**Energy Efficiency Post-2011 Review**

**Workgroup 3 Meeting 3**

**April 4, 2014**

**PNGC Power and by phone**

**Summary/Decision/Action Items**

The group reviewed the results of the utility low income survey and the CAP survey as well as the results of the streamlining teleconference. There was not consensus in the group that there should be a requirement for any amount of EEI to go to low income but rather there could be some steps taken or tools developed that may help direct energy efficiency funding to low income. The group worked on a set of principles as a starting point for a recommendation.

BPA will look into the feasibility of BPA offering an opportunity (opt in, not required) for utilities to give back to BPA  a portion of their EEI funding so that BPA can channel that funding through the BPA grant program mechanisms, while still assuring that the funding will be spent in the utility’s territory and will be reportable savings. BPA will report back to co-chairs any barriers to this option, and/or the logistics involved.

**Meeting Notes[[1]](#footnote-1)** **Attendees**

**Co-chairs:**

Andrew Miller subbed for Boyd Wilson, BPA

Eugene Rosolie, Cowlitz PUD

Dawn Senger, City of Richland, phone

Donna Kinnaman, CAPECO

Ed Monson, Benton PUD, phone

Keith Kueny CAPO

Michael Karp, NW Energy Project, phone

Pam Sporborg, NRU

Pat Didion, Milton Freewater, phone

Paul Hawkins, CAPO, phone

Sandra Ghormley, Oregon Trail, phone

Steve Jole, HACSA

Todd Blackman, Franklin PUD, phone

Kathy Grey, EWEB

Jess Kincaid, ORDOE

Nathan Heber, SNOPUD, phone

Christina Zamora, CAP Association of Idaho, phone

Margaret Ryan, PNGC

Wendy Gerlitz, NWEC

Van Ashton, Idaho Falls, phone

Julie Polakovic, Dept Commerce, phone

Larry Blaufus, Clark Public Utilities, phone

Dan Zimmerman, Grays Harbor, phone

Jim Dolan, Pacific County PUD, phone

Chuck Eberdt, Energy Project

Ken Robinette, So Central CAP – IDAHO

**BPA Staff:**

Matt Tidwell

Summer Goodwin

Carrie Nelson

Brent Barclay

Mark Johnson

David Moody

1. **Review of the process forward for Post-2011 Review**. Recommendation is expected at May 8 meeting. If additional workgroup meetings are necessary, it’s hoped that they would take place before that.
2. Person 5 – if we can’t reach consensus, I hope that we can capture that and move one.
3. **Review of utility survey results** - 9 utilities, 11, roughly three said they are doing both, another three said they refer people to the CAP. A scattering use EEI and a scattering report using self-funding. 7 said they would like assistance in running a program. There were a few who do not report but have sizeable programs.
4. Person 6 – reached PNGC 14 and NRU’s 49 utilities as well as the utilities in this workgroup and it was also sent to ORMEU. I would say it reached 90 utilities. So we probably missed 50
5. Person 23 – We received 35 responses.
6. Person 17 – a summary of OR’s sheet for LIEE and assistance. 36 utilities reporting’s in. 9 said that they ran weatherization programs.
7. Person 4 – 9 out of 36 have grant programs. 3 have rebates for low income.
8. **CAP Survey results** – it is difficult to spend the money sometimes because of local delivery costs. They would like to see more deemed savings. They have never met anyone from the utility. Common theme that there is a lack of relationship.
9. Eugene – do you have any more information about their interest in deemed savings?
10. Person 4 - they are excited about DHPs after April 1 and getting more measures into the EEI program
11. Andrew – did you get any information about work they are doing but not reporting as low income?
12. Person 6 – I talked to one of our utilities who has about 30% LI in their community and they have worked with trade allies and will do the whole program for that trailer program or whatever for the value of the regular BPA rebate.
13. Person 12 – that is a problem in the sense that there isn’t a special reference number for LI so a utility would really need their own system for that.
14. Mark Johnson – what kind of measures do you need?
15. Person 12 – until 2008 DHPs in low income homes were not being recognized as LIEE. There are a whole bunch of measures that don’t transfer over to low income customers. It gets turned in as regular measures. You have insulation and windows and now dhps. Regular have “R” and low income has “L”.
16. Person 2 – we can only do an income certification in the last year. And sometimes there is someone in a mobile home that isn’t low income.
17. Person 12 – for example, we can look through our database and pull out those who have received a certification for assistance and can put DHPs in them prior to April 1, 2014 but they aren’t recognized as low income.
18. Person 24 – what level of poverty are you using for “Low income”? DOE at 200% or 133%?
19. Person 6 – I think this is a challenge because utility and CAP’s threshold doesn’t line up. We want to reach the highest number of people but the certification is burdensome and they don’t’ think it’s necessary. If we accidentally give a millionaire a DHP and we can reach three LI homes, that’s ok.
20. Eugene - Guidelines are up to 200%. Our CAP is not allowed to do windows.
21. Person 22 – I agree a lot. We are having a tough time working with CAP because of the dollar difference. Guidelines are different. Duct sealing doesn’t differentiate between LI and non because the paperwork is so burdensome. I see some benefits but also drawbacks on trying to count every single one.
