# Energy Efficiency Post-2011 Review Workgroup 3 Meeting 3 April 24, 2014 PNGC Power and by phone

# **Summary/Decision/Action Items**

To be added by workgroup chair

# Meeting Notes<sup>1</sup> Attendees

### Co-chairs:

Andrew Miller subbed for <u>Boyd Wilson</u>, BPA Eugene Rosolie, Cowlitz PUD

Bo Downen, Public Power Council Christina Zamora, CAP Association of Idaho, phone Ed Monson, Benton PUD, phone Shan Rowbotham, City of Ellensburg, phone Dawn Senger, City of Richland, phone Donna Kinnaman, CAPECO Keith Kueny CAPO Michael Karp, NW Energy Project Pat Didion, Milton Freewater, phone Paul Hawkins, CAPO Steve Jole, HACSA Todd Blackman, Franklin PUD, phone Jess Kincaid, ORDOE, phone Nathan Heber, SNOPUD Margaret Ryan, PNGC Wendy Gerlitz, NWEC Van Ashton, Idaho Falls, phone Larry Blaufus, Clark Public Utilities, phone Kathy Grey, EWEB, phone Robert Salberg, Cowlitz PUD, phone Ron Mitchell, Benton REA, phone Sandra Ghormley, phone

### **BPA Staff:**

<sup>1</sup> 

Out of respect for privacy, only attribution to comments from BPA staff and workgroup co-chairs is included in these meeting notes.

Summer Goodwin Carrie Nelson Brent Barclay Mark Johnson

- Summary of findings to date. Utilities and CAPs could work together better. A survey was conducted of utilities and CAPs and the results reinforced this assumption. There is opportunity to streamline reporting requirements.
- Wendy Gerlitz presented the proposed principle for the workgroup: Low-income
  customers in each BPA utility service area should have access to ratepayer funded
  affordable energy efficiency services funded through utility self-funding and/or BPA
  incentive dollars.
  - o Person 1 we really didn't want to have a requirement.
  - Person 2 We really wanted it to be a requirement.
  - Person 3 I think this opens the door to utilities and CAPS to work closer together.
  - Brent what was the meaning behind "affordable"
  - Person 4 There wasn't a lot behind that except that when you are targeting low income we need to recognize that this is different than regular incentive programs. They already have access to the regular programs so it should be specific programs that target them.
  - Person 5 I think the word "affordable" is subjective.
  - Person 6 Once this is sent to BPA as a principle, how difficult would this be to turn it into a policy?
  - Boyd that would be a nonstarter for BPA
- Ongoing meetings in the future
  - Quarterly, but may want to have subgroups, depending on what the group comes up with, maybe quarterly in the first year
  - Person 7 This is missing the point about BPA needed to fill the gap if the utilities are not.
  - Person 8 Things just don't work very well and we could try to get things to work better together. There is no requirement
  - Person 11 Sometimes utilities are not able to work with the agencies or they
    are not working very well together. We met with ours recently and come up with
    some new ways to work together.

- Person 7 we need to be sure that the workgroup thinks about a backup plan if these other things are not working.
- Person 3 I think that the ongoing group needs to also consider training or an education component that needs to happen
- All a lot of disagreement on what the future group should work on and whether BPA's role as backstop for LIEE should be considered
- Person 9 I don't want to include backstop role in there. We know that utilities do not have an appetite for this.
- Potential proposal for BPA helping utilities do low income energy efficiency
  - Boyd There was a proposal that BPA help facilitate work with the CAPs. One idea was for the utilities to have the CAPs work directly with BPA. BPA looked into it. BPA cannot have contracts (ECAs) with CAPs directly.
  - Brent It does not appear to be workable for BPA to take capital funds and transfer them to CAPs through grants.
  - Person 9 and Person 4 We should include that as a recommendation even if it does not seem doable at this time.
  - o Person 8 how can we prevent gaming?
  - Person 10 some CAPs do the work themselves and some of them contract it out. In WA they have to pay prevailing wage.
  - Person 3 in Oregon, we find that the contractors charge the utilities less than they charge us, the CAP.
- Discussion of the data provided by BPA on LIEE, Breakdown as to the number of utilities by state who claimed savings through BPA's acquisition program

Utility	2012	2012 -	2012 -	2013	2013 -	2013 -	2014	2014 -	2014 -	Total #
State	- EEI	Self-	Both	- EEI	Self-	Both	- EEI	Self-	Both	Utility
	Only	funded	EEI and	Only	funded	EEI and	Only	funded	EEI and	Accounts
		Only	Self-		Only	Self-		Only	Self-	
			funded			funded			funded	
WA	10	2	1	11	1	3	10	1	0	62
	_								_	
OR	10	1	1	9	1	2	7	1	0	36
ID	3	0	0	4	0	1	3	1	0	24
ID	3	U	U	4	0	1	3	1	U	24
MT	0	0	0	0	0	0	0	0	0	8
NV	0	0	0	0	0	0	0	0	0	1
WY	0	0	0	0	0	0	0	0	0	1

CA	0	0	0	0	0	0	0	0	0	1
Total	23	3	2	24	2	6	20	3	0	133

- Person 10 my rough estimate is \$.70/kwh, we only report savings though, not dollars. Cowlitz goes to the federal of 200 percent. The IM goes to 200%
- Brent There was twice as much self-funding to low income relative to the overall BPA portfolio.
- o Boyd self-funded savings goes through the same rigor as EEI funded.
- Brent for the portfolio at large the average measure life is 12 years but for LIEE it is 40 years. That is really good, these are long term investments.
- Person 4 could we have just the average measure life of LIEE compared to other residential measures?

## Summary

Three recommendations will be presented at the big tent meeting

### Recommendation #1 PRINCIPLE

### Preamble

- Financial constraints limit low-income ratepayers' participation in traditional incentivebased programs
- There are a large number of low income households throughout BPA service territory that could benefit from energy efficiency and conservations measures.
- Existing sources of funding, including state and federal resources are insufficient to meet current needs.
- The high number of funding sources used for this work and the number of entities involved complicates effective and efficient program implementation and reporting.
- Current efforts sometimes lack coordination and could benefit from improved communication.
- Management and administration of programs usually works best when there is involvement at the local level from the utility and low income agencies.
- One single solution will not work in every electric service territory and for every utility; therefore, recommended actions are developed with a variety of options to choose from in order to ensure management and administration remains at the local level.

Principle: BPA customer utilities should provide equitable access to energy efficiency services tailored for low-income customers funded through utility self-funding and/or BPA incentive dollars.

Pre-decisional – For Discussion Purposes Only

Recommendation #2 – an ongoing workgroup

Reconstitute a workgroup to meet quarterly on LIEE in BPA service area to address some of the topics identified by this group, such as

- 1. Small utilities path to do low income work.
- 2. Data streamlining. More comprehensive tracking system.
- 3. Best practices and improved communication, coordination and collaboration
  - guidelines for structuring an agreement including CAP administrative costs
  - 2. approaches for cost control
- 4. Align so the measures line up (US DOE/ Utility). There are misaligned and have some conflicting requirements.
- 5. Understand BPA's role in facilitating access to LIEE across its service territory
- 6. training
- 7. Other topics that the workgroup may choose

Recommendation #3 -turnkey implementation for low income programs

BPA facilitates a method or process that would allow utilities to designate some of their EEI or other utility funds for implementation of LIEE, where BPA is the administrator of the funds.