



Energy Efficiency Post-2011 Phase 2

Workgroup 3 Meeting 5

Wednesday, September 15, 2010

9:00am to 12:00pm

Conference Call Only

Overview

- Reviewed the “Draft Recommendation” document written by co-chair Jill Steiner. The document encapsulates the issues discussed by the workgroup and the preliminary recommendations of the workgroup.

Decision/Action Items

- Matt Tidwell will send out the slightly modified version of the Draft Recommendation document to the workgroup.
- Workgroup participants will review the Draft Recommendation and provide input, as necessary. A further fleshed out version of the document will form the basis of the workgroup’s recommendations to BPA on Conservation Potential Assessments.

Meeting Notes¹

Facilitators:

Jill Steiner

Andrew Miller

BPA Participants:

Josh Warner

Matt Tidwell

1. AM: the document sent out (Draft Recommendations) is just a draft and is meant to capture some of the areas of consensus throughout the past workgroup meetings. It’s not meant to box the discussion, just to make sure we don’t speak in circles, to have a guide post to move us forward.
2. Person A: could we add to the agenda a brief discussion on the Midpoint Meeting and any feedback the workgroup received.
3. JS: (overview of Midpoint Meeting and the slides applicable to WG3; the group did not receive any specific questions or feedback.)
4. Person B: If you didn’t hear from us, it’s probably because you’re covering your bases. You would have heard from us, if you were veering off course.
5. JS: Our focus on the process has been good, one issue that hasn’t been raised is how this relates to meeting the public power shares of the regional target.

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

6. Person B: that's the tiger in the room; how does it all true up.
7. JS: how do we get to the point where we can support customer's needs, but we also say we want consistency and leverage what BPA brings to the table so we can do this aggregation. So we might want to talk more about this aggregation at some point.
8. JS: (turning to the document.)
9. Person C: want to know the context within which the three options take place. So our recommendations are based on the idea that there are these three options: 1) Utility Target Calculator; 2) Utility Potential Calculator; 3) Utility specific Analysis.
10. JS: the three options are similar to what the I-937s have.
11. Person D: I don't really know of any other options.
12. Person A: when you talk about option 3, are you talking about having a scientific approach, survey conducted and having a full-blown CPA?
13. JS: There is a wide spectrum for what could fit under option 3.
14. Person A: I see options 1 and 2 as a tool to help utilities in planning and how their potential may line up against the region. I don't see those two tools as being replacements for a more detailed analysis.
15. JS: we have set options 1 and 2 as kind of short cuts, whereas option 3 is more extensive and detailed.
16. Person E: I think there may be a fourth option. Corollary to load based targets, you could do it based on sector.
17. JS: the Utility Target Calculator put together by the Council, you can do it based on load or by sector.
18. Person C: it seems that these options are more like level of data collection that one has to go through; if you only have a certain amount of data, then you're going to only use a certain option, then the next step is the UPC and then the next step is the Utility-specific.
19. JS: The source of the data inputs varies. The Utility Target Calculator is based on the Council's assumptions of regional characteristics, which may not match your utility's characteristics. The UPC still relies on the Council's calculator for the measures and it uses the Council's ramp rates, and the Council's avoided cost, but it does allow input on customer characteristics. When you go the Utility Specific Analysis, it's up the utility to use the Council's inventory of conservation measures or use their own assumptions about technologies. Likewise, you can use the council assumptions about ramp rates and achievability or you can do your own (or some combination of that). The approach we took was to adjust some of the ramp rates based on what we know about our service territory.
20. Person A: One of the things that struck me about the UPC is how important it is to have more specific information on your service territory. When looking at different housing types and what's the regional average, having good data from your service territory to put into the tool is going to help with planning. In our service territory we know we have more manufactured housing then in the regional assessment.
21. JS: it's the customer characteristics that are going to make the biggest difference in understanding the conservation potential. We can take issue with the Council's

