

Bruce A. Measure
Chair
Montana

Rhonda Whiting
Montana

W. Bill Booth
Idaho

James A. Yost
Idaho



Joan M. Dukes
Vice-Chair
Oregon

Bill Bradbury
Oregon

Tom Karier
Washington

Phil Rockefeller
Washington

November 29, 2011

MEMORANDUM

TO: Council Members

FROM: Terry Morlan

SUBJECT: Regional Technical Forum 2012 Work Plan and Budget

After multiple rounds of comments and reviews, the Regional Technical Forum (RTF) approved its 2012 work plan and \$1.5 million budget at its November 1, 2011 meeting. The work plan was developed in September by Council and RTF staff, with input from the RTF members and operations subcommittee. In October, both the RTF and the RTF Policy Advisory Committee (PAC) reviewed the work plan and provided comments and suggested revisions. At its October 27 meeting, the RTF PAC agreed to recommend that the Council adopt the RTF's 2012 work plan in addition to an annual budget of \$1.5 million per year for the next three years (through 2014).

Staff will present a summary of the main objectives and tasks set forth in the RTF's 2012 work plan and seek formal adoption of the work plan and budget from the Council.

Attachments:

2012 RTF Work Plan and Business Plan

Decision Memo

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November 30, 2011

DECISION MEMORANDUM

TO: Council members

FROM: Terry Morlan
Director, Power Planning

SUBJECT: Regional Technical Forum (RTF) Workplan and Budget.

PROPOSED ACTION: Council approval of the RTF 2012 workplan and budget.

SIGNIFICANCE: The RTF plays a critical role in measuring and verifying efficiency savings, reporting on regional accomplishments, and coordinating measurement and verification work by others.

BUDGETARY/ECONOMIC IMPACTS

The RTF is funded by contributions from Bonneville and the region's utilities, in-kind contribution of Council staff time to manage and coordinate the RTF operations and contracting, and by donated time by many organizations through RTF membership or subcommittee work. Therefore the impact on the Council budget is through staff time allocated to managing the RTF operations and contracting. Last year the Council contributed roughly 2.5 full-time staff to RTF activities. This will be reduced slightly in 2012, and more in 2013 based on RTF funding a full-time staff support person for RTF work.

BACKGROUND

The Council created the RTF in 1999 in response to a 1996 Congressional mandate and recommendations from the 1997 Comprehensive Review of the Northwest Energy System. The legislative directive required the Council "*to develop consistent standards and protocols for verification and evaluation of energy savings, in consultation with all interested parties.*" Due to significantly increased demands on the RTF, the budget has increased substantially in recent years, which also has increased the amount of Council staff support required.

The Northwest Energy Efficiency Taskforce recommended that the RTF operations and budget be reviewed by a high-level committee to improve the operations of the RTF and to put it on a stable long-term funding basis. In response, the Council created the RTF Policy Advisory Committee. The RTF Policy Advisory Committee provided its recommendations to the Council at its November 2011 meeting in Coeur d'Alene, Idaho.

ANALYSIS

The RTF Policy Advisory Committee recommended that the Council approve the RTF's 2012 budget of \$1.5 million, the proposed 2012 RTF workplan, and the RTF 3-year business plan. The RTF Policy Advisory Committee agreed on a 3-year budget of \$1.5 million per year for the RTF. Under the new Charter being developed for the RTF, the Council is expected to approve RTF budgets and workplans. Although the current charter does not require Council approval of these items, it seemed logical to ask the Council to approve the 2012 budget and workplan because the Council will be asked to approve the new charter in January 2012.

The \$1.5 million budget is adequate to support the feasible level of RTF work. The work level is limited by the availability of contributed time from Bonneville, utilities, and other organizations for RTF work. The \$1.5 million funding level for 2012-14 is only slightly higher than the 2011 budget of \$1.4 million. Important for the Council, is that the budget will support hiring another full-time staff person to support RTF work, thus relieving pressure on Council staff. This additional staff person was also recommended by the RTF Policy Advisory Committee.

ALTERNATIVES

Staff recommends approval of the 2012 budget and workplan. These reflect the recommendations and review by the RTF, Council staff, and RTF Policy Advisory Committee. The Council could suggest changes to the workplan and funding. The Council could also agree to not address approval of the budget and workplan for 2012 because it is not currently required to do so by the existing RTF Charter.

