

Energy Smart Awareness: NEEA Savings

Lauren Gage, BPA (lsmgage@bpa.gov)

Susan Hermenet, NEEA (shermenet@neea.org)

Melinda Eden, NEEA (meden@neea.org)

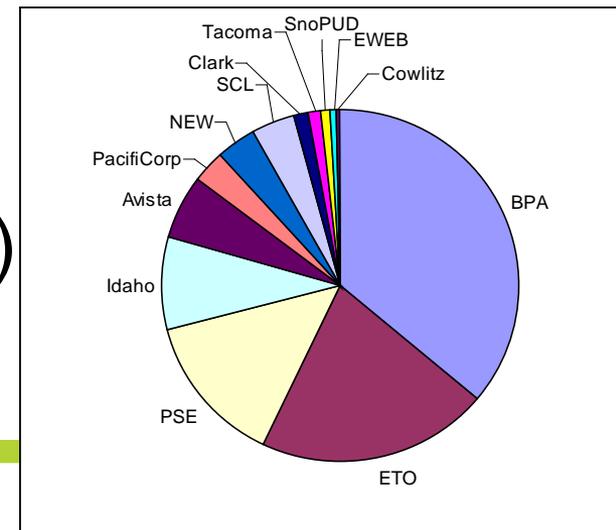
Christina Steinhoff, NEEA (csteinhoff@neea.org)

Overview

- **Purpose:** Provide BPA utility customers with basic information regarding NEEA savings methodology and reporting.
- **Agenda:**
 - Quick basics on NEEA
 - Overview of NEEA approach to savings
 - Ductless heat pump example
 - BPA use of the savings
 - Q&A + Additional future topics – 20 minutes

BPA and NEEA

- BPA, on behalf of customer utilities, is ~36% funder of NEEA during the 2010-2014 period, totaling \$68M
 - BPA's share can be considered "Indirect Funding" by customer utilities
- Additional 9% of NEEA funding comes directly from other BPA customer utilities
- Anita Decker is BPA's Board representative; Ed Brost (Franklin) is on the Board to represent indirect funders



NEEA Unique Value and Savings

Fills the energy efficiency pipeline, championing innovation, driving emerging technologies

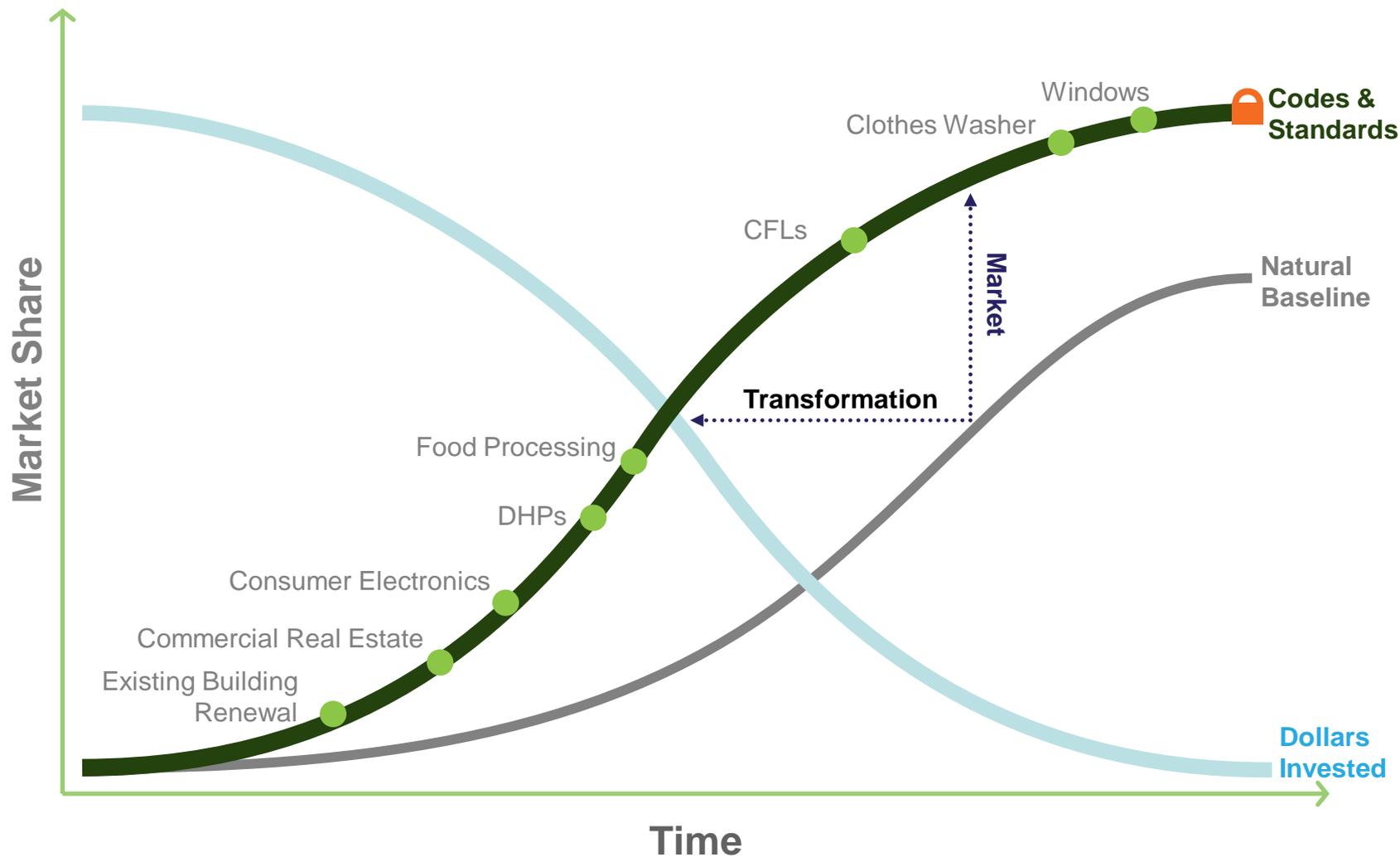
Accelerates market adoption of energy-efficient products, services and practices

