

## Conservation Advisory Council Agenda

### Virtual meeting via Zoom

April 22, 2020

1:30 p.m. – 3 p.m.

---

To join the Zoom meeting you will need to register in advance:

<https://zoom.us/meeting/register/uJ0sdeCoqzkpXGzqkUyz3ZyeW3y46oOW1Q>

After registering, you will receive a confirmation email containing information about joining the meeting.

---

#### 1:30 Welcome and short takes *(information)*

- Zoom housekeeping info
- Host will list who is attending the meeting
- Agenda review and approve February 19 meeting minutes
- Welcome Rick Hodges, newest council member
- Update on 2021 organizational goals development

#### 1:40 Updates from CAC members on impacts of and response to coronavirus and physical distancing *(information)*

Several CAC members will discuss what they are hearing from their customers and constituents about their needs and priorities, as well as their thoughts about how Energy Trust can be supportive.

#### 2:35 Energy Trust's response to coronavirus *(information)*

Director of Programs Peter West will provide an update on how operations and programs are being modified as a result of distancing requirements.

#### 2:55 Public Comment

#### 3:00 Adjourn

Meeting materials (agendas, presentations and notes) are available [online](#).

**Next meeting:** Our next meeting is Wednesday, June 17, 2020.

# Conservation Advisory Council Meeting Notes

February 19, 2020

---

## Attending from the council:

Alyn Spector, Cascade Natural Gas  
Anna Kim, Oregon Public Utility  
Commission (by phone)  
Bing Liu, Northwest Energy Efficiency  
Alliance (for Julia Harper)  
Dave Moody, Bonneville Power  
Administration  
Jason Klotz, Portland General Electric

Kari Greer, Pacific Power  
Kerry Meade, Northwest Energy Efficiency  
Council  
Lisa McGarity, Avista  
Rick Hodges, NW Natural (for Holly Braun)  
Warren Cook, Oregon Department of  
Energy

## Attending from Energy Trust:

Michael Colgrove  
Fred Gordon  
Jackie Goss  
Marshall Johnson  
Oliver Kesting  
Steve Lacey  
Scott Leonard  
Jay Olson

Amanda Potter  
Thad Roth  
Peter West  
Mark Wyman  
Alex Novie  
Hannah Cruz  
Tom Beverly  
Peter Schaffer

## Others attending:

Laura Hall, ICF  
Lindsey Hardy, Energy Trust board (by  
phone)  
Joe Marcotte, TRC  
Alan Meyer, Energy Trust board  
John Molnar, Rogers Machinery  
Whitney Rideout, Evergreen

Jenny Sorich, CLEAResult  
Marci Sanders, Resource Innovations  
Whitney Rideout, Evergreen Consulting  
Murali V, LM Energy  
Rory Schmick, Stillwater Energy  
Stephanie Gray, NW Natural  
Stefanie Week, NW Natural

---

## 1. Welcome

Hannah Cruz, the staff council lead, convened the meeting at 1:30 p.m.

The agenda, notes and presentation materials are available on Energy Trust's website at [www.energytrust.org/about/public-meetings/conservation-advisory-council-meetings/](http://www.energytrust.org/about/public-meetings/conservation-advisory-council-meetings/). The meeting was recorded on GoToMeeting. If you'd like to refer to the meeting recording for further detail on any of these topics, email [info@energytrust.org](mailto:info@energytrust.org).

Hannah Cruz announced two members of the council recently stepped down, both citing other work priorities: Danny Grady with the City of Portland and Will Gehrke with Citizens' Utility Board of Oregon. Staff will consider replacements and how the council's charter review may influence that process.

The council approved the November 20, 2019, meeting notes with no changes.

## 2. Announcement of New Diversity Advisory Council Members

*Topic summary*

Energy Trust Diversity, Equity and Inclusion Lead Tyrone Henry introduced himself, described his role as diversity lead and shared the names of the [Diversity Advisory Council members](#).

#### *Next steps*

There will be a joint workshop for the Renewable Energy Advisory Council, Diversity Advisory Council and Conservation Advisory Council on April 22, 2020, to discuss 2021 organizational goals.

