

USB CONFERENCE CALL

February 10, 2010

8:30 a.m. to 12:00 p.m.

TOPICS	SPEAKER
<p>USB Charter Revision</p> <p>Few months ago it became apparent that it was a good time to share the charter and possibly revisit. Lloyd went through and highlighted some of the items that could be changed. He checked in with Program Marketing and EEMT regarding the proposed changes.</p> <p>One thing to identify is the span of the charter. What can the USB to do help meet the targets? Are the current programs and/or new programs going to help us reach the targets? All comments will try and be captured; Lloyd will incorporate the comments and send out to the group for review.</p> <p>Eugene: Charter is something that lives on. Adding markers like the 6th power plan means the functionality of the charter will need to be changed. Not intended to deal with a particular Power Plan. Better for the charter to be more 'generic' in nature and not tie it to the Council or any specific plan.</p> <p>Steve: Supports that comments. USB is due to sunset in 2011. Is it worth discussing to keep the group functioning?</p> <p>Original date most likely incorporated due to tying it to the power sales contract.</p> <p>Tom: Not the intent to focus on the specific power plan, but an opportunity for utilities to provide input. Sunset date was most likely due to the uncertainty of the post 2011 world. Not tying it to the power plan.</p> <p>Is the sunset clause important? Should we revisit it? If we're getting away from incorporating a power plan into the proceedings, why write a charter with linkage to the power plan? The Purpose paragraph gets to the point of what the USB is designed to do.</p> <p>Eugene: Re the sunset clause, since Josh will be here later, maybe discuss with him his feeling about the role of the USB beyond 2011. Feeling the USB will be just as important post 2011 as it is now, especially with the aggressive targets in place.</p> <p>Rob: The function and deliberation of the USB is separated from the Power Plan.</p> <p>Mattias: As long as we're doing conservation we need to be together. At the same time, while the charter's purpose is relevant, we may want to have some set time to go back and revisit the objectives and have some time of date.</p> <p>Gary: Draw a line through Post 2006 (in the Purpose statement) and leave it as such.</p> <p>Tom: At some point conservation efforts will begin to decrease....</p> <p>Chris: BPA does a lot and doesn't get enough thanks. As far as the USB, we are volunteering our time to assist BPA in this endeavor. Is it worthwhile? We have to justify it with our management. If BPA is happy with the result, getting bang for our buck, then it's a worthwhile endeavor. Not everyone is happy with every</p>	<p>Lloyd Meyer lcmeyer@bpa.gov</p>

program, but how do we make that work. Providing input – if BPA doesn't need the input, then we're ok.

Tom: Working as a team you certainly get more done.

Cheryl: Conservation programs will be a big ongoing factor and the USB helps reinforce that. Not tied to a plan or a time period, but some type of general review/check in after so many years. The USB serves many purposes: networking, sharing information, not reinventing the wheel, maximizing conservation.

Make the language more generic. Delete the sunset clause and/or check with Josh.

Steve: Who has the authority to implement the sunset clause?

Assuming it is the EEMT, but no one is entertaining the thought of retiring the USB. It serves a great purpose for them.

Steve: Make it more generic but not spend too much time if EEMT is opting to continue to the group.

It is clear that EEMT sees the group as a value to the organization.

Tom: Set up a review in conjunction with a new power plan and review the mission in collaboration with the plan. Focus on things that are specific to the plan.

Review of the representation of the USB. East/West mix. Maybe a large utility representation? Is 9 the right number? Is the representation a right number?

Chris: Not sure where 9 came from, but you don't want it to be too large of a group.

Rob C: Especially on the phone, it becomes an audience vs a discussion group?

Rob: Would you be open to having others listen in, either officially or unofficially? EWEB would like to continue to attend, if possible....

Eugene: An issue of whether or not we want to make the meetings more open? Not necessarily to participate, but to listen in if they want. Something to consider....

Since the beginning the notes have been posted, and we've encouraged EERs to send out to customers if they are interested. At least inform other utilities about what's being discussed. We've always been careful on the BPA side to limit the number of folks in the room, but a different question from a utility perspective.

Tom: When reps are out with the utilities, are they getting any inquiries about USB? Is there a wait list for membership?

No current wait list. There has been in the past.