ATTACHMENTS

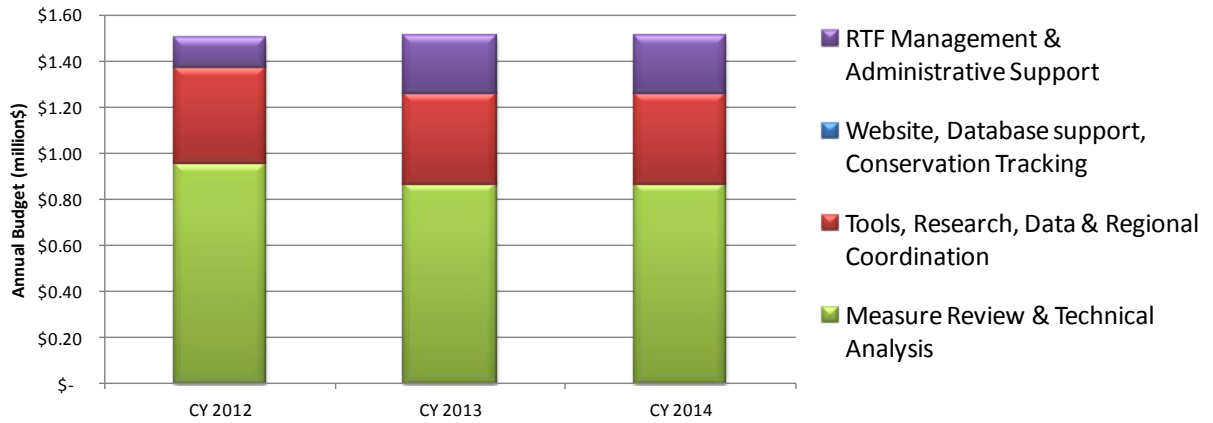
RTF Workplan

PowerPoint presentation on RTF budget

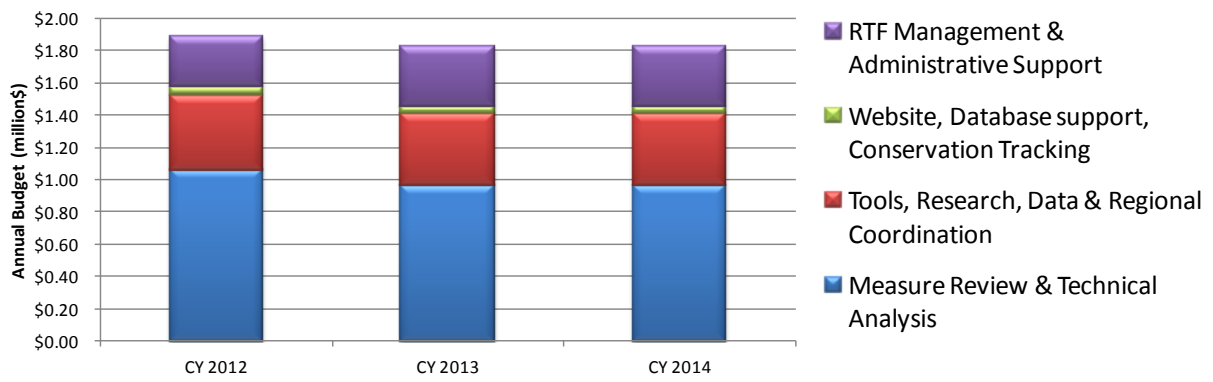
TABLES, GRAPHS, CHARTS, FIGURES, OTHER GRAPHICS

Charts below show the 3-year budget for the RTF. The first chart shows the funders dollar contribution of \$1.5 million per year for 2012 through 2014. The second chart adds the value of the Council's staff time contribution to the budget, which brings the 2012 total up to about \$1.8 million. The charts show the allocation of the budget to three major categories of RTF work; (1) measure review and technical analysis, (2) tools, research, data and regional coordination, and (3) management and coordination.

Three-Year Outlook: Funders (Not Including Council)



Three-Year Outlook: Total (Including Council In-Kind Contribution)





2012 Business Operating Plan and Funding November 18, 2011

Introduction

The Regional Technical Forum (RTF) adopted its 2012 work plan and budget at its November 1, 2011 meeting, following two rounds of comments and revisions and consultation with the RTF Policy Advisory Committee. This document describes the 2012 work plan and the business plan for 2012 through 2014. The budget for 2012-2014 is \$1,500,000 per year.

Work Scope

The RTF will continue to pursue the tasks adopted by the Council and its original charge from Congress and the Comprehensive Review. These are:

1. Develop and maintain standardized protocols for verification and evaluation of energy savings.
2. Conduct periodic reviews of the region's progress toward meeting its conservation resource goals, acknowledging changes in the market for energy services, and the potential availability of cost-effective conservation opportunities.
3. Provide feedback and suggestions for improving the effectiveness of the conservation resource development programs and activities in the region.

Consistent with these tasks, the RTF will continue to provide recommendations to Bonneville Power Administration (Bonneville), the region's utilities, and system benefit charge administrators to facilitate the operation of their conservation resource acquisition programs. The 2012 work plan includes, but is not limited, to:

- Review and update existing measures and maintain standardized protocols for verification and evaluation of energy savings. The RTF has a library of over 90 measures to maintain and many will need additional data or status changes to conform to the uniform standards in the RTF's operative "Guidelines for RTF Savings Estimation Methods, Release 6-1-11" (*Guidelines*).
- Develop new measures and review unsolicited proposals for new measures.
- Continue to standardize and implement guidelines for technical review of measures.
- Update and develop new tools for measure technical analysis, to include ProCost and

SEEM improvements.

- Research projects, develop data, and provide searchable access to data for analysis
- Provide an inventory of regional evaluation spending and activities to aid in regional coordination of evaluation.
- Develop, review, and revise as needed the cost, savings, and regional cost-effectiveness of new or existing energy efficiency measures, technologies, and practices.
- Maintain a process through which Bonneville, the region's utilities, and system benefit charge administrators may demonstrate that different cost, savings, and cost-effectiveness findings should apply to their specific programs or service territories.
- Develop and maintain protocols by which the savings and the regional cost- effectiveness for energy efficiency measures, technologies, or practices not specifically evaluated by the RTF can be estimated.
- Review measurement and verification and program impact evaluation plans and results to assess their suitability for use supporting studies for RTF-related measure evaluations.
- Upon request of program sponsors, review plans for measurement and verification or program impact evaluation.
- Develop, review, and revise as needed program technical specifications. Identify high-priority evaluations and research and demonstration activities that are needed to improve regional energy savings estimates or facilitate adoption of new and existing energy efficiency technologies, measures, or practices.