Leverages regional advantage through shared resources, economies of scale, reduced risk

**Cumulative Total Regional Savings
1997 - 2010**



NEEA's Focus: Market Transformation



NEEA Stakeholder Relationship Manager: Melinda Eden

- Developing communications strategy for small/rural utilities and associated organizations
- Assisting stakeholders, especially outside I-5 corridor, who told NEEA they value in-person contact from NEEA staff
- Coordinating with BPA's energy-efficiency representatives
- Acting as primary contact between NEEA and small/rural public utilities and related groups, such as Public Power Council
- Helping ensure two-way communication throughout the region
- Promoting regional equity and incorporating interests of small/rural utilities
- Developing selection process for representation on RPAC of indirect funders

Overall Reporting Approach to Savings

- General approach and CE Committee
- Specific topics
 - Categories of Savings
 - Total Regional, Baseline, Local Programs, Net Market Effects
 - Types of Savings Reports
 - NEEA Savings Report, Power Plan Savings Report, Service Territory Savings Report
 - Timing of Reporting

Annual Savings Report: Due Diligence Process

Step 1: Work with Evaluation

- Create a schedule for updates
- Identify the resources for updating each assumption with a 3rd party review
- Identify Research Needs

→ *Long Term Monitoring and Tracking (LTM&T)*
Market Progress Evaluation Reports (MPERs)

Step 2: Research

- Review assumptions lists for each initiative
- Update the assumptions

- 2a. Survey Local Programs
- 2b. Track Widgets/ Market Share/ Total Market Size
- 2c. Review Assumptions (*LTM&T, MPERs, NWPC, Regional Technical Forum, tracking systems, staff, contractors*)

Step 3: Document Assumptions

- Create a table of assumptions & memos describing changes

Step 4: Confirm with Senior and Initiative Managers

Step 5: Present Results to Cost-Effectiveness Committee

- Gain feedback from the Cost Effectiveness Advisory Committee during the annual June meeting

