



Energy Efficiency Post-2011 Phase 2

Workgroup 2 Meeting 4

Wednesday, September 1, 2010

1:00pm to 4:00pm

Heyburn, Idaho

Overview

- This meeting was held at United Electric in Heyburn, Idaho and several of the Southern Idaho utilities attended.
- This is the fourth outreach to Small Rural Residential utilities with prior meetings in Walla Walla, WA; Eugene, OR; and Kalispell, MT.
- We reviewed the previous meetings for the benefit of the people that were attending for the first time.
- This meeting continued to focus on ways to help the Small Rural Residential utilities achieve more installed energy savings with ideas regarding incentives, measures, pooling, and other opportunities to increase energy efficiency in this sector.
- Participants in the meeting also asked for new measures similar to Residential ones to be adopted for the Small Commercial sector.

Decision/Action Items

- The Co-Chairs will consolidate the ideas and comments from the Stakeholders for Pooling Utility Resources and this will be shared with Workgroup 1, which is leading the Pooling topic.
- The Co-Chairs were asked to prepare for a summary of activities for the Midpoint Meeting in Portland on September 8, along with the other four Workgroups.
- This group continues to seek ideas and input on clarifying the definition for Small Rural Residential, measures for this sector (including more deemed measures), and incentives for Utilities and the Contractors that install the measures.
- NRU will provide research on helping to define SSR.

Meeting Notes¹

Facilitator:

Boyd Wilson, BPA

BPA Participants:

Larry King

Mary Beth Evans

Ryan Fedie

Josh Warner

¹ Due to privacy concerns, only BPA staff and workgroup co-chairs are listed in these meeting notes.

Matt Tidwell

1. BW: high level review of workgroup progress. 1) how to define SRR utilities; 2) how to address higher costs of achieving conservation in rural areas.
2. BW: brief mention of BPA's undertakings with demand response: a few demonstration projects going on and the opportunity for Utilities to participate in the C&I demand response project. Proposals are due at the end of September with more information at: <http://www.bpa.gov/Energy/N/demand.cfm>
3. BW: note from Sarah Moore on weatherization (updates).
4. Reviewed the discussion from MT. A reminder: Midpoint Meeting on Wednesday, Sept. 8 from 9am to 12pm PST at the BPA rates hearing room in Portland.
5. BW: (review of issues list.)
6. BW: review of measures unique to SRRs that could use assistance: weatherization; manufactured homes; windows, heat pumps
7. Person A: issue brought up at recent NRG meeting
8. Person B: recently did low-income weatherization, but left out the door, which was not tight. So can sealing the doors be apart of the program. Individual recently contacted me, customer has old vinyl windows but these aren't covered. I'm wondering if there should be something in place to replace these.
9. Person A: a few things discussed at the NRG meeting: incentivizing contractors in rural situations by paying them mileage for jobs that require a considerable distance. Question would be how much mileage to pay them, etc. Another idea: access to contractor's group, e.g. affiliated HVAC guys, and go to their meetings to find out what they would need to go out and get the work done. Third, if BPA could work with the utilities to map these areas that are rural. Fourth, with small commercial outfits, they would benefit from similar measures deployed in the residential sector. Fifth, reached out to the IOUs or Energy Trust and find out they are achieving success there. Sixth, manufactured homes were discussed. Seventh, enthusiasm for deemed measures as opposed to other alternatives that come down the line.
10. JW: please explain the manufactured homes issue a bit more
11. Person A: talking about old manufactured homes, esp. those done in the 70s that are in bad shape and whether we could do something, e.g. ductless heat pumps.
12. BW: paying for mileage?
13. Person C: early in the CNRD program, we contracted to have audits done and a part of the contract was to pay for mileage and this was instrumental in the contractor agreeing to go out into the field. We used some of the admin expense funds to cover this and it worked to our benefit.
14. BW: what if it's a utility going out to visit a customer on an EE service call? Should it be extending to the utility as well?
15. Person D: the majority of our work done is by our utility not contractors; we try to cover these with admin benefits as much as possible.
16. ?: there should be some sort of pay back for the utility.
17. BW: access to contractors group.
18. BW: help map out what areas of utility territories would be classified as SRR.