2012 Activities and Budget

The RTF's specific work plan is largely dictated by the requests it receives from parties within the region, primarily utilities, Bonneville, Energy Trust of Oregon (ETO), Northwest Energy Efficiency Alliance (NEEA), and state energy agencies (SEO). Historically these requests have come to the RTF through informal requests by staff from these entities or through the more formal "petition" process on the RTF Planning, Tracking and Reporting (PTR) web site (soon to be replaced by an online petition form located directly on the RTF website).

These two mechanisms allow the RTF to respond in a timely manner to emerging technical issues and questions. In addition, the RTF will issue an annual request to Bonneville, the region's utilities, ETO, NEEA, and SEOs asking these entities to identify specific technical research and evaluation issues that they believe should be addressed during the coming year. During its operating year, the RTF typically adjusts allocation of resources among the categories in its work plan based on requests received, petitions, and the pace of multi-year projects. The RTF notifies the Council of significant reallocation of resources or priorities.

In 2012, priority will be given to updating and developing measures identified as high and medium priority in 2011 by Bonneville, ETO, and the region's investor owned utilities, and

through the RTF’s 2011 measure review of 60 existing unit energy savings (UES) measures.

The RTF divides its work into six categories of elective work and three categories for management and administration. Table 1 presents a summary of these categories for 2012. It includes components for contracts, RTF contract staff, and Council staff in-kind contributions. The component labeled “Subtotal Funders” represents the amount of funding required from the RTF’s voluntary funders. A detailed budget for 2012 and the three-year budget forecast are in the accompanying Excel workbook. Each category of work is briefly discussed in the sections following Table 1.

Table 1: Planned RTF Activities for 2012

Category	Contract	Contract RTF Staff	Subtotal Funders	Council Staff In-Kind Contribution
Existing Measure Review & Updates	\$244,000	\$69,000	\$313,000	\$47,500
New Measure Development & Review of Unsolicited Proposals	\$203,000	\$109,000	\$312,000	\$34,000
Standardization of Technical Analysis	\$134,000	\$42,000	\$176,000	\$24,500
Tool Development	\$86,000	\$48,000	\$134,000	\$12,000
Research Projects & Data Development	\$180,000	\$48,000	\$228,000	\$24,000
Regional Coordination	\$0	\$58,000	\$58,000	\$12,000
Website, Database Support, & Administration	\$0	\$0	\$0	\$50,000
RTF Member Support & Administration	\$174,000	\$0	\$174,000	\$7,000
RTF Management	\$5,000	\$100,000	\$105,000	\$180,000
Total New Work	\$1,026,000	\$474,000	\$1,500,000	\$391,000

Existing Measure Review & Standardization of Technical Analysis (\$489,000)

One major thrust of the 2010-2014 work plan for the RTF is the standardization of technical analysis of efficiency measures. In 2010, the RTF began projects to update, standardize, and strengthen its technical analyses and document the input assumptions used for energy efficiency measures approved by the RTF. This work includes the development of guidelines for estimating energy savings, measure costs, non-energy benefits, and measure life. In 2011, the RTF began a systematic process to conform its library of measures to its recently developed Guidelines.

The RTF will continue updating and standardizing work in 2012, expanding the number of measures reviewed for conformance to standardized guidelines, protocols, and measure specifications. The goal is to implement a systematic process, using identified standards of quality, for all RTF technical analysis. The RTF intends to cycle through its library of existing measures by the end of 2014 and bring them all up to the quality standards specified in the Guidelines. In addition, RTF-approved measures need to be revisited every two to three years to update measure viability, savings and cost estimates, baseline assumptions, lifetime, and other key factors.

The budget estimate for 2012-2014 includes updating about 20 UES measures per year for the next three years. The RTF will prioritize updates based on factors such as past and expected future frequency of use, annual savings rate, time since last updated, availability and quality of

source data, and changes in baseline data. Given the large number of RTF-approved measures, this will continue to be an ongoing activity with a review of an estimated 20 measures per year for the next three years. Approximately one-third of the 2012 budget is intended for completion of this standardization activity and updating existing measures to the standards in the Guidelines.

New Measure Development & Review of Unsolicited Proposals (\$312,000)

Typically the RTF sets aside funding for review of specific high-priority new measures as well as unanticipated new measures or protocols proposed during the year. About 20 percent of the 2012 budget is set aside for new measure work. This estimate is based on the assumption that much of the development and research required for new measures is funded outside the RTF, with the RTF budget assuming only the costs of review. This outside development approach has typically been the case over recent years for high priority measures such as heat-pump water heaters and ductless heat pumps.

