EE Post-2011 Review Kick-Off Meeting

November 22, 2013
Portland, Oregon
BPA Rates Hearing Room
Agenda

- **Purpose:** BPA seeks customer and stakeholder feedback on which issues should be within scope for the Post-2011 Review and the process for addressing those issues

- 8:30-8:45 Welcome and Introductions – Matt Tidwell
  Opening Remarks – Richard Génécé

- 8:45-9:00 Background on the Initial Post-2011 Process – Josh Warner

- 9:00-9:15 BPA’s Perspective on the Post-2011 Framework - Kim Thompson

  Break 10:30-10:40

- 11:15-11:45 Facilitated Discussion: The process forward – Summer Goodwin

- 11:45-12:00 Next Steps – Matt Tidwell

- 12:15 Optional informal lunch in BPA cafeteria room 110 for anyone who wants to stay
Purpose of the Post-2011 Review: consider and implement improvements to the Post-2011 framework to more effectively acquire energy efficiency in the region
Background

- Purpose of segment: discuss previous process and major changes that resulted
- Process:
  - Goal: Align EE’s program with the Regional Dialogue Policy and tiered rates
    - Phase 1: high level policy issues (big tent meetings)
    - Phase 2: implementation specifics (five workgroups)
Post-2011 Principles

- Develop public power’s share of all cost-effective conservation consistent with the NW Power Act.
- Provide services that maximize regional economies of scale, market influence and local assistance opportunities.
- Leverage resources to maximize existing infrastructure and avoid duplication of effort across the region.
- Ensure consistency with the principles of tiered rates.
- Provide choices to be responsive to the diversity of needs across the region.
- The bulk of conservation is best managed at the local level.
- Balance increased flexibility with cost.
- Manage risk associated with change.
- Support long-term high customer satisfaction.
- Advance energy efficiency in the Pacific Northwest.
Post-2011 Changes

- Costs collected in the Tier 1 rate
- EEI funding mechanism
- Budgets allocated on a TOCA-basis
- Capital budget split – 70/30
- Programmatic savings target split – 75/25
- BPA payment received after invoicing
- Option 1 and Option 2 custom project paths
- Flexibility mechanisms

- Two BPA policy documents capture these changes and form the basis of the Review
BPA’s Perspective

- High level* thoughts on some areas that warrant consideration
- 75/25 programmatic savings split
  - BPA-funded < 75%; self-funded > 25%
  - Potential drivers:
    - Unspent EEI funding
    - More costly mix of measures
    - Use of performance payments
  - Implication:
    - \((\text{Budget}) / (\text{Target}) = $/aMW\)

*More time is required to fully analyze the rate period data
BPA’s Perspective

- Utility Self-funding
  - I-937 utilities deliver 66% of self-funded savings (representing 54% of BPA’s load)
  - Non-I-937 utilities deliver on par with their load share
  - Implication: self-funding helped offset lower BPA delivery, but is the past a good predictor of the future?
BPA’s Perspective

- Regional Program Administration
  - Loss of BPA direct acquisition model and not having early funding commitments makes program administration difficult
  - Implication: is there a more effective/optimized way to run regional programs?

- Large Project
  - Unsubscribed and burdensome/costly to administer
  - Implication: is it needed/can it be modified?
- We are taking a short break. We will be back at 10:20.
Scoping the Review

- BPA seeks customer and stakeholder feedback on which issues should be within scope for the Post-2011 Review
  - Why scoping is needed
  - Walk through of the scoping document
  - Seeking:
    - Your perspective
    - Issues to add
    - Options to add
    - Level of importance (if time allows)
Process for the Review

- BPA seeks customer and stakeholder feedback on the process for addressing the issues within scope
  - Draft timeline for the Review
  - Approach?
    - Big tent, regional meetings
    - Workgroups
    - A combo of regional meetings and sub-groups
    - December pre-meeting(s)
    - How to ensure inclusivity?
Next Steps

- Provide additional input by December 6\textsuperscript{th}:
  - Contact your EER
- Based on input received, BPA will update the scoping document, finalize the process approach, and share externally