19. Person A: issue concerns utilities that have customers that are easily accessible and other customers that are difficult to reach.
20. Larry King: make it simple and don't disaggregate a utility service territory.
21. ?: number one thing is to have the incentive.
22. BW: consider small commercial measures similar to residential measures and consider Commercial vs. Residential load factors.
23. Person E: where would you cut that off? How "small" is "small"?
24. BW: we've heard that utility customers would like more measures for small commercial. How do we get there, we're going to have to work with the sector leads.
25. LK: what's the metric for defining this?
26. Person C: we do want to consider this; it's a segment that is difficult to fill.
27. JW: can you talk about the specific measures? We would need to make sure the savings are in line with the two.
28. Person F: weatherization measures and HVAC
29. Person D: some appliances, washers, dryers, etc.
30. Ryan Fedie: there have been some recent advances on whether there is cross-over and groups have been working to try to get these approved by the RTF. We can get the group a list of measures approved by the RTF within the past 4 months.
31. BW: also ductless heat pumps for small commercial.
32. RF: emerging technology pilot looking at expansion from residential to commercial. Notice should be going out soon.
33. BW: look at IOUs and Energy Trust and see what they are doing on this front.
34. BW: manufactured homes. How many in the room have over 25% manufactured homes (a few hands went up).
35. Person D: we have about 15 to 20%
36. Person A: same.
37. Person G: ours is high as well
38. BW: more deemed measures and less custom projects
39. Person C: it's hard to get out and cover all the areas you need to gather information and process it on these custom projects, so I don't know if the time and effort put in is worth it.
40. JW: we've been working on a number of deemed calculators.
41. RF: in conjunction with the RTF, we've been looking at simplified M&V protocols as well. Is the burden of putting together the custom projects the time required for BPA engineers or some other aspect?
42. Person C: all of the above, it depends on the project.
43. Person D: small electronics.
44. RF: do we have an avenue to take these suggestions to take to our engineers? Is the best way through the EERs?
45. Person H: custom projects do take a lot of time, BPA helps us a lot, but if we're working on a custom project, could we increase the admin fee for that project?
46. LK: doors used to be in the program, but is no longer in the program (storm doors).
47. BW: moving to pooling groups.

48. Person C: provided overview of IDEA. Bottom line: the smaller utilities could get more done with less burden on their time. Pooling is a good idea and can be done in a variety of ways depending on the utilities in a pool.
49. Person I: we're very small (3 employees); it's worked for us very well. We gain the same benefit as a large utility, contractors treat us well. It's the only way we could continue our operations rather than spend our time on conservation. Otherwise, we would do no conservation.
50. LK: they provide a lot of flexibility.
51. BW: think piece was brought to the group.
52. JW: what specifically do they look like? We need to provide a specific recommendation to workgroup one. It's very important that this group have a consensus on what is sent over to WG 1, rather than just saying it was a good idea. What type of formal agreements do they have for IDEA.
53. Person C: not sure if there was some type of agreement, but there is an official document of some sort. We had another organization and the pooling for conservation was a subgroup.
54. BW: what role, if any, should BPA play in this?
55. Person C: if we're going to roll this out region-wide, BPA could help fashion some working agreement. Smaller utilities would need assistance.
56. BW: could the IDEA documents be shared?
57. JW: there are different legal constraints, but getting some specific ideas is needed. Pooling groups can help smooth out bumpiness over the years.
58. Person D: BPA will have to be involved to the extent that they recognize the pooling group and are able to move the money around for the utilities within the group.
59. JW: we've done this with the IDEA group.
60. Person A: can this be a collection of ad-hoc utilities? Does there need to be something in place to make sure complementary utilities are put in the same pool?
61. LK: IDEA was within Idaho; NRU has tried to take multi-jurisdictional entities and I would like NRU could provide considerable insight and PNGC as well.
62. JW: PNGC and NRU are pretty distinct with their relationships with BPA and each other. With PNGC all we'll do is combine their EEI, but maybe that's all we need to do and that would be fine. Just want to make sure there aren't additional nuances. I want to make sure there is an action item out of this so we can get back to workgroup one.
63. BW: Yes, we will prepare a recommendation for workgroup one on Pooling.