Tool Development (\$134,000)

The work of the RTF, its technical analysis, recommendations, and specifications require continued development of analytical tools and measure specifications used region-wide. The 2012 budget estimates \$134,000 for development or enhancement of the economic analysis tool ProCost, the residential heat loss simulation model SEEM, and tools used by field practitioners to assure measure specifications are met. Less than 10 percent of the budget is allocated to tool development.

Research Projects & Data Development (\$228,000)

Primary research has not been a key function of the RTF because primary data collection is expensive. However, on occasion it has been advantageous to use the RTF to sponsor primary research, or to coordinate secondary research where there is distinct region-wide value. For 2012, this category is focused on continuing regional cooperation to develop end-use load data and to develop hourly load shape data. The need for this data was recognized as a high priority in the 2009 Northwest Energy Efficiency Taskforce (NEET) process. Through the end of 2011 and into 2012, RTF efforts will focus on making the case for a large-scale regional effort to update critical end-use load data. In 2012, the RTF will work with regional interests to put together a multi-year research plan, develop appropriate funding for the research, and coordinate evaluation design, data storage, and analysis. There are also work elements to convert 1990 ELCAP data to a modern database and generate hourly load shapes from original data. In addition to \$166,000 for coordinating end-use load research, there is a \$62,000 placeholder in this category for small research projects that emerge during the year to be selected by the RTF.

Regional Coordination (\$58,000)

Part of the 2012 budget is earmarked for regional coordination efforts. These efforts include collecting and summarizing regional evaluation activity and spending, facilitating collaborative regional evaluation of Performance Tested Comfort Systems (PTCS), developing and executing RTF evaluation work plan and coordinating an annual comparison of utility/SBC administrator technical resource manuals.

RTF Member Support & Administration and RTF Management (\$279,000)

Support and administrative activities identified for 2012 include RTF member support, contract management, and meeting costs. Member support includes compensating RTF members when they are asked to devote significant additional time to RTF work tasks and/or when they would

not otherwise be compensated by their employer for participation in RTF work. The RTF will require expanded technical capabilities to analyze measures, protocols, and measure specifications through RTF contract staff. The category also includes RTF contract staffing to develop agendas, schedule and manage RTF work flow, and refine procedures. About \$280,000 in RTF contract staff work is in this category.

In addition, there is another \$247,000 of Council administrative staff work to support contracts, billing, web site development, annual conservation tracking report, data warehousing, meeting costs, phone, web conference, scheduling and other business functions that are best retained at the Council. These are treated as in-kind contributions from the Council and are not included in the proposed 2012 work plan and budget of \$1.5 million. Over the next three years, the RTF plans to expand its use of contract staff to further relieve Council staff.

Organization and Staffing

The full RTF meets ten to twelve times per year for an all-day meeting. In 2010, the RTF began to delegate a significant amount of work to its subcommittees. The use of subcommittees allows more decisions to be made by the full RTF at its regular monthly meetings. It allows subgroups comprised of RTF members, corresponding members, and interested parties with topic-specific expertise to focus on the details of issues that will come before the RTF. Subcommittees are primarily technical in scope and usually limited in duration. The process of using subcommittees has worked fairly well and the RTF plans to continue to use it. However, over the last year it has become apparent that the ability of RTF members to devote sufficient time to subcommittee work is limited. That limitation is one of the reasons that RTF contract staffing needs are increasing. Work that does not get sufficient subcommittee attention is left to RTF contract staff.

Since 2009, the RTF has relied on one half-time contract staff (0.5 FTE) to carry significant amounts of technical analysis as well as much of the technical management of RTF affairs. Beginning in spring 2011, a second half-time contract staff was added to assist with technical management and new measure reviews. The work includes development of the RTF agendas, developing scopes of work, reviewing contract work products, and documenting RTF decisions. This work is guided by Council staff serving the RTF and by the RTF operations subcommittee.

In order to handle the increased volume of RTF work and assure the high degree of integrity and independence that the RTF seeks, the 2012 budget includes the two half-time staff currently under contract with the RTF plus the addition of a full-time contract staff (1.0 FTE). For 2012, this brings the staffing of the RTF to 2.0 FTE from contract staff and about 2.4 FTE from Council staff. For 2013 and 2014, the budget anticipates an additional 0.5 FTE is added as contract staff.

Proposed 2012 Funding

Prior to 2010, the RTF operated on a combination of funding for its core services and funding for special “subscription” projects. Beginning in 2010, the RTF moved to eliminate subscription projects to reduce the burden of seeking extra funding for specific efforts and reduce administrative overhead. The funding plan for 2012 continues to bundle all RTF activities together.

Funding shares are based on the formula developed for NEEA funding, with an adjustment for Northwestern Energy. This approach solicits funding from Bonneville, several of the large generating public utilities, and all six investor-owned utilities in the region. Table 2 shows proposed 2012 funding shares and amounts by funder.