22. Person 10 – everyone who goes through us we know is low income.
23. Person 16 – How do you handle with renters? Split incentives.
24. Person 24 – In Idaho, we need eligibility of the renter but we need buy-in from the landlord.
25. Person 10 – we get contributions on capital from the owners like windows but renter pays for the insulation.
26. Person 4 – there are some restrictions on the landlord, like they can’t raise rent for a specific amount of time after improvements are made.
27. Person 23 – we are trying to get utilities to qualify the building and not the tenants because some of the buildings were built as low income housing for 50 years.
28. Person 12 – with landlords in Oregon there are some health and safety codes but they aren’t around energy. Yes broken windows but not shell measures.
29. Person 2 – The other thing to remember from a CAP perspective. If a house is for sale, we don’t’ weatherize it. We talk about furnaces. DOE says we should go in but we take it on the landlord laws that they should provide heat plus we have walkaway policies so that if there is sewage under a crawlspace, we can walk away. Sometimes we have to walk away because we would be putting people out on the street and our housing market is so tight.
30. Brent Barclay provided information from FY12-13 rate period. Our amount of efficiency budget distributed across all utilities was about $100 million. Use of EEI is $5.5 million for low income. 58% of reported low income was EEI funded savings and 42% were self-funded dollars and if we project same cost of these savings for the self-funded, we might get about $10M.
31. Person 5 – I wanted to make a distinction about the assumptions about money. Some utilities still don’t have LI programs.
32. Brent – the there is variance between the utility money and the grant. The grant is distributed evenly across the region.
33. Eugene – are there some who aren’t doing anything?
34. Person 23 – that is correct.
35. Eugene – the survey said there are 7 who aren’t doing anything and would like to.
36. Person 16 – Some of them don’t’ have relationship with the CAP agencies and want to re-establish.
37. Person 4 – 9 of the 36 COUs have dedicated funding which includes program and admin delivery costs granted to a CAP, 10 said no relationship at all, all but one said they could easily spend more money. 12 out of 15 said they would like to see an increase in program delivery costs because they use admin from one source to pay for admin for another. IF we get EEI funds they don’t’ cover the admin costs for the work that we do.
38. Eugene – if a CAP says insulating this attic costs $5000 and we pay you, I am assuming the admin costs are included in there.
39. Person 23 – it really depends how that agency does their books. Some of them build in their admin costs and some do not. In Washington 25 agencies who do it 25 ways.
40. Person 6 – I think that a lot of utilities do rely on the admin adder from BPA to pay their own staff for EE. It is difficult to dedicate other admin to CAP agencies.
41. Person 6 – is there any BPA flexibility to help with this?
42. Brent – for all low income measures with the exception of windows we will reimburse at 1 for 1. IF that invoice had admin baked into it, we could reimburse for that admin fee if it’s baked in. If that cost gets high then the utilities may not have an appetite for that.
43. Person 13 – I have a request since there are two ways that they do it some do it there selves and some contract it out. Could BPA provide uniform guidance for both ways?
44. Brent – that is the local utilities oversight right now. The utility has to decide what they need to do to get a good buy.
45. Person 5 – some really good work service LI in the region and some utilities who are not. The standard that I want to see is that anyone who is low income can have access to LI funded by the utility through EEI. I’m hopeful that this group could lead to a mechanism that would help with this?
46. Eugene – one place to start is that we could have a recommendation to BPA that it’s important or BPA expects
47. Person 10 - We could have a principle that all utilities work with CAPs
48. Person 6 – I have a concern that a lot of rural utilities that I represent and this may come across as an obligation and they would be very concerned. Rural areas have been hit hard by the recession. There is an automatic proactive reaction from BPA that says “you must do this” especially without having developed any other tools.
49. Person 10 – I don’t support an edict because it might ruin what I have going.
50. Person 16 – as far as principles, I fear that BPA requiring anything is going to start a fire especially if there is a required percentage. I am hoping that if we put together principles, we can do it here in this group. We have all the right people.
51. Eugene – What about having a principle that makes a general kind of statement that BPA adopt a principle?
52. Person 2 – I look at it as a way to coordinate in order to maximize local funding. I serve some of the real rural areas. They don’t have the revenue but together with my grant funding we can make something happen. BPA expects that you have a low income program that is served with the EEI.
53. Person 16 – we could use the term best practices.
54. Person 4 – how do you move your members to something without a mandate?
55. Person 17 – if we all agree that it is a good principle, then maybe we could add some recommended steps for BPA to work toward that principle. The principle doesn’t require anyone to do anything. If someone objects to that principle then we should talk about it.
