

**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 27, 2010

## MEMORANDUM

**TO:** Council Members

**FROM:** Terry Morlan

**SUBJECT:** Presentation on Northwest Energy Efficiency Task Force Work Plan

Ken Canon will update the Council on the status of the NEET work plan. It is expected that NEET will be disbanded following the Executive Committee meeting on June 17, 2010. The intent of NEET was not to create another ongoing organization, but to address strategies to increase the region's ability to achieve cost-effective efficiency improvements.

NEET issued its final report in October 2009. It is available on the Council-hosted NEET website at <http://www.nwcouncil.org/energy/neet/NEET%20Report%20October%202009.pdf>. The report identified ten action items for the region. An attached status report indicates progress on each of the action items. Areas of the greatest consensus included the need for greater cooperation on region-level initiatives including market transformation activities, improved data, efficiency assessment and accounting, and tracking and promoting new technologies such as smart-grid, demand response, and efficiency technologies. Strategies for moving forward in these areas are included in the final report.

NEEA, the Regional Technical Forum, and Bonneville are the primary focus for moving forward on these areas of agreement. Claire Fulenwider likely will touch on the NEEA role in her discussion preceding this agenda item.

# NW Energy Efficiency Taskforce Action Item Status Report

March 8, 2010

**ACTION 1: Prepare an independent evaluation of the Regional Technical Forum (RTF) to determine how it can best meet the region's needs in data collection, analysis, evaluation and dissemination of findings.**

**Host Entity:** NEEA

**Executive Committee Liaison:** Bill Drummond, Western Montana G & T

**Status:** The RTF evaluation is on track to be completed this month. The RTF evaluation contractor, Energy Market Innovations (EMI), submitted their draft report to the Workgroup 1 review committee on January 22. The NEET Workgroup 1 Steering Committee has completed two rounds of review on the draft as of March 2; a final draft of the report will be ready for circulation to the RTF and funders of the evaluation on March 8<sup>th</sup>. A discussion forum for the RTF and funders has been scheduled for March 15<sup>th</sup>, and the final report is expected to be delivered on March 31.

**ACTION 2: Compare how NEEA data collection activities mesh with NEET report recommendations and determine gaps for future regional attention.**

**Host Entity:** NEEA

**Executive Committee Liaison:** Bill Drummond, Western Montana G & T

**Status:** Complete. Gaps remain in the region's data collection efforts.

**ACTION 3: Create a plan for NEEA, BPA and other regional entities to coordinate emerging technology activities and keep the "pipeline" full to meet future energy efficiency needs.**

**Host Entity:** NEEA and BPA

**Executive Committee Liaison:** Brian Skeahan, Cowlitz County PUD

**Status:** BPA and NEEA have made significant progress in their efforts to craft a regional collaboration process in emerging technology. In October, key technology stakeholders from across the Northwest were convened by NEEA for the first meeting of a regional emerging technology advisory committee. The Committee includes representatives from public and investor owned utilities, EPRI, universities, national laboratories, BPA, and others. In order to maximize the level of strategic planning, coordination and collaboration across the region, BPA in collaboration with NEEA and the Regional Advisory Committee initiated a regional effort to craft a Northwest Energy Efficiency Technology Roadmap

(first draft to be released March 1, 2010). Multiple workshops have been held with BPA and NEEA staff working closely together. In addition, BPA has developed a framework to scan, sort, and prioritize technologies through the creation of designated technology advisory groups (e.g. lighting, HVAC, etc.). Two of these regional technology advisory groups have already been launched, with two more planned to launch by March 2010. NEEA staff is included in each of these groups. BPA and NEEA are also working on the development of a technology information clearinghouse to centralize and share data; are working with other regional stakeholders to widen and structure the regional collaboration; and are in the process of identifying key technologies that can be fast-tracked to meet short term needs. On the project level, NEEA and BPA are collaborating on demonstration and assessment of residential Heat Pump Water Heaters. NEEA is taking the lead on working with manufacturer and stakeholders on a Northern Tier HPWH specification, and BPA is taking the lead on laboratory testing and in-home field testing. There is considerable synergy as it brings together NEEA's coordination with manufacturers and regional stakeholders with BPA's M&V expertise and coordination with EPRI and BPA customer utilities.