Tom: Is there a point in time where you have more repeat individuals, than new? Others are out there but many are just too busy....

Is your participation in the USB something you share with your colleagues within and outside your organization?

Tom and Chris get calls and push them to get involved.

Gary: Important to have someone who wants to be here; not that they are just being sent by their boss. We want to represent a group with a comment interest.

F2F meetings foster more discussion. Telephone calls are more difficult to engage participants. Is the 2 hour call valuable? Meet monthly? Quarterly? Sometimes not enough to fill an agenda; schedules are busy. Are things set up ok now, or should we review the group?

Mattias: Every other month works well; agenda is typically full. If things start spacing out then move the meetings out to quarterly.

Rob: Do you work to put together agenda items or are there standing agenda items? Could the phone meetings float between an hour or two?

Wait and see mode....

Rob C: What percentage of agenda items come from utilities? F2F maximizes the time, so if we need to suggest more items than let's do that.

Gary: EERs have a good idea of what utilities are doing and/or struggling with. Maybe the EERs should be more engaged in presenting more topics. Also, if they have a utility that has something going well, have it written up and presented to the board.

Eugene: Two areas. One, the area of things that come up – program issues that utilities are having, etc. We could be a better job of keeping ears and eyes open and adding those concerns to the agenda. Two, more in terms of being more proactive in what the issues are that need to be talked about (programs, e.g., CPA). The other is the small utility program issue and what the agency is doing to that end. Maybe the USB should be having a discussion on what the future will look like, what programs are being developed or need to be developed, and have a timeline/point of time to check in on those items so that you have those agenda items that follow a specific topic. Ongoing items that need to be address.... Constant check in with the new power plan in alignment with program design and development....

Rob C: Program objectives. It may be helpful to define that.

Lloyd thanks all for the lively discussion and he will undertake the process of incorporating the comments and sending this out for comment.

DIRECT INSTALL PROGRAM

Chris: He made reference to the call last week about the direct install component of the new CFL residential offerings. We didn't hear anything in the USB until it hit the street. He's disappointed that as a group no feedback was provided. He's currently doing direct install programs that in the past have been a nightmare. Program design concerns that customer input is not heard. People are scared. Some of his customers have a shoot first mentality.

Are there things that the can be done now to minimize the problem?

Rob: Maybe it's appropriate to get on a call with FMS and BPA to deal with some of the consumer areas.

Chris: We will get a lot of negative calls and utilities may not sign up for the program as a result of past experiences. Folks will ask for their original shower heads back, and what will we do then? We just don't want unhappy customers.... When you're doing direct installs for 40K customers, and they want their shower head back, then what do we do??? Don't like to hear complaints. Customer survey results are high right now and we don't want anything to damage that relationship.

Eugene: If it's an opt-in program – that's ok. But again, if it's a decision that BPA can decide that either you do it through us and count it, or you don't, then we will have a problem.

We will take the issue back to the residential team. Maybe Sarah Moore can join our next meeting to continue this discussion.

Utility Summit Update

Planning is like pushing a rope! Want to give some update and get your perspective on a few items.

Based on 09 feedback, we're taking the approach of being respectful of time. We're also engaging EERs to solicit ideas and feedback. Registration is at 74; 15 of those are vendors. Team meeting today to go through the sessions to finalize the speakers and update the agenda with hopes to prompt additional registrations. One issue expressed is the financial situation/economics. That may have some impact on the discrepancy in the registration numbers. Hope to be up around 120-130 for final numbers.

Many of the usual suspects have registered as vendors. Rheem has agreed to bring a HPWH and hook it up; in discussions with GE as well. Will actually have it hooked up with water running.

Cathy Zoe has declined to participate, but recommended Ronald Risser. Andrew talked with his assistant to discuss the challenges of the 6th power plan and what our focus is. He has agreed to come out and speak in her place.

Draft agenda in front of you. Request: Help around CPA session. Want a WA utility as well as an OR utility. Also, Commercial EE sector – commercial kitchens. Looking for utilities that have worked in that area either as a program, or one-off projects.

Eugene: What is the focus on the CPA? What's a small utility going to do or what would their approach be like to doing one. Smaller MT coops have looked into it – maybe one of them would be useful.

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Utilities will share their experiences and how they have incorporated that into their planning process. Reached out to 6-7 customers and most declined.