### **3. Preliminary 2019 Results**

#### *Topic summary*

Peter West, director of energy programs, previewed the organization's preliminary 2019 results. Preliminary results indicate the organization achieved 100% of the electric savings goal, 98% of the natural gas savings goal and more than 100% of the renewable generation goal. The year-end results were much improved over the mid-year forecast. Peter West cited several mitigation efforts implemented to bring in savings: incentive increases for natural gas measures stopped the loss of projects; staff built up the industrial pipeline; and lighting incentives worked to turn things around on the electric side, including targeted TLED lighting efforts. Staff reset incentives in 2020 and the year is off to a good start.

New home construction was robust in Oregon and helped both gas and electric savings. About a quarter of gas savings came from new home construction. Strategic Energy Management (SEM) also brought in significant savings. The Residential program obtained 6,000 new participants from the diversity, equity and inclusion targeted areas. Meanwhile, price increases and labor and equipment supply constraints have lengthened the time it takes to complete commercial and industrial projects.

#### *Discussion*

Council members said the data shows high penetration rates, that residential is healthy but new commercial construction is not. Peter West noted the overall portfolio approach worked, although program results varied as they often do. Building a new home isn't as complex as building a commercial building, where more specialized labor is needed. Current labor market constraints are hitting the commercial sectors more, as well as cost increases due to tariffs on imports.

#### *Next steps*

Final results will be in the annual report to the OPUC, released on April 15, 2020.

### **4. Existing Buildings and Commercial and Industrial Lighting Request for Proposals**

#### *Topic summary*

Oliver Kesting, the Commercial sector lead, explained Energy Trust will release a request for proposals (RFP) for a program management contractor for the Existing Buildings program in Oregon and Southwest Washington, including Existing Multifamily, Commercial Strategic Energy Management and other energy performance management offerings. The RFP will also be for a program delivery contractor for commercial and industrial lighting offerings in Oregon. Combined these offers represent about 30% to 40% of the organization's gas and electric savings.

Oliver Kesting explained a lot is changing for Commercial sector, such as improving baselines with new codes and standards; the addition of diversity, equity and inclusion goals; cost effectiveness challenges; rising delivery costs and market saturation. The Existing Multifamily program was the only contract due to be rebid, but staff decided to streamline across the Existing Buildings program and bid for industrial and commercial lighting at the same time. This was not a contractor performance issue, but rather a strategic decision.

The RFP includes a new element related to new customer strategies and opportunity areas. This is about innovation, focusing on diversity, equity and inclusion and identifying what more can be done to serve all customers.

#### *Discussion*

Members asked how cost-effectiveness challenges will be addressed through the RFP (Lisa McGarity) and if there will be an initial spending requirement on diverse contractors (Warren Cook). Staff said the organization is moving to a stand-alone lighting contract and will look at midstream delivery across commercial and industrial customers to address cost-effectiveness challenges. Combining the Existing Buildings and Multifamily contracts will also help address these challenges. On the spending requirement, staff is waiting to see how the market responds.

Members also asked about ways to avoid overlap in Energy Trust's efforts and other efforts on outreach and community engagement (Kari Greer). Oliver Kesting said it will be clear to respondents that coordination is needed.

#### *Next steps*

The RFP will be released March 9, 2020.

### **5. Ductless Heat Pump Incentives Update**

#### *Topic summary*

Marshall Johnson, senior program manager for Residential, provided information on ductless heat pump incentives. The OPUC approved a cost-effectiveness exception to the total resource cost test for ductless heat pumps, and now the Residential program is planning an incentive reduction for the standard offer. Staff plan to update trade allies by the end of the month and changes would go into effect April 1, 2020. Marshall Johnson noted staff was successful in improving the total resource cost in many situations.

#### *Discussion*

Council members discussed treatment of Savings Within Reach incentives, the impact of climate zones on efficiency (Alyn Spector), air quality abatement issues, utility cost test and risks associated with displacing wood (Rick Hodges).

#### *Next steps*

With unanimous support from the council, staff will develop a rationale for a cost-effectiveness exception and bring the concept to Anna Kim at the OPUC. Staff will follow her guidance for making an exception and report back to the council.

### **6. 2020 Legislative Session Update**

#### *Topic summary*

Jay Ward, senior community relations manager, reviewed bills staff is monitoring in the short legislative session that started February 3, 2020. Four bills were introduced that seek to enact a cap and trade carbon reduction mechanism. Transportation electrification was mentioned in many bills.

