

Conservation Advisory Council Meeting Notes

June 28, 2023

Attending from the council:

Lisa McGarity, Avista
Andy Cameron, Oregon Department of Energy
Laney Ralph, NW Natural
Kari Greer, Pacific Power
Noemi Ortiz, Cascade Natural Gas
Becky Walker, NEEA
Kerry Meade, NEEC

Tina Jayaweera, Northwest Power and Conservation Council
Peter Kernan, Oregon Public Utility Commission (for Anna Kim)
Jeff Bissonnette, NW Energy Coalition
David Murphy, BPA (for Margaret Lewis)
Jake Wise, Portland General Electric

Attending from Energy Trust:

Hannah Cruz
Cheryle Easton
Tom Beverly
Jackie Goss
Julianne Thacher
Natalia Ojeda
Debbie Menashe
Danielle Rhodes
Tracy Scott
Megan Greenauer
Elaine Dado
Cory Hertog
Steve Lacy
Elaine Prause
Themba Mutepfa
Thad Roth
Kate Wellington
Amber Cole
Ryan Crews
Fred Gordon
Kenji Spielman

Andi Nix
Marshall Johnson
Ansley Guzynski
Alex Novie
Lori Lull
Scott Leonard
Mia Deonate
Mana Haeri
Jake Kennedy
Shelly Carlton
Amanda Zuniga
Taylor Ford
Elizabeth Fox
Jeni Hall
Kyle Morrill
Andrew Shepard
Dan Rubado
Kirstin Pinit
Michael Hoch
Sue Fletcher

Others attending:

John Molnar, Rogers Machinery
Tim Treadwell, Portland General Electric
Adam Schick, CLEARResult
Will Mulhern, Oregon Department of Energy
Quinn Cherf, Portland General Electric
Terra Bell, CLEARResult
Dave Hammond, CLEARResult
Eric Koch, CLEARResult
Emily Haynes, Portland General Electric

Brooke Landon, CLEARResult
Thelma Fleming, Energy Trust board
Olga Burtness, CLEARResult
Jane Peters, Energy Trust board
Brian Mayfield, CLEARResult
Joe Marcotte, TRC Companies
Bill Tovey, Energy Trust board
Henry Lorenzen, Energy Trust board

1. Welcome and Announcements

Hannah Cruz, senior stakeholder relations and policy manager, convened the hybrid Zoom/in-person meeting at 1:30 p.m. via Zoom and Kirstin Pinit, senior program manager, facilitated in-

person. The agenda, notes and presentation materials are available at <https://www.energytrust.org/wp-content/uploads/2023/06/Final-CAC-Packet-June-2023.pdf>.

The council accepted the April and May meeting notes with no changes.

2. Community agreements

Topic Summary

Hannah Cruz summarized the existing community agreements for CAC members. Agreements are to:

- Stay engaged
- Share the stage
- Listen to each other to learn and understand
- Assume best intent and attend to impact
- Address actions that marginalize or harm another person

Discussion

None

3. Partner Spotlight: Portland General Electric (PGE) Smart Grid Test Bed Collaboration

Topic summary

Tim Treadwell PGE, customer technology development and Smart Grid Test Bed Program manager and Megan Greenauer, Energy Trust solar program manager, presented this collaboration in light of the increasing complexity of the utility landscape and how to meet changing energy demand. The Smart Grid Test Bed collaboration is funded through a U.S. Department of Energy Connected Communities grant and includes multiple partners, including Energy Trust. PGE described the collaboration as building a new function – essentially a virtual power plant operating model. It provides a new way to operate with many unknowns that are very different from historical operations. The Smart Grid Testbed collaboration has a five-year timeline, from June 2022 – June 2027. The goal is to retrofit 580 buildings out of a 2,800-building target area to create a 1.4 MW flex load resource. The test area is in North Portland, which is primarily residential with neighborhood businesses mixed in. There will be community-focused field demonstrations and lab-based analysis work streams.

Energy Trust is a sub-recipient of the grant and will work with PGE and Community Energy Project to encourage participation of existing buildings in energy efficiency, solar+storage and flex load equipment offers.

Discussion

None

Next Steps

The council will be updated on program outcomes.