Rob: Contact Bill for input on EWEB's CPA and commercial kitchen aspects.

Rob C: What would the CPA interface with post 2011 policy, state??? Would Lauren be able to provide that or have someone that will at the Summit...

We'll make sure Lauren speaks to that point at the session. I will update the website by the end of the week. At the end of last month's call was the discussion of the USB having a table at the Summit. Do you have a position on that?

Steve: I brought this up for discussion. As a new member, I thought it might be good to showcase who the members are or what is required. Have badge identification for members.

Chris: Have information in the packets on USB members.

With new staff coming on board at utilities, need a chance for networking. Either a dinner after the first night or maybe a breakfast table the second day. How do we engage with the participants?

Tom: Create a sign up sheet for USB membership prospects.

Steve: Hosting a breakfast table but it might compete with another session.

Don't want customers to have to choose..... Is the ESG supposed to reach into the commercial kitchen sector but haven't seen the uptake on that process.

Mark Ralston: Peter Meyer from TPU will discuss commercial kitchens.

Chris: DR participants from Kootenai....

Presentations will be due to the moderators the first week in March. Hired an outside provider to supply laptops and screens.

Recovery Project Alerts

Last time he met with USB he talked about the email alerts. The introductory email is nearly ready to be delivered. Having internal conflicts with Public Affairs to get it out to the GM's. That will set the stage then follow up with the actual alerts. Today, wanted to follow up with what utilities are planning to do once they get the alerts. S. Wright has mentioned conservation to meet load growth under the power plan, thus getting more scrutiny across all programs. Want to follow up a week after the alerts with short calls to staff to ask about their plans. If numbers are large, may identify a sample – small vs large, east vs west, etc., then admin staff would set up the call. Each call would have the EER, conservation contact, Mark and Carrie Cobb (new planning person) on the calls.

Mark reviewed the script that would be used for the call.... (note comment from Mattias that utilities should be able to claim all conservation projects for I-937 in their service territory regardless of who pays for it...)

First alert MAY be out this week. Introductory email will go first, then the notifications.

Eugene: Seems awful formal, particularly the phone call.... Still concerned on getting the projects bogged down in the BPA process. If a project has started, how do you get through it?

Want to review a standard set of question, in particular for the planning group on how to proceed (e.g, the circuit rider aspect)

Still dealing with information gathering.... May be able to get M&V after the fact... Still underway.....

One other area – these alerts will focus on two primary pots of recovery. State energy program funding and Block Grant funding. Other pot is the weatherization assistance program for Low Income Wx. When SUB has approached his local CAP to work together,, the CAP didn't know how to proceed with utility collaboration but presented the idea to the state coordinator. Once presented, the state coordinator wasn't sure if they could do this – wanted to get reading from USDOE. Concern was they didn't want to double-count the savings. Finally, response from USDOE that there is no double counting of savings unless BPA is reporting to USDOE, and we're not. But do utilities go after low income Wx savings which are harder to capture....?? May be a bit of legwork to identify these projects. May want to aggregate and capture at a state level and apportion them by utility....???

Rob: EWEB has long standing relationship with Lane County but they don't see all projects. Contact Kathy Grey for more detail.

Gary: Going to check into it with their CAP...

More internal thinking about an approach and come back at the next call/meeting.

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PTR Training

Passed around a handout... Reiterated a decision at the last meeting to NOT to have PTR training at the Summit. We asked a question on the survey as to whether training would be good. 16 of the 21 said they would want to have PTR training at the summit. There is a room available, can be the same time as the lighting calculator training.

Did receive some training comments. Online tutorials. Simplified training a possibility.

Chris: Interested and showing up are two different things....

Talked about having a sign up sheet/registration piece for summit participants.

Rob: Observation is that travel is made by someone at the company other than the one actually traveling, so need to get things out to customers.

Email blast out to those who said they wanted the training. Send out to all that may want to attend and let them know it will compete with the lighting calculator training.

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New Commercial Measures – Enlisting Utility Research Support

Consistency of Incentives between Programs

Cost of obtaining the data we need on commercial measures can be costly and time consuming. Dilemma – we're confident of the savings regarding a measure, but not sure how to determine the incremental cost.