**ACTION 4: Create a forum within an existing regional entity to increase collaboration and help move forward on new and expanded energy efficiency efforts.**

**Host Entity:** NEEA

**Executive Committee Liaison:** John Savage, Commissioner, OPUC

**Status:** NEEA has undertaken the development of technology and communication infrastructures to facilitate regional energy efficiency collaboration and coordination. NEEA's 2010 Operations Plan includes the development of a regional energy efficiency web site and online forum. NEEA recently completed the discovery phase of this project, which included 12 group interviews with energy efficiency staff from NEEA stakeholder organizations to better understand their needs. BPA conducted similar research among its customers in mid-2009. After a thorough review of stakeholders' respective needs, BPA and NEEA concluded that they were largely similar. The two organizations agreed to partner to develop a single web site/online forum that would facilitate information-sharing among utilities and energy efficiency practitioners, and that would provide tools that facilitate regional collaboration and innovation. Regional stakeholders have consistently expressed the desire for a "one-stop shop" for energy efficiency information, and NEEA and BPA intend for the web portal to fulfill that need. Initial availability is expected in late-2010.

**ACTION 5: Conduct secondary research on behavior change initiatives related to consumer energy efficiency.**

**Host Entity:** NEEA

**Executive Committee Liaison:** Margie Harris, Energy Trust of Oregon

**Status:** The first draft of the report was received in late December and initial comments were forwarded to the contractor (Navigant (formerly Summit Blue)) in mid January. While there was a wealth of good information in the first draft, the initial reviewers were concerned with the density of the writing and the lack of clarity on actionable items. Therefore the initial reviewers requested that more work be done before it was submitted for a broader review. The next completed draft of the report is expected by March 12. Upon receipt, the draft report will be forwarded to the larger review group for review and comment. The contractor also suggested that a conference call be conducted with NEET Work Group members to discuss this draft, to answer questions and to facilitate dialogue. A final report is expected in April.

**ACTION 6: Define energy efficiency jobs distinct from other green-economy jobs; establish skill standards and identify job classifications for use throughout the Northwest. Create a regional clearinghouse for energy efficiency job openings.**

**Host Entity:** None

**Executive Committee Liaison:** Cal Shirley, PSE

**Status:** The Work Group 5 leadership continues to explore various approaches to manage and fund a job skills assessment and the identification of specific energy efficiency job classifications. There are two related needs – a baseline study of existing energy efficiency jobs and a market needs analysis. Efforts are proceeding on two tracks. Work Group 5 participants have been actively involved in several ARRA grant applications related to energy efficiency. These grants, if awarded, may provide some funding for the tasks outlined above. The Western Energy Institute (WEI) was approached to be the ongoing host for this activity. The WEI Board discussed the hosting responsibility and decided not to accept the hosting function. Discussions are ongoing with several other existing regional organizations to identify one (or a collaboration of several) that could create a management structure for ongoing energy efficiency work force efforts.

**ACTION 7: Create a coordinating body to partner with energy efficiency entities to increase regional coordination on training, educational programs, curriculum and skill standards.**

**Host Entity:** None

**Executive Committee Liaison:** Cal Shirley, PSE

**Status:** Work is underway with the Centralia Community College Center of Excellence for Energy Technology to provide a coordinated approach for energy efficiency workforce training and educational programs across the 4 states. This work may also be facilitated through future ARRA funding, if successful.

**ACTION 8: Review regional cost-effectiveness policies and create a guide to increase understanding of how cost-effectiveness rules and regulations are applied.**

**Host Entity:** NW Power and Conservation Council

**Executive Committee Liaison:** Sara Patton, NWECC

**Status:** BPA has committed \$25,000 to fund the creation of a cost effectiveness guide specific to the Northwest. The Council staff will help to coordinate this effort. With the completion of the 6<sup>th</sup> Power Plan it is anticipated that the Council's Conservation Resource Advisory Committee will reconvene to address this and other issues.