4. New Buildings program update

Topic Summary

Shelly Carlton, new commercial construction senior program manager, presented updates on the New Buildings program. The program helps design teams go beyond code using training, energy design and modeling services, whole building incentives and prescriptive incentives. Recent code changes made it impractical to identify incremental savings and costs, which are used to measure success and cost-effectiveness. Getting a baseline for a building isn't practical for design teams because there is a myriad of options for the baseline, which creates an expensive level of work. Energy Trust convened a team of people with varying expertise and

perspectives to help redesign the program. The opportunity supports the transition toward higher-performing buildings while providing resources to get them there.

The desired impact is to have all of Oregon's new buildings go beyond code, and be resilient, comfortable and accessible. Energy Trust seeks to obtain more savings beyond code, have more project teams use integrated design, have customers make cost-informed decisions, provide greater benefit for historically underserved communities and lower operating costs for building occupants.

Discussion

Council members asked what ideas are being considered to increase rural participation (Lisa McGarity). An attendee also asked whether there is enough room beyond code for Energy Trust to meet cost-effectiveness requirements. Council members also suggested that smaller projects could be looking for off-the-shelf solutions and that integrating measures wherever possible will help customers participate. Rural customers are doing design-build options, rather than using an architect or engineering firm, so it would be something the contractors could use and integrate (Lisa McGarity).

Staff responded that the Simplified Performance Rating Method will mostly be tested in rural markets. Buildings that fit into this will be smaller and a better match for rural customers. Staff shared that Energy Trust is having many conversations about outreach right now. Northwest Energy Efficiency Alliance works on some of these Simplified Performance Rating Method aspects and is going toward simplified modeling to get the market more familiar with this direction. Council members expressed that these are long-term projects, so consistency in the market is helpful (Becky Walker). Staff members added that New Buildings was under an Oregon Public Utility Commission cost-effectiveness exception for the total resource cost (TRC) because of the inability to determine the baseline costs. The utility cost test (UCT) comes out at 2.0 and has for some time. Energy Trust has been tapping into the latest research and projects to help design teams as they try to improve every enrolled building. The Net-Zero Fellows provide a channel for Energy Trust and staff can incorporate their learnings.

Next steps

None

5. Exploring and quantifying non-energy benefits

Topic Summary

Jake Kennedy, planning and evaluation project manager, reviewed an updated analysis to quantify the non-energy benefits associated from energy efficiency investments reducing utility customer arrearages (or debt from past due payments on utility bills). Results of the analysis were presented to the council in August 2021.

Energy Trust considered the impact of incorporating reduced arrearage carrying cost (RACC) and reduced arrearage expenditures (RAE) on cost effectiveness. These are the opportunity costs of the utility carrying customer debt, along with the cost of debt write-offs.

Using these two non-energy benefits would allow Energy Trust to increase incentive amounts for some existing measures; however, the conclusion is any such increase would have limited impacts. Energy Trust and the OPUC agree that policy options beyond attempting to quantify this non-energy benefit be explored to reach the customers that are in arrears.

Discussion

An attendee pointed out that the study period was during the COVID-19 pandemic, when arrearages increased substantially, and utilities were prevented from using certain collection strategies. It may overstate what things look like during stable periods. Staff responded that

less benefit is seen as fewer customers are in arrears. The analysis was agnostic to the number of customers and average. It did spike during the pandemic, then level off after that (Jake Kennedy). Staff added that the impact for customers shouldn't be undervalued as they can benefit significantly from reducing debt, but it's difficult to quantify (Fred Gordon). Staff also pointed out that the analysis only applies to customers in arrears and it would be difficult to determine the customers currently in arrears that would receive the benefit of higher incentives (Jackie Goss and Jake Kennedy).

Council members asked in what situation could 100% of incremental cost be paid—in which situations are the incremental costs the same as the full cost of a measure (Lisa McGarity)? Staff responded that it depends on how the baseline condition for which the measure is being applied is defined. For some measures and instances, such as retrofits, the incremental cost can be the full cost. For others, the incremental cost is the difference between the costs of the baseline measure and the efficient measure, and therefore less than the full cost of the measure (Jake Kennedy).