Can allow utilities to move forward with the measure under BPA Qualified list, and require them to provide savings data to BPA. If you get the installs, then you can gather the data. If no installs, then no need to waste the time to get them installed or a long analysis on the savings. Examples - fryers, shower heads (commercial sites)

Rob: Residential uploads – does one exist for commercial deemed measures as well? The cost data needs to be a component of the upload.

Questions on applying residential measures in a commercial applications – e.g., shower heads, refrigerators, etc.

Provisionally deem smart strips. Putting mechanism in place to appeal to utilities to do the installs and get the information back for evaluation purposes. Customer communications and brown bags to further explain the approach are forthcoming.

Going after more deemed measures and changing the order of things – find out demand first, then follow up with the analysis, rather than the reverse.

Consistency of Incentives between programs....

Some discrepancy of rebates through the ESG and lighting programs. In the ESG there are about 60 deemed measures and some deemed calculated measures using PECI's tool. For those standard deemed measures, the RTF has determined they are deemed for the region not just for PECI. Offer will be for all utilities on April 1. The entire program won't be available, but standard deemed measures will be. One concern is not to undermine the regional investment in the ESG or duplicate the work PECI is doing by having measures available. Don't want competing programs. Manual will have language that they are available BUT please don't overlap PECI efforts or strip the program....

Mattias: This will allow utilities to go into schools and commercial kitchens with some of the measures.

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Some discrepancies on where they (PECI) can go. Some times there are issues with entering a site and installing other measures. Ray encourages utilities to work with PECI if they would want them to go into schools.

Eugene: Raises an issue for 3rd party programs not recognized by other programs; that they have a vested interest in the programs but for them to go into the school do to a refrigeration project is not very good, but if they couple it with lighting then it makes it more effective. Makes them focus on larger projects. They are pushed by contractors – need to recognize the project.

Hard to manage. One reason why we want to ensure there are multiple pathways to get the deliveries. Some mechanisms in place to “behave well” but hard to manage.

Chris: Bad quarterbacking. For example, they will take a bid on kitchen lights. But other lights are bad yet they can't touch it. PECI should pass that on to the utilities to do the additional follow up when the contractor can not continue. Auditors are paid for by rate payers, need to take better advantage of their expertise. Utilities are not aware of the contract restrictions or benefits...

Contract language is in place for that, but depends on FEA and field coordination.

Lloyd: is it going to be that utilities will hear from end use utilities and PECI at the same time?

Chris: Work together and have more collaboration efforts in the front end of the process....

Tom: For 3rd party and direct installs, want access to the savings. Want access to the numbers – how do we get it? For achieving I-937, how do we know what has happened?

Rob C: Go through Sprocket.

Mattias: Making sure the information goes through the PTR to claim for I-937 purposes.

Each utility has an account from Sprocket. Information will be available, if not already.

Tom: Can you check to make sure that the savings are reported in the PTR site. Want to report the specific savings on the ESG project...

Gary inputs all the cart information into the PTR by utility. Broken out by direct install and/or deemed savings.

Eugene: The old PTR mechanism has changed....???

Yes, utilities are not having to approve the carts any longer...

Mattias: Only credit towards 75% for CWHM purposes, but 100% for I-937 purposes.

100% of the savings are recorded for the purposes of the CHWM calculations, but want to make sure we're counting all savings for the target....

Rob C: Are you considering small farm application for refrigeration measures? Typically has not fit into ESG in the past, but would/could apply to the Ag sector in this case??? Quite a bit of other small commercial applications in small farms.

First I've heard of the application for other sectors. The RTF deeming status fits by sector, and may not fit into Ag applications. May have to present it back to the RTF....

Under the ESG, they have the ability to do other marketing strategies. What is the reimbursement level...??? Try to maintain a consistent level of incentive and not compete with the promotional efforts PECCI is undertaking.

Rob C: Goal is to find the sweet-spot from BPA and use utility offerings to boost incentives, if so desired

Eugene: Sometimes BPA comes with these edicts that an incentive will be this amount or that we will pass through full amount. Mandating an incentive doesn't necessarily work. Leave the utility the option of managing incentives...

Mattias: As long as they are paying the same to PECCI, then utilities can match or not the same incentive levels. Just want same treatment.

Rob C: Calculator rumors...

Testing on the new lighting calculator for C&I.