Table 2: Proposed 2012 Funding Shares

Organization	NEEA Funding Shares (as of Jan 2010)	Share of RTF Budget	Proposed Contribution to RTF Budget (rounded)
Bonneville Power Administration	35.5%	\$532,366	\$532,000
Energy Trust of Oregon	20.5%	\$307,889	\$308,000
Puget Sound Energy	13.7%	\$205,771	\$206,000
Idaho Power Company	8.6%	\$129,258	\$129,000
Avista Corporation, Inc.	5.5%	\$82,952	\$83,000
PacifiCorp	4.5%	\$67,619	\$68,000
Northwestern Energy	3.8%	\$57,193	\$30,000
Seattle City Light	3.7%	\$55,813	\$56,000
Clark Public Utilities	1.4%	\$20,395	\$20,000
Tacoma Power	1.1%	\$16,866	\$17,000
Snohomish PUD	0.8%	\$11,807	\$12,000
Eugene Water and Electric Board	0.5%	\$7,778	\$8,000
Cowlitz County PUD	0.3%	\$4,293	\$4,000
Total Funds	100%	\$1,500,000	\$1,473,000*

* Northwestern's contribution fixed at \$30,000. The RTF will adjust its work plan accordingly.

Multi-Year Work Plan & Regional Review of the RTF

The RTF developed an initial multi-year work plan and budget for 2010 through 2014 to aid in long-term budget planning. The budget has been updated for the 2012-2014 period. Annual work plan development is intended to provide flexibility to meet regional needs year to year and keep focused on high priority work. Table 3 shows anticipated RTF funding for the three-year period. This period coincides with the current NEEA funding cycle.

Table 3: Proposed 2012-2014 RTF Budget

	CY 2012	CY 2013	CY 2014
Contracts	\$1,017,000	\$922,000	\$922,000
RTF Staff	\$483,000	\$578,000	\$578,000
Subtotal Funders	\$1,500,000	\$1,500,000	\$1,500,000
Council Staff In-Kind Contribution	\$391,000	\$318,150	\$318,150

This three-year budget holds RTF funder commitments to approximately \$1.5 million per year. Additional staff work is shifted to RTF contractors in 2013 and 2014 to relieve Council staff. Contract work decreases slightly to accommodate the shift to more RTF staff.

2012 RTF Work Plan and Budget

Detail by Category	Contract	Contract RTF Staff	Subtotal Funders	Council Staff In-Kind Contribution
Existing Measure Review & Updates				
Update Active UES Measures & Measure Specifications	\$60,000	\$10,000	\$70,000	\$10,000
Provisional to Active UES Measures	\$40,000	\$20,000	\$60,000	\$20,000
Convert existing "deemed calculators" to Standard/Provisional protocols	\$75,000	\$20,000	\$95,000	\$10,000
Conversion to Small Saver UES	\$24,000	\$4,000	\$28,000	\$0
Review & Develop Plans for Out of Compliance Measures	\$45,000	\$15,000	\$60,000	\$7,500
Standard & Provisional Protocols	\$0	\$0	\$0	\$0
Subtotal Existing Measure Review & Updates	\$244,000	\$69,000	\$313,000	\$47,500
New Measure Development & Review of Unsolicited Proposals				
Review High-Priority New UES	\$48,000	\$24,000	\$72,000	\$8,000
Review High-Priority New Standard Protocols with Calculators	\$60,000	\$24,000	\$84,000	\$8,000
Develop New Measures for Small & Rural	\$15,000	\$5,000	\$20,000	\$2,000
Review Unsolicited New UES or New Protocols	\$48,000	\$48,000	\$96,000	\$8,000
Review of Evaluation Plans as Requested	\$32,000	\$8,000	\$40,000	\$8,000
Develop New UES with RTF Resources	\$0	\$0	\$0	\$0
Develop New Protocols with RTF Resources	\$0	\$0	\$0	\$0
Subtotal New Measure Development & Review of Unsolicited Proposals	\$203,000	\$109,000	\$312,000	\$34,000
Standardization of Technical Analysis				
Finalize and adopt guidelines on measure cost & non-energy-benefits	\$0	\$7,000	\$7,000	\$7,000
Finalize and adopt guidelines on measure life	\$0	\$5,000	\$5,000	\$5,000
Develop template, standards & guidelines for RTF calculators	\$40,000	\$10,000	\$50,000	\$5,000
Other Updates to Guidelines for RTF Savings Estimation Methods as needed	\$60,000	\$10,000	\$70,000	\$5,000
Develop guidelines & methods for conservation load shape, CF and LF	\$10,000	\$5,000	\$15,000	\$2,500
Contract Review of Workbooks for Spreadsheet & Implementation Errors	\$24,000	\$5,000	\$29,000	\$0
Complete Appendix D of Guidelines for RTF Savings Estimation Methods	\$0	\$0	\$0	\$0
Develop guidelines for instrumentation including calibration	\$0	\$0	\$0	\$0
Develop guidelines for true power measurement	\$0	\$0	\$0	\$0
Develop guidelines for third-party software	\$0	\$0	\$0	\$0
Subtotal Standardization of Technical Analysis	\$134,000	\$42,000	\$176,000	\$24,500
Tool Development				
ProCost: Users Manual for RTF proposers	\$6,000	\$6,000	\$12,000	\$1,000
ProCost: Early Retrofit Mode Built	\$30,000	\$6,000	\$36,000	\$3,000
ProCost: Adaptation for EE Central	\$0	\$6,000	\$6,000	\$3,000
ProCost: Automate Post Processing	\$0	\$6,000	\$6,000	\$3,000
SEEM Training	\$0	\$6,000	\$6,000	\$0
SEEM Development	\$30,000	\$6,000	\$36,000	\$0
Update Ventilation Calc Tool for Residential	\$5,000	\$5,000	\$10,000	\$0
Develop/Revise Heat Pump Sizing Tool	\$5,000	\$5,000	\$10,000	\$0
Develop Conservation Load Shape Calculator Tool	\$10,000	\$2,000	\$12,000	\$2,000
ProCost: Marginal Line Loss Calculations Added and tested	\$0	\$0	\$0	\$0
ProCost: Recode to handle 8760 load shapes	\$0	\$0	\$0	\$0
Subtotal Tool Development	\$86,000	\$48,000	\$134,000	\$12,000
Research Projects & Data Development				
End Use Load Data (Convert raw ELCAP Data to modern database)	\$50,000	\$12,000	\$62,000	\$6,000
End Use Load Data Library Development	\$50,000	\$12,000	\$62,000	\$6,000
Convert Load Shapes to 8760	\$30,000	\$12,000	\$42,000	\$6,000
Placeholder	\$50,000	\$12,000	\$62,000	\$6,000
Subtotal Research Projects & Data Development	\$180,000	\$48,000	\$228,000	\$24,000
Regional Coordination				
Collect and Summarize Evaluation activity and spending by Utilities, BPA, ETO	\$0	\$6,000	\$6,000	\$2,000
Facilitate collaborative regional evaluation of PTCS	\$0	\$12,000	\$12,000	\$2,000
Develop and execute RTF evaluation work plan	\$0	\$24,000	\$24,000	\$2,000
Coordinate annual comparison of utility/SBC administrator TRM	\$0	\$6,000	\$6,000	\$4,000
Placeholder	\$0	\$10,000	\$10,000	\$2,000
Subtotal Regional Coordination	\$0	\$58,000	\$58,000	\$12,000
Website, Database support, Conservation Tracking				
Website development and management	\$0	\$0	\$0	\$30,000
Annual Conservation Tracking Report	\$0	\$0	\$0	\$12,000
Data Warehousing (Heat Pump Water Heater, Ductless HP, RTUG,?)	\$0	\$0	\$0	\$8,000
Subtotal Website, Database support, Conservation Tracking	\$0	\$0	\$0	\$50,000
RTF Member Support & Administration				
RTF Meetings , phone, web conference, meeting minutes	\$24,000	\$0	\$24,000	\$7,000
RTF Members and Corresponding Members meeting and project support.	\$150,000	\$0	\$150,000	\$0
Subtotal RTF Member Support & Administration	\$174,000	\$0	\$174,000	\$7,000
RTF Management				
Manage RTF work flow, develop agenda & procedures & budgets & SOWs	\$0	\$100,000	\$100,000	\$0
Manage RTF business activities, contracts, financial, bylaws, RTFPAC	\$0	\$0	\$0	\$180,000
Annual Report	\$5,000	\$0	\$5,000	\$0
Subtotal RTF Management	\$5,000	\$100,000	\$105,000	\$180,000
Total New Work 2012	\$1,026,000	\$474,000	\$1,500,000	\$391,000