**ACTION 9: Increase regional collaboration on programs that address Smart Grid, load management, distribution efficiency and conservation voltage regulation.**

**Host Entity:** BPA

**Executive Committee Liaison:** Melinda Eden, NWPC

**Status:**

**Smart Grid**

The Pacific Northwest Smart Grid Demonstration project has begun its initial phase, and is the first demonstration project in the US to sign an agreement with DOE. While this agreement is for just 4% of the committed funds (for initial planning activity), it allows time for negotiation of the final DOE agreement in the next few months -- a relatively complex undertaking. The project lead, Battelle Memorial Institute, hosted a successful project kickoff meeting of participants in Richland Washington, with about 50 people in attendance. Also, Battelle and BPA combined efforts on a briefing given to PNW Congressional Staff on January 25, 2010 in Washington DC. Battelle is coordinating planning efforts along several activity streams, which include:

- Finalizing the agreements with all participants (the "subawardees") including all 12 utilities and the 5 project vendor participants
- Finalizing the Project Management Plan which is required by DOE
- Creating the Communications and Outreach Plan, which BPA is leading, and is already underway with conferences and briefings
- Creating the Cyber and Interoperability Plan in cooperation with IBM (which is the lead system integration organization)
- Commencing work on the project design, including the data requirements for wind integration
- Putting into place the governance structure for the project, using a "Project Review Board" consisting of senior managers and executives from the participating utilities and vendors.

The primary efforts in the next 6 months will be in project planning, particularly translating the project proposal to conceptual design, functional requirements, and detailed technical requirements. This time will also be used to put the governance, reporting, communications, and ARRA compliance measures into effect.

### **Demand Response**

BPA is developing a program to promote the growth of demand response in the Pacific Northwest in recognition of the value of demand response to the region, e.g. 1,500 to 1,700 megawatts of long-term (20-year) technical potential as identified in the Northwest Power and Conservation Council's draft Sixth Power Plan.

BPA is well underway in this effort to promote pilots in the Pacific Northwest. The pilot at Kootenai Electric Cooperative is underway, with the initial marketing, customer sign-up, and deployment of hot water controls and thermostats (see: [http://www.kec.com/peak\\_project.php](http://www.kec.com/peak_project.php)). BPA recently signed an agreement with Central Electric Cooperative for a small scale hot water control effort in the Sisters area, and BPA published a Funding Opportunity Announcement for utility residential pilots on Feb. 18, anticipating 3 to 5 major projects will be awarded over FY10 and FY11. BPA has used many venues for sharing Demand Response Program goals, including the Utility Sounding Board and the Northwest Regional Group. BPA will also use the March 17-18 Utility Energy Efficiency Summit to share information with large audiences. BPA is also moving forward with Commercial/Industrial pilot planning, as well as an awareness effort-- both of which will be launched via RFPs for vendor involvement. Internally, BPA Energy Efficiency is organizing an official team for both Demand Response and Smart Grid under a single manager, providing for better oversight, coordination and focus of efforts.

## **Distribution System Efficiency Initiative**

BPA has continued to collaborate with regional stakeholders, via the Distribution Efficiency Technical Work Group (TWG), to further define Simplified Voltage Optimization M&V Protocols (VO Protocols). The TWG collaboration site has approximately 30 members. Thanks to the commitment of several of these members, the VO protocols are now in final draft form. BPA, with support from TWG members, have scheduled a two-part presentation to the RTF in April and May. BPA's April RTF presentation will review events beginning with the NEEA Study as well as subsequent work on the Simplified VO M&V Protocols. BPA will provide the protocols to the RTF as part of the April presentation. During the May presentation, BPA will walk through the VO Protocols, review existing VO projects, and respond to questions. BPA shared the first draft of the April RTF presentation with TWG members on February 19<sup>th</sup>. BPA will share a draft of the May RFT presentation with TWG members in the later half of March.

Education and training needs are being discussed within the TWG. TWG web meetings to address specific utility distribution efficiency interests are being scheduled. For example, BPA is scheduled a web meeting to address concerns that VO is not applicable or cost effective for rural feeder application.

BPA plans to finalize a statement of work to hire a Program Partner to implement the Energy Smart Utility Efficiency Program by the end of June. This Program Partner will utilize the VO Protocols as the cornerstone of the program.

### **ACTION 10: Develop a voluntary decoupling pilot program for a public power utility.**

**Host Entity:** None

**Executive Committee Liaison:** Ralph Cavanagh, NRDC

**Status:** Ralph Cavanagh continues to work on this effort and is in discussion with at least one public power utility.