Next Steps
None

6. Hybrid HVAC pilot

Topic Summary

Andrew Shepard, residential senior project manager, and Dan Rubado, planning and evaluation senior project manager, discussed the hybrid HVAC pilot. This effort first emerged as a potential area for investment through deliberations at a state legislative task force in summer 2022 and was ultimately included in Energy Trust's 2023-2024 budget and action plan. The pilot will test a new approach to achieve gas savings and help gas utilities reach their greenhouse gas emissions targets while adding cooling to homes that lack it. Energy Trust worked with all five partner utilities in finalizing the design and funding of the pilot.

The Hybrid HVAC pilot will test adding central ducted heat pumps to existing gas furnaces. Objectives of the pilot are to determine the utility system costs and benefits to the measure, customer costs and benefits and the costs and process considerations associated with installing these systems in low-income households. Data sources will include utility customer information (UCI) billing analysis, advanced metering infrastructure (AMI) and an audit, process and qualitative data collection.

Energy Trust plans to pay the full cost of installation and is looking for low-income customers with relatively new gas furnaces and weatherized homes. Staff plan to educate customers on the pilot and work with a select group of trade allies through a request for quote process. Projects will be given on a rolling basis and heat pumps will be sized based on the cooling needs of the home. Cost range will be \$10,000 – \$12,000 with a cap of \$13,000. Roughly 90 homes dispersed throughout the state with a unit goal for each of the five utility service areas are planned. Evaluation will occur in 2025 after a full year of data.

Discussion

Council members pointed out that heat pumps require larger ducts than furnaces and asked if that will be part of the screening process. They also pointed out that contractors must be made aware of the importance of control systems (Tina Jayaweera). Staff responded that air volume is often an issue, and it may be dealt with by using a single-stage heat pump. Controlling the size of the heat pump will also help. Sizing for cooling needs will also be important. The gas furnace will still provide primary heating in the coldest weather. The comfort risk will be low, but is still being studied. Homes may be screened out for poorly designed or inadequate ducts. Energy Trust is working with trade allies to maximize both comfort and savings. Trade ally

engagement will help fully answer questions about crossover temperatures and optimizing comfort and savings (Andrew Shepard).

Board members who attended asked if customers will be able to choose their primary heat source (Jane Peters). Staff responded that customers must have both fuel types, but gas will only be used in the coldest temperatures (Andrew Shepard).

A council member asked if any load-shifting impacts would be seen (Becky Walker). Staff stated that load-shifting will not be part of the pilot (Andrew Shepard).

Next Steps

Energy Trust is currently scoping and vetting, and will speak with stakeholder advocates in the next month. We plan to start installations in late July or August. Results will be available in 2025.

7. Meet new board members

Topic Summary

Danielle Rhodes, board services administration manager, introduced two of three new board members who recently joined the board of directors: Bill Tovey and Jane Peters. Ellsworth Lang, an enrolled member of the Klamath Tribes is another new board member who was unable to attend.

Bill Tovey introduced himself as director of economic and community development for the Confederated Tribes of the Umatilla Indian Reservation in Pendleton. He handles construction and housing development and has worked with Energy Trust on a tribal medical clinic, educational facility and other projects.

Jane Peters introduced herself as an energy program evaluator for more than 40 years. Jane founded Research Into Action, which was sold in 2021. She is semi-retired while also doing some consulting.

Hannah Cruz stated that the board may be looking at the role of Renewable Energy Advisory Council and Conservation Advisory Council and asked if the new board members could offer their perspectives. Both members indicated that they don't have opinions yet, as they are still learning the organization and councils operate.

Discussion

None

Next Steps

None

8. Member Announcements, Suggestions for Future Meetings and Public Comment

Hannah Cruz announced an upcoming voluntary anti-racist and diversity, equity and inclusion training for Conservation Advisory Council and Renewable Energy Advisory Council members. Council members were encouraged to hold Friday, September 29, 2023, for the training. The training will explore the intersectionality of clean energy and race and focus on community building with a shared vocabulary. More details will be shared later in the summer.

There were no other announcements. There was no public comment.

9. Adjournment

The meeting adjourned at 3:30 p.m. Meeting materials are available [online](#). The next meeting of the council will be July 26, 2023. It will be a three-hour meeting to gather feedback on the draft budget and action plan.