Step 6: Finalize Results with Senior and Initiative Managers

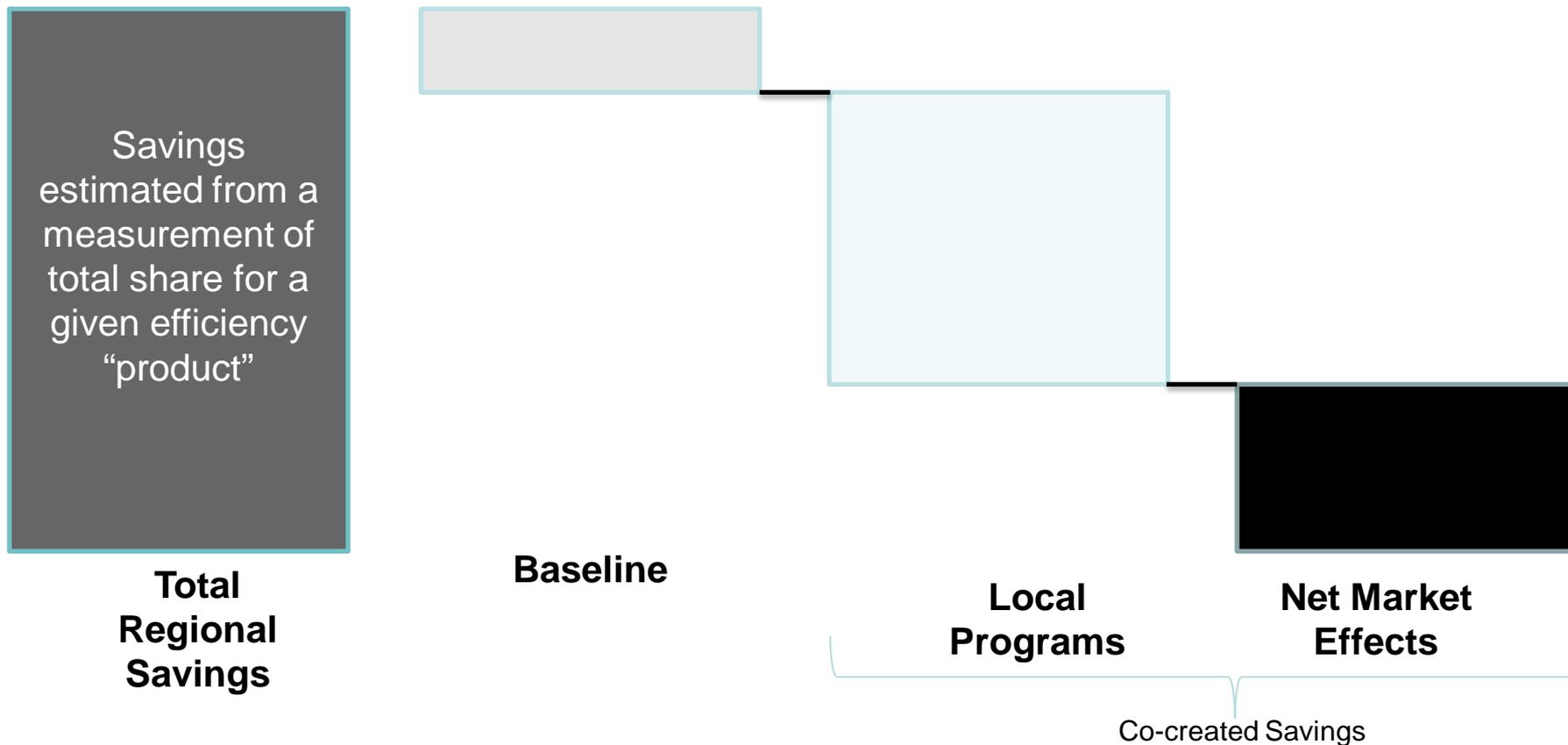
- Documentation
- Reports



Cost Effectiveness Advisory Committee

- Purpose
 - Ensure alignment among stakeholders of the analytic validity of NEEA CE & aMW savings information.
- Responsibilities
 - Conduct an annual review of NEEA CE & aMW savings information for reporting purposes.
 - Review market transformation cost and savings measurement and estimation methods.
- Members
 - Funders, NWPCC, Regulators

Energy Savings Categories



Total regional savings: source of unit data typically manufacturers, retailers, trade associations; savings assumptions from RTF or evaluation.

Baseline: typically estimated through 3rd party evaluations.

Local Programs: data requested annually from direct funders.

Savings Reports

- NEEA Savings Report
 - Uses NEEA Baseline
 - Savings based on funding allocation
- Power Plan Savings Report
 - Uses Power Plan as Baseline
 - Savings based on funding allocation
- Service Territory Savings Report
 - In some initiatives, estimates of savings made by service territory
 - Available for 'direct' funders only

- For regional savings reports: www.neea.org
 - Annual report in July
 - Quarterly reports

Ductless Heat Pump Example

- Data collection
- Alliance Cost-Effectiveness model
 - Savings
 - Baselines
 - Forecast
- Third party review of key assumptions

Timing of Reporting



- July
 - Prior Year Annual Savings Reports released
 - Fully Reviewed and Vetted
- For I-937 Purposes
 - Preliminary Annual Savings Report Available in April

BPA and NEEA's Savings

- BPA reports (to Council, RedBook):
 - NEEA net market effects
 - With the 6th Plan baseline
 - Savings from BPA-direct and other direct public power funding
 - Focus on fiscal year
 - Adjusted for busbar savings using regional numbers
- BPA also tracks non-programmatic savings from NEEA reports
 - Equal to the NEEA baseline, with Council adjustments
- BPA has created indirect funding report
 - Shares out NEEA net market effects
 - By customer share of BPA annual purchases
 - If interested, please contact jpwarner@bpa.gov

Example of Indirect Savings Report

Savings type	NEEA Net Market Effects	(not Total Regional Savings)
Savings level	BPA-only	(excludes other publics' direct-funding)
Baseline for Savings	Council Power Plan	(not NEEA baseline)
NEEA Savings Report Source	NEEA reported - Nov 11, 2011	
Method of Utility Share	Customer's share of Total BPA Purchases	
Customer Share Information	2010 Actuals, Projections based on 2010	
Date reported:	11/14/2011	
Utility:	TEST	

FISCAL YEAR	FY	FY	FY	FY	FY
Results for TEST	2010	2011	2012	2013	2014
	Actual	Projected	Projected	Projected	Projected
Customer's share of NEEA savings (FY, aMW)	0.075	0.059	0.063	0.066	0.065
<i>based on:</i>					
Customer's share of Total BPA Purchases (%)	0.674%	0.671%	0.671%	0.671%	0.671%
BPA's NEEA Savings (busbar, aMW)	11.1	8.8	9.4	9.9	9.6
Line Loss Factor to Calculate Busbar	1.08	1.09	1.09	1.09	1.09
BPA's NEEA Savings (site-savings, aMW)	10.3	8.1	8.7	9.0	8.8

Q&A

- Questions...
 - ...for BPA?
 - ...for NEEA?
- Topics you'd like to see covered in future brownbags?