Regional Technical Forum 2012 Work Plan and Budget

December 6, 2011



Summary of RTF Workplan and Budget Development Process

- n *Sept* - Staff developed draft budget and workplan for review by RTF Operations Committee
- n *Sept/Oct* - Draft submitted to full RTF and RTF Policy Advisory Committee (RTF PAC) for review and comment
- n *Sept/Oct* - Draft released for public review & comment
- n *Oct/Nov* - Revised draft submitted to RTF and RTF PAC for final review and adoption

slide 2



Scaling the RTF Workplan and Budget

The RTF's Work Plan and Budget must be integrated with other entities in the region who are also engaged in evaluating savings from energy efficiency

slide 3



Regional Context:

- n Region seeks to apply quality independent review of savings & cost as broadly as possible
- n Utility, NEEA and ETO evaluators spend most of the money and do most of the work
- n RTF relies on and uses the results of "others" – both inside and outside the region
- n *Others'* work is harvested by RTF to develop Approved Unit Energy/Deemed Savings (UES)* & savings estimation methods
- n Total Scope of Regional Evaluation work is independent of the portion delegated to RTF
- n Benefits of work delegated to RTF :

Open

- Findings used widely
- Learn from others
- Independent

Peer Review

- Many eyes
- Yields high quality

Economy of Scale

- Big savers held in common
- Avoid duplication
- Seek synergies

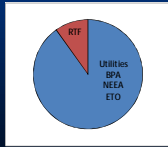
slide 4



RTF as Fraction of Region Evaluation

NW Largest Utility Estimated Efficiency Evaluation Budgets

Utility	2010			2011		
	Program Expense (\$M)	EM&V Estimate	Percent of Program	Program Expense (\$M)	EM&V Estimate	Percent of Program
Avista / WA	\$17.61	\$376,134	2%	\$20.48	\$766,793	4%
Bonneville	\$32.00	\$990,000	3%	\$32.00	\$1,790,000	6%
Energy Trust of Oregon	\$100.00	\$3,000,000	3%	\$100.90	\$3,027,000	3%
Eugene Water and Electric	???	???	???	???	???	???
Idaho Power / OR, ID	???	???	???	???	???	???
Northwestern	\$11.04	\$0	0%	\$13.18	\$395,460	3%
Pacific Power / WA, ID	\$9.45	\$358,940	4%	\$9.45	\$64,000	1%
Puget Sound Energy	\$79.00	\$1,850,000	2%	\$81.00	\$2,025,000	3%
Seattle	\$40.20	\$1,089,000	3%	\$43.99	\$1,116,000	3%
Snohomish	\$24.90	\$750,000	3%	\$25.00	\$750,000	3%
Tacoma	\$15.00	\$741,500	5%	\$15.00	\$741,500	5%
NEEA	\$40.00	\$2,000,000	5%	\$40.00	\$3,000,000	8%
Utilities BPA NEEA ETO	\$369.2	\$11,155,574	3.0%	\$381.0	\$13,675,753	3.6%
RTF		\$1,400,000			\$1,500,000	