56. Person 9 – two principles maybe #1 we acknowledge that there is a large number of LI in households that could benefit form EE and conservation measures. And 2: the number of agencies and funding sources available lack coordination and could benefit from improve communication
57. Person 3 – I worry with something like a priicniple like this that there could be an incremental mandate to do this. I just don’t think most utilities want
58. Person 14 – I agree that the word “expects” is strong.
59. Person 6 – I don’t’ think we should use EEI in there because some utiltieis may actually end up opting out if WG 1 provides that option.
60. Person 13 – I think we should make sure that it says something about utility funds and that federal funds are not enough to meet the need.
61. Person 5 – there isn’t anything here that ties it to EEI.
62. Person 17 – well let’s add in “through utility or BPA incentive programs”
63. [A principle and three bullets were added to the agenda for inservation here] a small group will work on wordsmithing Pam Sporborg (NRU), Nathan Heber (SNO), Wendy Gerlitz (NWEC), Chuck Ebert (The Energy Project), Sandra Ghormley (Oregon Trail Electric)Gather
64. Review of real forms and also proposed forms by Steve and Kathy moore
65. Person 16 – wow, this is overwhelming, not this form but the other requiremetns for each type of measure. The forms just for DHPs are overwhelming to many of our utilities.
66. Brent – I have a question for the low income agencies. I understand your software has to be approved by DOE but each state uses a different system. We are trying to build a verifiable virtual power plant so there is some need to have good documentation.
67. Person 24– Idaho has to now capture cooling information. IT is evaluated every five years by the engineers at DOE.
68. Brent – you have to have billing history for that meter.
69. Person 10 – we do different reports, one for NW Natural and one for DOE.
70. Brent – if there is a way that the software that you used generated kWh consumption and we could get BPA to accept the kwhs actually saved as if someone who could afford it lived there.
71. Person 10 – yes, that would be good.
72. Eugene – some of these forms are required by the RTF. We have to make sure that it is certifiable. We need proof of payment. It is required for a particular reason. Because we use BPA capital dollars to do this there are some restrictions.
73. Person 10 – they now say that we have to use actual but they used to let us use a default setting for those who had broken furnaces or whatever.
74. Brent – there may be a way to simplify the steps to verify the widgets and accept the savings value that is being computed by the CAPs.
75. Person 6 – maybe the rigor of the other oganizations (RTF or DOE) that BPA might be able to reduce some of the administrative burden.
76. Eugene’s proposal for a BPA coordinated program for implementing low income as an opt-in
77. Person 5 – it seems like if you really want to solve this problem you need to think about overall cost-effectiveness in order for the low income to be served effectively.
78. Person 23 – I don’t think any utilities pay out the full amount of the incentive.
79. Carrie – converting these measures into deemed measures is very difficult.
80. Person 19 – has there been any monitoring of the inspections?
81. Person 10 – They are QCI certified. There is monitoring but you need funding for it.
82. Person 6 – to me it sounds like the DOE program is much more rigorous.
83. Person 12 – the question I have is, does the DOE program cover all the same measures that BPA covers? I don’t think so. This would be a question for the CAPs.
84. Person 24 – It is tied right to DOE in that aspect.
85. Person 17 – We are bringing two problems together and that makes sense in some ways but let’s try to leave the streamlining separate for now.
86. Eugene – this is one small piece of an overall solution. There are some utiltiies that may not want to do it but then if you offer this they would write their check and join in.
87. Person 16 – is this a long-term solution? What about fixing the reporting system?
88. Person 17 – I proposed something like what Brent proposed last time and people didn’t like it.
89. Carrie – following the grant program could make ti a lot more efficient.
90. Person 17 – if we could get to the principle, I think it would make a lot of sense to have an ongoing workgroup for us after post-2011 review.
91. Person 6 – it’s been a great thing that we have been able to come together through this process.
92. [Carrie - Brent and I will be looking into the feasibility of BPA offering an opportunity (opt in, not required) for utilities to give back to BPA a portion of their EEI funding so that BPA can channel that funding through the BPA grant program mechanisms, while still assuring that the funding will be spent in the utility’s territory and will be reportable savings. Our task is to report back to Eugene any barriers to this option, and/or the logistics involved. ]
93. **Next steps.** We will meet again before May 8 at least one in person and maybe also on the telephone. Person 16 will send out a doodle poll.
94. Eugene will work on the BPA coordinator proposal. Wendy and team will work on the principles.
1. Out of respect for privacy, only attribution to comments from BPA staff and workgroup co-chairs is included in these meeting notes. [↑](#footnote-ref-1)