

Bruce A. Measure
Chair
Montana

Rhonda Whiting
Montana

W. Bill Booth
Idaho

James A. Yost
Idaho



Dick Wallace
Vice-Chair
Washington

Tom Karier
Washington

Melinda S. Eden
Oregon

Joan M. Dukes
Oregon

April 1, 2010

MEMORANDUM

TO: Council Members

FROM: Tom Eckman and Charles Grist

SUBJECT: Regional Conservation Implementation Network

During the April Council Meeting staff will provide background information on the entities involved in conservation implementation and how those entities relate to one another. This is an information item. It is intended to provide an overview of the key actors and mechanisms in play as the region moves to implement conservation -- one of the crucial elements the power plan.

A list of the major entities engaged in regional energy efficiency planning, development, and/or oversight appears below.

Northwest Energy Efficiency Alliance (NEEA)

NEEA is a non-profit corporation formed in 1996. It is voluntarily supported by electric utilities, public benefits charge administrators (e.g. the Energy Trust of Oregon) and the Bonneville Power Administration. NEEA's governing board consists of representatives from its sponsors as well as state government, public interest groups, and energy efficiency industry representatives. NEEA's budget was \$20 million per year from 1996 - 2009. It increased to \$40 million per year for 2010 - 2014. Council staff sits on NEEA expert committees and works with both board and staff. State government representation rotate, so typically at least one Council member serves on its board at all times.

Energy Trust of Oregon (ETO)

ETO is a private, non-profit corporation created by Oregon Legislature to implement conservation and renewable resources on behalf of the customers of Portland General Electric (PGE) and Oregon customers of PacifiCorp. Initially funded through just PGE and PacifiCorp electricity rate revenues, ETO has now expanded to include gas efficiency programs that are funded by customers of Northwest Natural. Budget \$110 million for 2010. Recent legislation permits PGE and PacifiCorp to supplement Energy Trust Funding to acquire additional conservation if justified by their IRPs. Council staff sits on advisory committees.

Bonneville Power Administration (BPA)

Council staff sits on many Bonneville committees, works with BPA conservation and management staff, and participates in BPA proceedings. Since 2002 BPA's annual conservation acquisition expenditures have ranged from approximately \$57 to \$83 million per year.

Regional Technical Forum (RTF)

The Regional Technical Forum (RTF) is a Scientific and Statistical Advisory Committee advisory committee to the Council established in 1999 at the request of Congress to develop standards to verify and evaluate conservation savings. RTF members are appointed by the Council based on their expertise and experience in conservation program planning, implementation, and evaluation rather than to represent specific constituencies. Budget \$1 million from voluntary donations by utilities. The RTF is staffed by Council staff. In-kind Council staff contribution estimated at \$180,000.

Regional Technical Forum's Planning, Tracking and Reporting System (PTR)

Online electronic database used by public utilities to track and report energy efficiency activities to BPA. Also used by RTF to track regional conservation progress. Development and operation funded by BPA. RTF supplies the bulk of the data contained in the system. Council staff advises development, develops data and software, and uses data. BPA supported the development of the system and continues maintenance.

Northwest Energy Efficiency Task Force (NEET)

The Northwest Energy Efficiency Taskforce was formed to bring together a group of high-level leaders to focus and improve the efficiency of electricity use throughout the Pacific Northwest. A number of dramatic changes in the Northwest spurred this effort, including increasing concerns over climate change, growth in regional population paralleled by growing demand for energy, escalating costs for new power sources due to competition for raw materials and skilled labor, along with state mandates to achieve increased levels of energy efficiency within specific deadlines. The taskforce worked to pull together innovative ideas from successful energy efficiency programs and explore how, through regional collaboration, energy efficiency can be delivered more efficiently. Council Member Karier Co-Chairs this committee, along with BPA Administrator Steve Wright and Pat Reiten, CEO of PacifiCorp. Council member Eden also serves on the committee. Council staff served on and co-chaired NEET workgroups.