Chris: LED Dock Lights rebate \$30; price exceeds \$150-\$200 unit. Why is it even on there? Builds excitement due to the rebate but the incentive is so low it won't move a project.

With LED technologies, wanting to add more to the drop down due to customer interest. Working to bring new measures to the calculator while revamping. LED are still suspect- technology vs price. Not high energy savings, which is why the incentives are so low....

Non-standard measure approval is what some customers are using to get a greater incentive. Incentive is still based on \$0.20/kWh payment. Drop downs are based on a standard/generic case; non-standard measure approval based on a site-specific case.

May consider brand name specific measures/incentives. Other is increased communications – e.g., a small incentive to get some support from BPA but won't get rid of the 'junk' out there.

Steve offered to be a tester for the new lighting calculator.

POST 2011 Update

Quick run down on what activities have been taking place on post 2011. Call for any other specific questions.

Rob: Anything about CPAs?

Lloyd: Any update on plans for small and rural utilities?

Meeting at the PPC on Jan 21 with the Administrator, Decker, Gendron and others from BPA and other high ranking folks from the public power community. Tone was set to be more of a conversation. Proposal 1: authored by a working group of folks but more of a public power option; Proposal 2: from BPA to capture current thoughts reflected from utility insights.

Eugene: (additional insights) Proposal 1 – two separate pools: BPA pool and self funding pool. Self fund money would not go to BPA but handle the programs independently. Number of mechanisms to ensure utilities met their targets. Where we are now is how do we do self funding – how to count for it and what portion goes to self funders. Under each proposal, everyone would pay into an infrastructure pool.

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Follow up meeting Feb 3 where Proposal 3 was presented. Loosely used, mostly bullets, but laid out themes that hopefully came to consensus of the major issues from the January meeting. Proposal is fairly flexible. E.g., Self funding is expected to be about 25% of the targets, thus rates will adjusted to collect 75% of the savings, not 100% of the savings...

CPA used to better determine what is the basis for determining what utilities can do to reach their targets. In the proposal, the cost is tied to load, even though some may argue that is not the way to do it. Maybe collect by potential, but everyone does CPA's differently using varied assumptions and inputs. Very cautious when trying to put potential into rates...Load is convenient; going to potential imposes a different strategy. Public Power needs to come to a consensus on how to move forward....

Eugene: On the CPA's - the people that have expressed a strong support need to understand the complexities and the nuances of what it does and what it is. Need an education component.

Maybe BPA can help establish standards, but how will that fit into I-937 methodologies...??? Lots of nuances to work through, not to mention the education component to make confident determinations.

Tom: What kind of time line do you think we'll have before some type of standard is in place?

Not sure, but it may be pushed out as we go through the process to offer guidance, especially since the process is underway for some.... The high level proposal will have generic language of what CPA's may represent...

Rob: Testing a data pool...

Working with EES... It will allow a utility to put in specific data for a handful of variables. It will input data assumptions but will convey that back to the council's number for utility potential....

Rob: Data orientation is a big challenge, e.g., assignment of sq footage for gas water heaters...

Eugene: Question on the USB and its function going forward. Concern is the phase 2 of the Post 2011 process, but how much input will come from the utilities into the development phase. Not sure what to input and when in developing the utility calculator, but you have this reservoir of knowledge and experience and not being tapped to its potential. Nice that the workshops and workgroups are down there but its typical BPA to come here with it when it's done and what do you think vs how can we be involved in the development of the plan. What role do you see the USB playing in the post 2011 process?

Josh views this as a valuable tool for the EE department. Not heard anything that lends itself to dispersing at the sunset date. Maybe the outcome is a more specific role for the USB is to be informed in the decision making process.

Eugene: Outside of the self funding issue, utilities should focus on the two programs - standard program (e.g., CRC) and the pay for performance program (e.g., paid a flat rate and utilities have the option of running their own program)

How to figure out to get the pay for performance out to more utilities, not just the larger utilities.

In the RD contracts a plan is due by June. Lots of questions about what that would look like. Due to the delay in the post 2011 process, still don't have the

guidance for utilities. Will be close to the June deadline before a decision is made. What is the alternative?

Cheryl working with 8 Montana coops on CPAs. Tom looking at the Tri-Cities area.