- assumptions, but what matters the most to individual utilities is their customer characteristics. This translates into number of units. If I have X amount of dollars to do research, where do I put those dollars to get the biggest bang for my buck; this is the sort of thing BPA can provide to utilities.
22. Person C: I'm struggling with how this relates to recommendations. I don't think it's our job to lay out a utility goes about doing a CPA, but to recognize the areas where there are needs and what BPA could do to help fill those needs. I think the questions in the document...
 23. JS: I see that there is a continuum of analytical rigor that a utility might want to go through.
 24. AM: we wanted to provide the background, so what we've discussed is just the overview, the crux of the recommendations are further down in the document. We started out with this workgroup with lots of different understandings on what CPAs are and what they can do. So this is the purpose of these first tables. This is just an overview of what's available and what can be modified.
 25. JS: I'm also thinking of our collective conscience; thinking of having some guidelines out there for utilities to look at to consider to what degree they want to dive in.
 26. Person D: I think we're headed down the right direction. I think what's going to be most helpful is what do you collect, how you could collect it and a group of consultants in the business that could provide some service. We just finished our first draft of ours and we did a hybrid approach and we estimated a lot on our customers but in the future I would like to build my database. You can move forward without having all the information. We measured against the regional plan and what they said is close to what we found. It's a good way to start. We did it in about six months. I'm assuming we're going to be under \$14k.
 27. JW: You were also doing this with other utilities, so coordinating on this might have helped bring down the cost.
 28. Person D: absolutely.
 29. JS: we're entertaining a role for BPA here because we think they can help expedite the process and lower costs.
 30. Person D: we'd be happy to share our report with anybody that's interested when it's finished.
 31. JS: (size threshold discussion)
 32. Person B: what is the "typical" as written in the paragraph?
 33. JS: similar to the region, e.g. do you look like the region or are you much different, standard commercial, standard industrial, standard residential.
 34. Person C: is this going to be the recommendation that we send to BPA? I'm concerned that if it is, I become more concerned about the wording.
 35. JS: the recommendation is that we are not looking to BPA to tell us when and how to do a CPA. But BPA may help us decide when and how we go about it.
 36. AM: this document is going to form the foundation of the recommendation, so if you would like to make changes, we strongly encourage you to submit written comments/edits.

37. Person C: the more specific we are the better off we are, the less specific we are the more BPA is going to fill in the blanks. So if we have concerns, it's better that we be more specific.
38. JW: in this workgroup it's important to say where BPA can assist and where BPA shouldn't step in.
39. JS: (discussion of whether BPA should help with developing tools.)
40. Person E: this section looks great. We piloted the UPC and it was very simple and easy to use. Any utility ought to be able to at least start at this level. So a recommendation that BPA should continue to develop this tool is a good idea.
41. Person C: if it's a recommendation that BPA serve as a coordinating point for review, this is sort of vague, maybe needs to be spelled out more.
42. JS: if this came to BPA as our recommendation, would this suffice?
43. JW: I think what is written is fine. The sentence describes what we did with the 6th Power Plan.
44. JS: I anticipate that when we come to the 7th Power Plan, that we'll be smarter, and we'll be feeding data to the Council. Sometimes during the 6th power plan, we didn't always have the information we needed to inform the Council's decision making. I think the Council's staff is open to getting better information from the utilities.
45. JW: if you want to be more specific in this particular case, you could be, but it's not required.
46. Person C: I would add language about coordinating specifically with public power.

Break

1. JS: (what is BPA's role in collecting inputs for CPAs.) Trying to talk about a facilitation/enabling role for BPA. We've talked a lot about the benefits of having processes streamlined, tools available for us, and BPA could serve as a repository of the collection of tools. I used "nested" tools, but not sure if that's clear. We've talked about a telescoping approach. Don't know how to specifically describe this so it's obvious. We want to have tools that would allow us to move up or down on the elevator of detail depending on a utility's needs. We can further flesh out this idea. The other area I included here is BPA's role in representing public power around some of the regional data collection efforts. Right now NEEA is working on this Residential Building Assessment and BPA is at the table, but it could be clearer that they are representing public power and not just its own interests.
2. Person D: could you explain "nested tools" in more detail?
3. JS: generally means level of detail, e.g. "retail" as a category could be sufficient for some whereas others would prefer, "big box retail," "small box retail," etc.
4. JS: BPA can help determine which questions should be asked and when the data is collected, it would disseminate the data broadly. Does BPA have some clarity on this issue?
5. JW: it's in the right direction and it's meaningful.
6. JS: (standards and methodologies.) the consensus is that we are not looking for proscriptive measures, but we looking at BPA to support our efforts to maintain