slide 5

EM&V budgets inclusions vary. Examples below:

- Avista includes impact and process evaluation, not regulatory cost
- Bonneville includes impact & process evaluation, not planning or research
- Energy Trust includes planning, impact and process evaluation, not NEEA
- Tacoma includes planning, research, impact & process evaluation, plus NEEA



How RTF Builds Its Workplan

Measures w/ Obvious Regional Scope

- Large Program Savings (CFL)
- High Unit Count (Appliances)
- Deployed widely across funders
- Most NEEA Initiatives
- Large New (Ductless HP, HPWH)
- Long-Standing (Res Wx)

Measures for Specific Needs

- Individual utility driven
- Vendor-driven (Grocery, DEI)
- Proposers develop data/analysis
- Some aid-based where proposers lack resources to develop data/analysis

Other Technical Needs

- Council Plan Development
- Analytics (Marginal Line Losses, Direct Gas)

RTF-Identified

Known Quantity & Urgency

Predictable Volume & Schedulable

Proposer Initiated

?? Quantity & Timing: Hard to Predict Volume

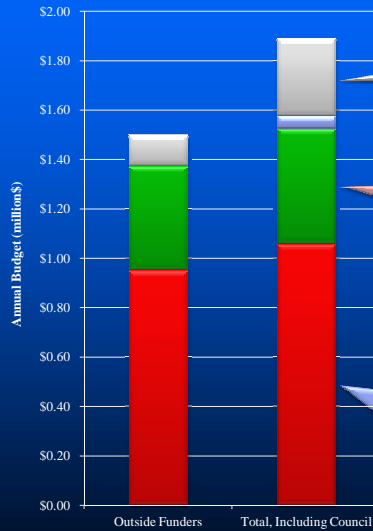
Schedule by Advanced Agenda Request

Requests

slide 6

RTF Budget Categories & Scalability

- RTF Management & Administrative Support
- Website, Database support, Conservation Tracking
- Tools, Research, Data & Regional Coordination
- Measure Review & Technical Analysis



Relatively fixed

Scale by selection & scope of RTF

Scale by selection, pacing & prioritizing reviews.

Limited by staff throughput & RTF's ability to process in 10-12 meetings per year.

slide 7



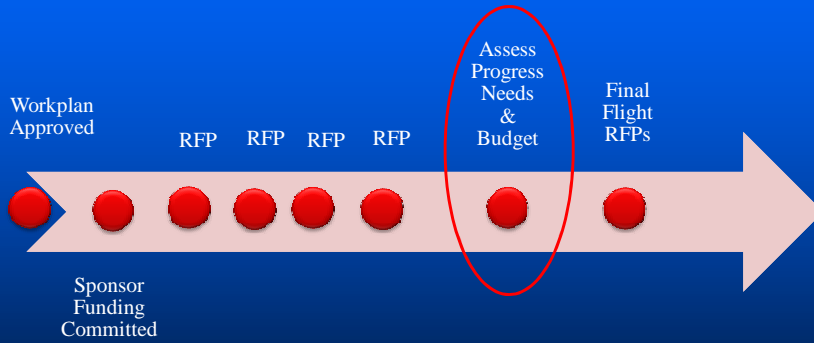
How RTF Executes Its Work



slide 8



RTF Adaptively Manages its Resources Through In-Year Adjustments to Workplan & Budget