Northwest Energy Efficiency Council (NEEC)

The Northwest Energy Efficiency Council is a non-profit trade association of the energy efficiency industry. NEEC member companies provide energy efficiency products and services and assist in the development and implementation of energy efficiency programs. NEEC advocates an affordable, energy efficient future for commercial, industrial and residential customers by:

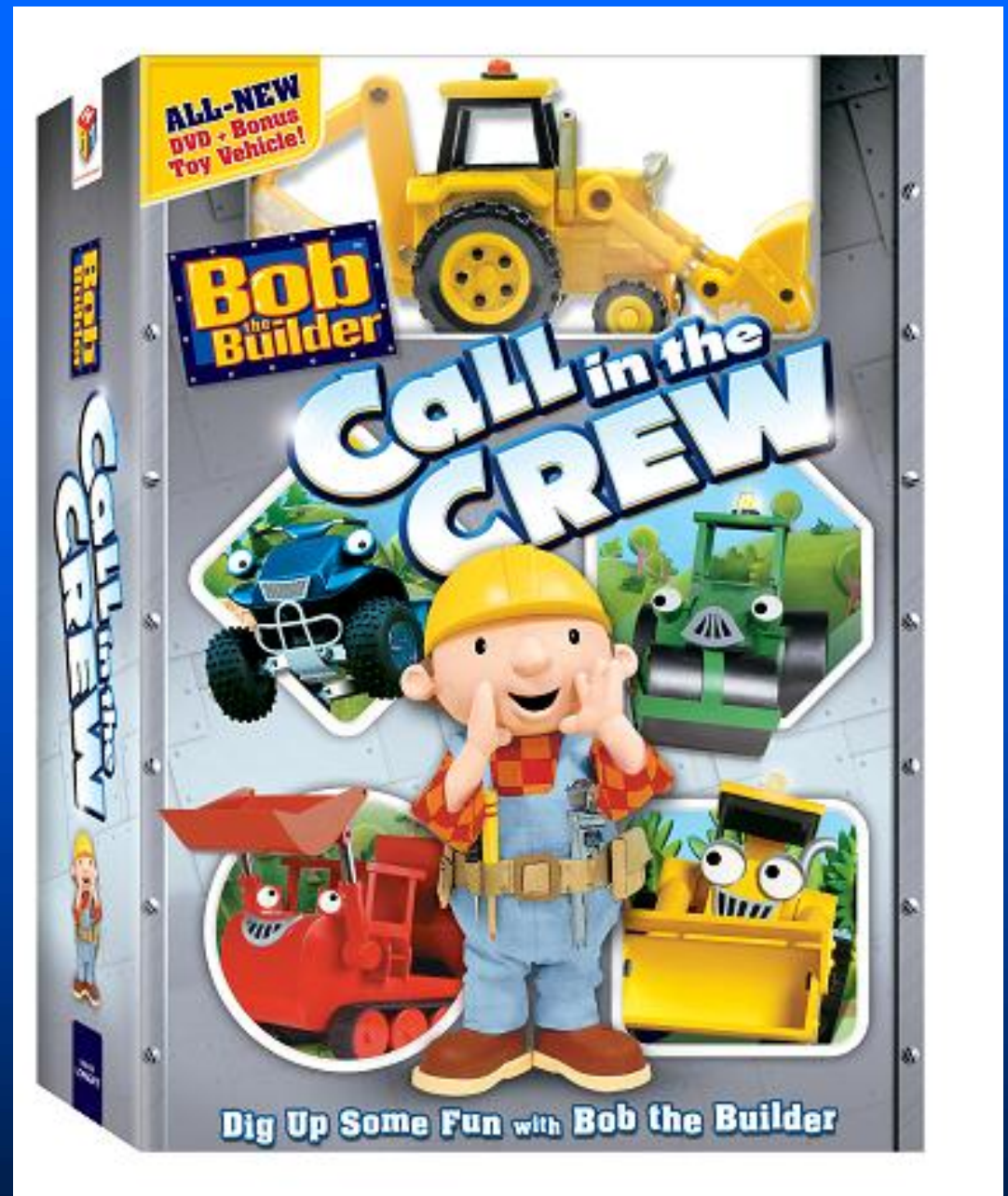
- Promoting energy efficient products and services as the cleanest and lowest cost energy resource;
- Serving as the voice of the industry in state and local program and policy issues;
- Providing members with the most up-to-date information within the industry.