- consistency and make it easier to do CPAs (and to produce a product that can be aggregated).
7. AM: that seems very accurate from what has come out of the workgroup. One thing that came out was to enable consistency, whether in data collection, process, or methodology, so the outputs can be aggregated in order to inform the Council.
 8. JS: I think we need to address “the why,” i.e., why we want to approach this in a uniform manner.
 9. JS: the next two questions, timelines and who pays for CPAs, we really haven’t been discussing these, so I took some editorial liberty to write these sections.
 10. Person C: there are certain dates that BPA knows that may be critical as to where CPAs may fit in, e.g. rate cases every two years, which look at forecast and it may be a good idea to have your CPA done by this time to feed into the rate case.
 11. JS: I wanted to introduce the idea that we are moving into an environment where we’re looking at this all the time. We’re doing things that inform our conservation potential, our implementation efforts on a sort of continuous basis. Another benefit of the central repository is that it becomes a place where we’re getting better and better all the time.
 12. JW: there is a clause in everybody’s power sales contract, it mentioned that all utilities over 25aMW need to submit to BPA a “plan,” and perhaps this workgroup or a subgroup should take this up.
 13. JS: what’s the time on that?
 14. JW: not sure exactly. A subgroup working on this would fine and I’d be happy to provide the language.
 15. Person D: can that requirement be every 10 years?
 16. JW: that would require a contract amendment.
 17. Person C: we need to be clear that the “plans” are not meant to be CPAs.
 18. JS: the last question was “who should pay for CPAs” and other data collection? We haven’t really discussed “infrastructure spending” that BPA would carve out of the EEI. So maybe some of these costs could be included in this.
 19. Person C: I would think that in terms of BPA being a repository that this would be included in the infrastructure pot since everybody benefits from it. In terms of the individual CPAs, if there’s going to be a performance payment, then maybe those performance payment dollars could be allocated to the cost of doing the CPA. So again, clearinghouse function paid for my infrastructure, then CPAs be allowed to be paid for by performance payment. If no performance payment, then we’d need to discuss this further.
 20. Person D: I would lobby not just for the performance payment, but also a credit toward your conservation contribution.
 21. JW: I think I generally agree with Person C, but regardless of performance payment or just keeping admin payment, that would be a reasonable expense. Are you talking beyond that?
 22. Person E: seems like an expense that you could claim under the CRC, like NEEA.
 23. JW: the difference is those expenses are associated with acquiring savings, they are intended to acquire savings. But the actual dollars need to be focused on that, because that is how we set our budgets.

24. Person C: there was talk in WG4 yesterday about having a performance payment based on a kWh, would be the same as admin.
25. JW: it would replace it and have the same type of benefit. This question was asked a long time ago, before the first meeting. It wasn't clear where the workgroup was going to take the discussion, e.g. there was a question that everyone was going to have to do a CPA, and if that were the case than maybe there would have been a need for subsidizing it. So this makes the question a little less relevant with where the workgroup has landed.
26. JS: So I might assign this section to Andrew and Josh.
27. JW: we can take a crack at it, based on some of the other discussions of other workgroups.
28. JS: We've structured this around the issues that BPA initially put together for the workgroup, but are there other questions/issues that need to be raised that we haven't yet tackled?
29. AM: I would like to encourage all workgroup members to submit questions, clarifications, edits on the document to workgrouphree@bpa.gov or to Matt Tidwell and then we'll take those and try to incorporate them into the document. Then we can start to build this document out to have the level of clarity everyone wants.
30. AM: the next meeting is the 29th, but this is in conflict with a NEEA strategic planning meeting, so it might be good to move this to another day. I see the next meeting being similar to this meeting and then after the next meeting have the following meeting be an in-person meeting. We've discussed having the meeting during an off-week and we may consider that.
31. JW: we can check with other co-chairs to see if they'd be available to switch.
32. JS: we really want to see a lot of written comments to come to Matt by the 24th, so please contribute.
33. AM: we can send out the notes as early as possible and then ask folks to make comments.
34. Person C: if people are in Portland during the week of the 27th, then we should try to get together.
35. AM: we'll try to find a date that is workable and plan on having a meeting the week of the 27th.
36. Person D: I hope we come out with some suggestions on standardization, i.e. what people should be collecting at the utility level.
37. JS: we've established a process for getting this, but it might not be in our recommendations (it's a "peel the onion" issue). Concurrently, there is NEEA's Residential Building Stock Assessment and their protocols for data collection.