

B O N N E V I L L E
POWER ADMINISTRATION



**Bonneville Power Administration
Regional Energy Efficiency Post-2011
Phase 2 Kickoff Meeting**

July 7, 2010

Portland, OR

1:00 pm - 4:30 pm

Bonneville Power Administration Rates Hearing Room,

Room 223

911 NE 11th Avenue

Phone Bridge: 503-230-5566, code 8361#

Meeting Notes

1. Slides 4 – 7: Initial discussion on Phase 1 closeout and the framework that has been created by the Proposal that is being finalized
2. Slide 8: brief discussion of 75/25 split and others
 - a. Attendee: is there a specific dollar amount related to the 25% from utilities?
 - i. Josh Warner (JW): BPA has budgeted 75%, BPA expects 25% of savings will be utility self-funded; we did not delineate whether the savings will be cheap or expensive.
 - b. Attendee: So, basically a kwh saved is a kwh saved, no matter the cost?
 - i. JW: yes, as long as they are cost-effective.
 - c. Tom Eckman (NPCC): why would we want Standard and pay for performance to be equal?
 - i. JW: Take two utilities as an example that have a similar project we would want them to receive the same or a similar incentive, regardless of which implementation mechanism they choose.
 - d. Mary Smith (Snohomish): will be there any discussion about what is in Infrastructure and what is not, e.g. technical assistance, how will that be treated?
 - i. JW: this issue will be included in one of the workgroups.
 - ii. Karen Meadows (KM): there are some fixed things in regional infrastructure and there are a number of things that are flexible.
3. Workgroup Issues
 - a. Eugene Rosolie: the issues in the list are not restrictive, correct?
 - i. JW: issues are flexible, the hope is to add/subtract to get to what the groups will specifically work on.
4. Workgroup 1 (EEI)
 - a. Bill Welch (EWEB): please clarify first bullet
 - i. JW: utilities would have first access to a specific number of dollars based on a Tier One Cost Allocation (TOCA), and then at some point, the funds would be released to a common pool if they are not being spent in a ‘timely’ manner

1. Example: For a project that is expected to be completed in six months, when can you put it in the queue so that there is certainty the money will be spent?
 - ii. We want to make sure all of the funds are spent cost-effectively in order to reach the public savings target.
 - iii. We need to know what and when amounts should be rolled over into a common pool and how long it should be reserved for a particular utility.
 - iv. As for across rate periods, BPA is trying to figure out how to roll it over because BPA knows that hard stops at the end of rate periods are difficult.
 - b. Steve Weiss (NWEC): this issue could also dovetail with the 75/25 split
 - c. Eugene Rosolie (PNGC): what about the issue of what the funds can be spent on? Can utilities use this money to add extra support to NEEA, to RTF?
 - i. JW: from BPA's budget, the EEI funds will be for acquiring savings.
 - ii. Good questions raised: NEEA leads to savings, but RTF is different and may not lead to savings (more infrastructure)
 - d. Steve Weiss: interested in low income program; he wants to make sure EEI funding can be used for low income funding.
 - e. Tom O'Conner (OMEU): how can utilities use BPA funding along with other sources of funding (e.g., PACE); potentially use both incentives and the end-user could tap both (work together)?
 - f. Bill Drummond (WMGT): when there are multiple sources of funding, there may be different levels of cost-effectiveness.
5. Workgroup 2 (Small/Rural/Residential (SRR))
- a. Steve Weiss: some of the questions for this group are good questions for all sized-utilities.
 - i. Some of the same questions are in other workgroups
 - ii. We don't want one workgroup to come up with one solution and another to come up with another solution; we'll need to coordinate.
 - iii. JW: good point, going to need to make some decisions early on which issues stay with SRR or go to another workgroup.
 - b. Steve Achilles (PECI): delivery costs in a small Puget Sound utility compared to a Montana utility are really different, so maybe some of the issues should be separated?
 - i. JW: it is something that can be discussed in this workgroup.
 - c. Bill Welch: new issues are going to come up in the workgroups, so can we have some sort of check-ins along the way where we can see what each of the groups is working on, e.g., if you're on one workgroup, another workgroup might make you think of something relevant to your workgroup.
 - i. JW: all the workgroups will meet together at a midpoint and end point.

