increase the benefit-cost ratio for the Total Resource Cost test.

This particular analysis required a significant investment of resources and the results did not significantly change the outcomes of the cost-effectiveness of the tested measures based on the results of the Utility Cost Test or Total Resource Cost test. Energy Trust can still pursue cost-effectiveness exceptions with the OPUC for measures targeted at limited-income customers. Furthermore, emerging policies which arise from recent Oregon state legislation could reshape the framework that establishes how Energy Trust serves these customers.

Discussion

Council members asked clarifying questions about the methodology throughout the presentation including: whether the test defines measure life as the life of the measure or the duration of the non-energy benefit being investigated (Lisa McGarity); how durable is the arrearage data given

that it is based on a limited timeframe and may change if COVID-19 ceases to have an impact in the future (Kari Greer); if the study considered electric and gas arrearages separately or as an average (Lisa McGarity) and if the study quantified the theoretical value of reducing arrearages that could reoccur throughout a measure life (Lisa McGarity). An attendee asked whether the study could account for low-income customers who pay for utility bills using a credit card and accrue interest (Brien Sipe).

Next steps

Energy Trust will continue to strategically identify and analyze non-energy benefits that have the potential to significantly contribute to the overall cost-effectiveness of measures intended to help limited-income customers.

Energy Trust co-funding results with Community Action Organization of Washington County

Topic summary

Marshall Johnson, senior program manager, presented a summary of results from a collaboration to fund energy-saving improvements in low-income customer homes served by Community Action Organization of Washington County (CAO).

Starting in 2019, OPUC expanded the public purpose charge framework to allow Energy Trust and Oregon Housing and Community Services (OHCS) to co-fund measures benefitting low-income customers with energy efficiency and weatherization measures. The framework allows Energy Trust to claim savings for the co-funded measures. Energy Trust worked with Portland General Electric to identify CAO as a candidate to begin applying this framework with weatherization and HVAC measures.

After a pilot year, the effort was renewed for additional program years. The pandemic created challenges for CAO with reaching customers and spending program funds due to labor and material shortages, resulting in a remaining pipeline of projects to complete when resources are available.

Randall Olsen from CAO provided insights from the collaboration, and shared that the overall experience has been positive, and allowed them to weatherize more homes and install more measures in those homes. One lesson learned was a need to for the two organizations to align terminology.

Discussion

Council members expressed support for the co-funding framework and offered suggestions including: Department of Environmental Quality's Climate Protection Program could be a source of funding in 2022 to work with nonprofits to deliver measures that reduce greenhouse gas emissions (Lisa McGarity); Bonneville Power Administration is working on a marketing plan for underserved communities through the Comfort Ready Home program, which includes increasing outreach to tribes and a team dedicated to tribal relations that could be a resource (Jess Kincaid); and a suggestion that Energy Trust should continue presenting on its growing focus on outreach and partnerships with community-based organizations (Lisa McGarity).

Next steps

Energy Trust will continue this co-funding effort and develop a proposal with key metrics to share with the OPUC. There are also plans to apply this framework to manufactured home replacement opportunities with additional agencies.

3. HB 3141 passage and implementation

Topic summary

Hannah Cruz reviewed the passage and impacts of HB 3141, the public purpose charge modernization law that affirms and advances the work of Energy Trust as a nongovernmental entity investing utility customer funds in energy efficiency and small-scale renewable energy. The bill's passage took place late in the session and is the result of a two-year long effort with public purpose charge supporters led by Governor Brown's office. Energy Trust participated in stakeholder meetings and provided testimony and information upon request.

Hannah Cruz clarified that the law will take effect January 1, 2022 and resulting changes in funding allocations will not impact Energy Trust's 2021 budget. The law removes the sunset for energy-efficiency funding and extends the 2025 sunset by 10 years for renewable energy, low-income efficiency, affordable housing and school building conservation. HB 3141 expands how funding for renewable energy can be used, including for distribution-system connected technology and low-income benefits. The OPUC is expected to define the implementation timeline this summer for the energy efficiency and renewable energy provisions. Energy Trust has formed an internal team to ensure it can respond to requests related to implementing HB 3141.

Discussion

No council discussion. An attendee asked if the bill introduced any additional definition or insight on the requirement to pursue all cost-effective energy efficiency, and if that could lead to additional funding given the high level of recent program activity (Chris Smith). Hannah Cruz shared there is no change to the ability to plan for and pursue all cost-effective energy efficiency.

Next steps

The internal team will continue to support the OPUC with information requests as they begin implementing the law.

4. Member share-out

Topic summary

Council members were invited to share what their organizations are focused on at this time; particularly, planning efforts and actions to support customers with their energy efficiency goals and needs.

Discussion

Council members stressed that the coming year is likely to bring the need for even more stakeholder engagement, particularly small nonprofits and community-based organizations. Members advised Energy Trust to be proactive about coordinating engagements with utilities and other entities when possible in order to avoid exhausting mutual stakeholders by over-engaging them (Kari Greer, Matthew Tidwell).

Next steps

None.

5. Public comment

There was no public comment.

6. Adjournment

The meeting adjourned at 3:27 p.m. The next meeting will be held on September 15, 2021.