Other bills of interest include SB 1563, which would allow licensed renewable technicians to install larger renewable energy systems, and HB 4067, which would authorize the OPUC to consider energy burden and environmental justice factors in rate setting.

#### *Discussion*

None.

*Next steps*

None.

**7. Council Operations and 2020 Planning**

*Topic summary*

Hannah Cruz explained at the first meeting of each year, the council is asked to review and approve its operating principles. This year, staff recommends a small group of council members take a more in-depth look at the operating principles, charter and membership over the next few months and bring any recommended changes to the full council later in the year.

*Discussion*

Members discussed the council's function, composition and meeting procedures, as outlined in the charter and operating principles. Members said it was important to have the groups currently represented at the table but that more perspectives may be needed.

*Next steps*

Hannah Cruz will engage volunteers to continue reviewing the charter. Warren Cook, Dave Moody and Rick Hodges volunteered during the meeting.

**8. Public comment**

None.

**9. Meeting adjournment**

The meeting adjourned at 4:25 p.m. The next meeting is scheduled for April 22, 2020, and will include a joint session with the Renewable Energy Advisory Council and Diversity Advisory Council.





# Energy Trust Response to Coronavirus

## CAC and RAC

April 22, 2020



# Impact to Operations and Services

- Staff working remotely, new systems for collaboration
- Call center, PMC and PDC staff working remotely
- In-person services and standard outreach suspended
- Impact varies by program
  - Metro areas relatively more affected
  - New construction continues (except in SW WA)
  - Pipeline of new projects slowing
  - Some closed facilities still open for projects



# Response Strategies

- Continue to serve customers still operating – within guidelines and safe practices
- Serve other customer needs with low/no-cost services
- Evaluate and adapt program, outreach and marketing strategies
- Explore new ways to sustain capacity of partners, trade allies
- Monitor market recovery, prepare for 2 scenarios
- Monitor revenues and expenditures in coming weeks



# Programs: Continuous Adaptive Management

- Supporting projects in new ways
  - Scheduling to customer needs, even when they are not present
  - Trying as many remote and virtual methods to help as we can
  - Learn with the customers
- Revise processes for remote verification and inspection with photo and video documentation
- Continuing rollout of offers for targeted areas and businesses that are still operating (agriculture, grocery, manufacturing, some large retail, etc.)
- Trainings shifted to remote formats (SEM, trade ally, etc.)
- Processing ~\$1 million per week to customers, vendors, allies
- Electronic payments for trade allies and contractors



# Renewable-specific Response Strategies

- Expand remote verification to more trade allies
- Extend solar funding allocations to avoid an incentive decrease
- Lengthen the window for non-solar competitive solicitation
- As requested by Senator Merkley, a list of 12 projects (hydro and bio) have been submitted to potentially be part of the next recovery package

# Efficiency-specific Response Strategies

- Replacing direct-install efforts in residential and multifamily with accelerated kit mailings, online and direct-ship measures; targeting low-income first, working with agencies/partners
- Identify efforts that can be accelerated and/or expanded within current policies and boundaries, including increasing incentive levels
- Identify areas to increase incentives
- Roll out initial, revised efforts and incentives mid-April through May
- Extended Commercial & Lighting RFP by four weeks; special August board meeting for contract approval
- All PMC and PDC staff should feel safe in any work they are performing; if someone feels unsafe, we do not perform that work



# Some Efficiency Program-specific Efforts

- Multifamily: increasing DEI/CBO outreach, looking for opportunities to co-deliver services, equipment, education
- Commercial, Industrial: loosening requirements for post-install inspection for next few months; higher \$ threshold and photos will suffice; in-person would occur later
- Existing Buildings and Industrial: Use DocuSign or similar digital signatures for forms
- New Buildings: most projects still moving forward; designing remote verification procedures
- Residential: roll-out online free LED offer for low income; expand Energy Saver Kit promotions; develop a direct delivery, deep discounted smart thermostat offer; increase LED incentives at retail (grocery stores)
- Field services: learning about trade ally business impacts and considering support role during recovery
- Marketing: prioritizing no cost/low cost offers in all promotions





# Thank You

Peter West

Director of Programs

[peter.west@energytrust.org](mailto:peter.west@energytrust.org)