6th Plan Conservation Resource Acquisition

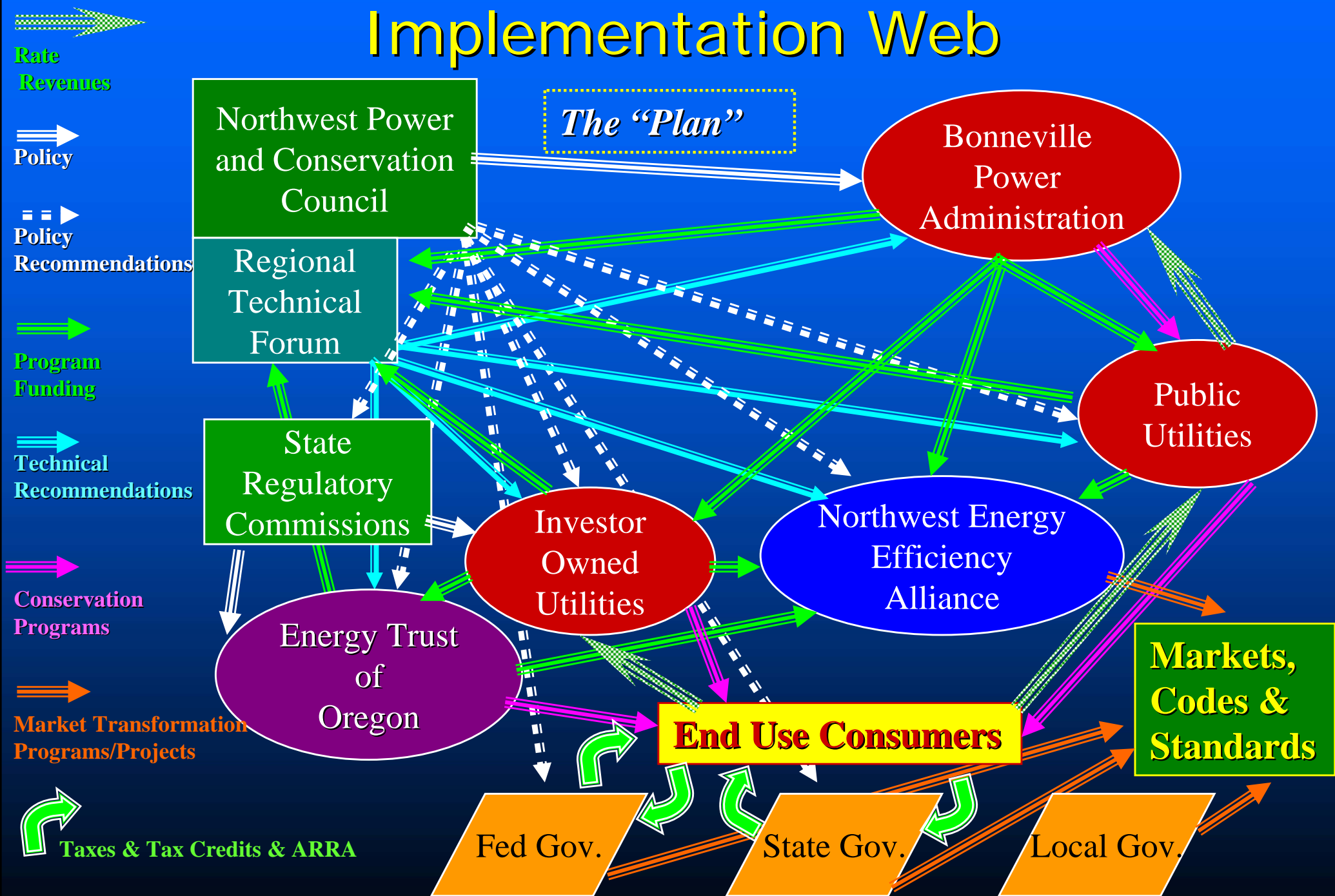
Translating the “Target” into Resource Development

April 13, 2010

Who Will Build The Region's Conservation Resource?



Northwest Energy Efficiency Implementation Web



How Do “The Plan’s Targets Get Translated Into Programs?”

- Council Plan
 - Establishes regional conservation targets based its interpretation of the Act’s requirements
 - Contains methodology and assumptions for determining cost-effectiveness (e.g., future market prices, measure cost & savings)
 - Contains specific “measure level” determinations of cost-effectiveness (e.g. high efficiency electric water heaters)
- Bonneville’s resource acquisitions are to be *consistent* with the Council’s Plan
- Large (>25,000 customers) utilities in Washington must acquire “all cost-effective conservation” identified using methodologies consistent with the Council’s
- IOU’s (and some large public utilities) conduct their own integrated resource planning processes which produce utility specific conservation goals

Who Are Those Guys?



Council's Role in Implementation



- The 6th Plan's Calls for Meeting Most of the Region's Load Growth With Conservation
- How should this affect Council member and staff resource allocation?