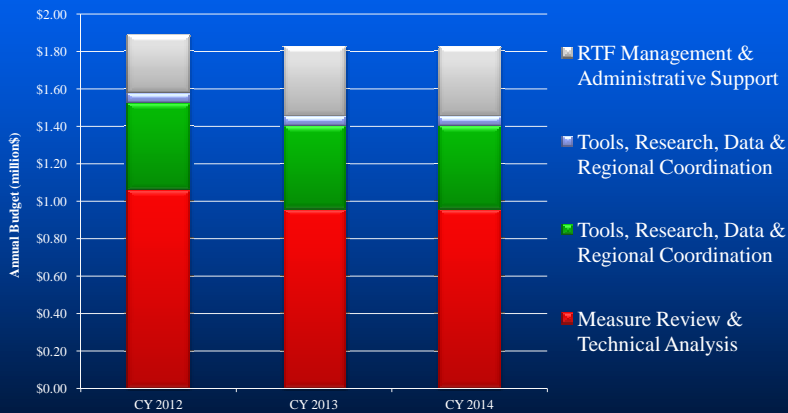


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Proposed RTF Budget*

**RTF Budgets for 2012 - 2014
(Including Council In-Kind Support)**



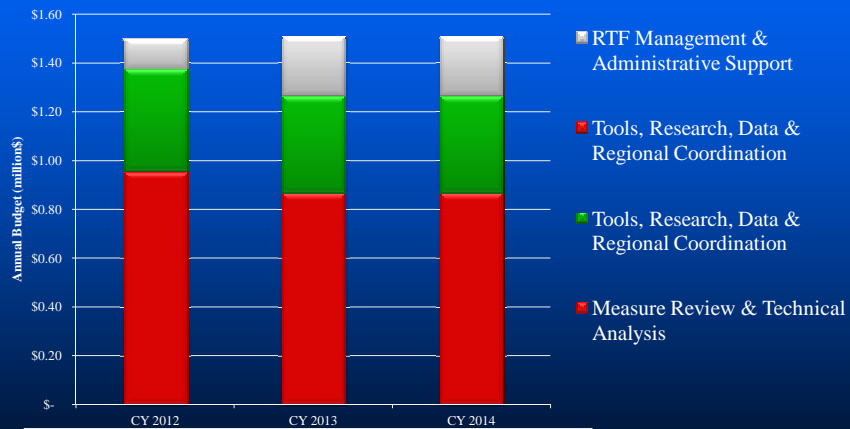
slide 10

*Reviewed and endorsed by both the RTF and RTF Policy Advisory Committee



RTF Outside Funding*

RTF Outside Sponsorship for 2012 – 2014
(Excludes Council In-Kind Support)

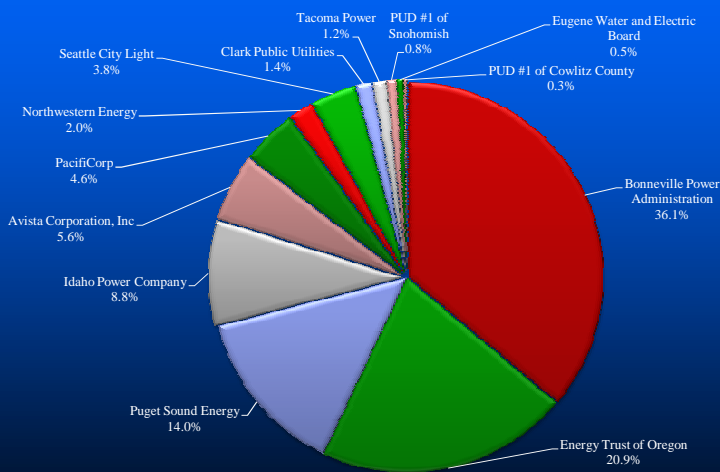


*Reviewed and endorsed by RTF Policy Advisory Committee

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Share of RTF Outside Funding by Sponsor



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2012-2014 Budget Trends

Category	Three Year Trend
Existing Measure Review & Updates	Constant for 3-year funding cycle for all existing measures. Decrease in cost of updates beginning 2015 funding cycle.
New Measure Development & Review of Unsolicited Proposals	Increase rate of new measure and protocol development
Standardization of Technical Analysis	Decrease after initial push to document analytical methods and standards
Savings & Analysis Tool Development	Decrease pace of tool development
Research Projects & Data Development	Increase assuming regional value
Regional Coordination	Increase assuming regional value
Website & Database Support, Regional Conservation Tracking	Constant
RTF Member Support & Administration	Constant
RTF Management	Shift some Council staff duties to RTF contract staff and/or new Council staff funded by RTF as procedures are standardized

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Summary of Staff Proposal

- n Recommend Council adopt RTF Budget and Workplan for 2012
- n Recommend Council adopt RTF sponsor funding level and allocations for 2012 – 2014

Staff proposal reviewed and endorsed by both RTF and RTF Policy Advisory Committee

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Backup

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Budget Assumptions

Category	Calendar 2012				Note
	Contract	RTF Staff	Subtotal Funders	Council Staff In Kind Contribution	
Existing Measure Review & Updates	\$175,000	\$50,000	\$225,000	\$40,000	Scalable. Limit to 10 Active UES, 10 Provisional UES, 0 Protocol per year. Eliminate 20 UES. Three-year review cycle.
New Measure Development & Review of Unsolicited Proposals	\$207,000	\$137,000	\$344,000	\$35,000	Scalable. Limit to 4 new UES, 4 new Protocols, 3 new small/rural UES/Protocol. Placeholders for unsolicited & review of impact evaluation plans.
Standardization of Technical Analysis	\$140,000	\$42,000	\$182,000	\$27,000	Scalable. See Category Detail.
Tool Development	\$86,000	\$48,000	\$134,000	\$12,000	Options in Category Detail
Research Projects & Data Development	\$230,000	\$48,000	\$278,000	\$24,000	Options in Category Detail
Regional Coordination	\$0	\$58,000	\$58,000	\$12,000	Options in Category Detail
Website, Database support, Conservation Tracking	\$0	\$0	\$0	\$50,000	Fixed
RTF Member Support & Administration	\$174,000	\$0	\$174,000	\$7,000	Fixed
RTF Management	\$5,000	\$100,000	\$105,000	\$180,000	Fixed
Subtotal New Work	\$1,017,000	\$483,000	\$1,500,000	\$387,000	

Northwest Power and Conservation Council