1. As we pass around the workgroup list, people have the option of staying informed about the workgroups or actively participating.
6. Workgroup 3 (Conservation Potential Assessments)
 - a. JW: we need to be clear about what customers want from the CPAs
 - i. What role should BPA play in terms of CPAs?
 - b. Terry Mundorf (WPAG): [unclear]???
 - c. Bill Welch: you've done a good job capturing the big questions.
7. Workgroup 4 (Implementation Mechanism)
 - a. Doug Brawley (PNGC): as it reads, I took it as a utility can chose to be "either/or" between the two mechanisms available; it seems that a combination may be possible in certain instances.
 - i. KM: we are looking for a way that a utility could do a custom program and maybe that it is where this would fit.
 - b. Steve Achilles: this might be a good place to think about the multitude of entities working in the EE space in the NW.
 - i. JW: important to make it not restrictive to work with the other utilities.
 - ii. KM: there's a workgroup on a regional level looking at how we could coordinate on the regional level to get more savings (other forums where this issue could be discussed).
8. Workgroup 5 (Regional Programs & Infrastructure)
 - a. JW: wide array of issues
 - b. Direlle Calica (Affiliated Tribes of NW Indians): wants to make sure [*tribal issues*] are integrated someplace.
 - c. JW: components of tribal issues may fall in multiple places and workgroups.
 - d. Bill Welch: might be a good place for questions like, how will NEEA be covered?
 - e. JW: and maybe the same for low-income weatherization.
 - f. Terry Mundorf (WPAG): people may come up with ideas and not know to which workgroups they go, so BPA should coordinate to make sure those questions get to the right workgroups.
 - g. Megan Stratman (NRU): may be nice to have webpage with the workgroups and the issues that each is covering.

Break

1. Workgroup Structure
2. Megan Stratman: given BPA's internal process for the implementation manual, will BPA provide feedback to the workgroups to make sure they aren't going down an avenue that BPA would reject (to save time and effort of doing unnecessary work)?
 - a. JW: there will be some room for conversation, but otherwise BPA should make it clear which paths aren't going to work.

- i. It's critical that we avoid going through the public process via the workgroups and then just reject them at the end of the day.
 - ii. There will be some places where we can't go, but we're really interested in making this work for as many people as possible.
- b. KM: there are some places that are "no-gos"; important for the workgroups to keep in mind that the process is for the customers as well as BPA, so we want to avoid administrative nightmares.
3. Eugene Rosolie: given the list of issues we've come up with, e.g. the pooling issue, whether utilities can pool, it would be useful to know if BPA had decided that it would not accept such a thing.
 - a. JW: we will do our best to do issue spotting and check in real time.
 - b. Creating straw proposals is one way to move the conversation forward.
4. Mary Smith: what about coordinating with the USB?
 - a. JW: possible avenue for on-going communication outside of the workgroups.
 - b. Mary Smith: maybe USB should be drawn in to ensure coordination.
5. Steve Weiss: are webinars going to be possible, i.e. not every meeting will have to be in-person?
6. JW: how the meetings take place, e.g. location, phone or in-person, is going to depend on the workgroup.
 - a. There is going to be a phone line for every meeting.
 - b. Will try to have Live Meeting.
7. Steve Weiss: it would also be good to post agendas.
8. Megan Stratman: is there a time when people need to respond regarding which group they would like?
 - a. JW: next Tuesday (July 13th) would be ideal.
9. Tom Schumacher (Benton PUD): are meetings going to occur at the same time or different times?
 - a. JW: ideally, there won't be overlap.
10. Megan Stratman: August 4 is NRU Board Meeting, which conflicts with the meeting schedule.
 - a. Doug Brawley (PNGC): PNGC Board Meeting first week of August.
11. JW: what are the best ways to communicate?
 - a. Megan Stratman: will you send out an email confirming first workgroup dates?
 - b. JW: assume the first meetings as in the schedule.
12. Bill Welch: the backstop role is not something to be discussed, correct?
 - a. JW: that's a fair assessment.
 - b. Mary Smith: can you provide us a list with all of the places where the workgroups can't go, i.e. issues not to be covered?
 - c. JW: we can do that for places that we are aware of
 - d. Yes, we can provide something (need to provide to each workgroup).
13. Terry Mundorf: we would be happy if you could not come up with anything!
14. Bo Downen (PPC): will Phase 1 close out document be available soon? It could provide boundary as opposed to a specific black-list.
 - a. JW: yes, in 4-5 weeks

15. Terry: no need for a separate list, the phase out letter/document is more than adequate.
16. JW: Agreed.

Adjournment