Break

1. BW: defining SRR utilities.
2. ?: it's really going to be difficult. May have to fall back to something that's already been used and tweak it a bit, unless you're going to have a committee to look at on a case-by-case basis.
3. Person J: I've thought a lot about this: 10aMW makes sense and a couple other thresholds is also possible.
4. BW: take an example of a town with 20k people, so partly concentrated, partly rural, so what are thoughts on this?

5. Person D: when you look at all parameters, the only one where Glacier qualifies is rural and most of the utilities on this call would only qualify under one of these parameters, so maybe it doesn't have to be such an exclusive group. Maybe the benefits can be applicable to all utilities. We should try to come up with more measures that work for us, not finding measures that don't qualify for others.
6. Person A: I was thinking a utility would have to qualify for two.
7. Person J: I could come up with something with a few different scenarios.
8. LK: what's the concern about high residential percentage?
9. Person J: I've been least comfortable with the residential percentage.
10. ?: one of our recommendations should be that admin payments stay in place (pertaining to a suggestion in WG1 to get rid of it in the desire to spread 25% funding across all utilities).
11. Person K: metropolitan areas is a geographic area and maybe we could look at those and see how the service territories may or may not
12. Person L: we're getting too complicated discussing maps. I was hoping we'd define SRR during the first couple of meetings. There needs to be some recognition that getting conservation in residential is going to get harder. Once it's defined, those utilities should get a 30% admin and they can use that money how they want. Best thing is to increase the admin.
13. BW: what if the utility just pockets the 30% and doesn't pass it on?
14. Person L: they can do that today. Let's get it defined; if Inland doesn't make it in, then that's fine, I'll move on. But we need to recognize that it's going to cost more to acquire conservation in rural and residential areas.
15. JW: I appreciate what Person L is saying about simplicity. There's a number of ways we can talk about this. Coming up with a recommendation that a certain segment of the utility population gets an extra admin payment seems to be a clean way to go, but certainly not the other way.
16. Person J: I'm happy to come up with something.
17. RF: We do have underway a re-look at our M&V framework and I'd be happy to update the group in the future. We also have a number of emerging and R&D technologies. This is a good chance to get to more streamlined offers.
18. Person J: speaking on behalf of Jim Stubblefield, he says everything is done in his service territory; he's paying for services that he can't take advantage of, so are there options, e.g. doing payment based on CPAs?
19. RF: Emerging technologies: on the research side we have two buckets: 1) R&D and 2) emerging technologies (closer to the end of development funnel). In this year's portfolio, we have an R&D project on high performance windows in manufactured windows (R5). Some projects just concluded that are available on our website. We're working on improving our communication on these new efforts. When do people want to hear about these? We want to make sure the right information is available to you at the right intervals.
20. BW: an occasional brown bag might be beneficial.
21. BW: what about M&V framework?
22. RF: the genesis of this was taking a look at our M&V framework and dust it off, clean it up, make sure we're staying with best practices and make sure we're

appropriately balancing need with cost. We've been trying to reach to utilities to get input via an M&V group. We've reach out to national experts to revise our M&V guidelines. It's been awhile since we updated our protocols. First report has been completed and sent out. Currently in phase 2 and there will be a phase 3. We're looking at M&V light and seeing where we increase M&V light.

23. BW: action items: I'm going to work with Eugene Rosolie to put together proposal on pooling to be reviewed by the group before it goes to WG1.
24. Person J: going to put together proposal on SRR.