

Conservation Advisory Council Meeting Notes

February 16, 2022

Attending from the council:

Jeff Bissonnette, NW Energy Coalition
Jake Wise, Portland General Electric
Kari Greer, Pacific Power
Rick Hodges, NW Natural
Tina Jayaweera, NW Power and Conservation Council
Alyn Spector, Cascade Natural Gas
Andy Cameron, Oregon Department of Energy
Lisa McGarity, Avista
Anna Kim, Oregon Public Utility Commission
Tyler Pepple, Alliance for Western Energy Consumers
Becky Walker, NEEA

Attending from Energy Trust:

Hannah Cruz	Jay Ward
Tracy Scott	Amanda Zuniga
Elizabeth Fox	Alexis Bright
Emily Findley	Amanda Potter
Debbie Menashe	Emma Clark
Cheryle Easton	Mia Deonate
Fred Gordon	Sue Fletcher
Elaine Dado	Cameron Starr
Shelly Carlton	MacKenzie Kurtner
Quinn Cherf	Tyrone Henry
Kate Wellington	Jessica Kramer
Steve Lacey	Andrew Shepard
Susan Jowaiszas	Ryan Crews
Amanda Thompson	Quinn Parker
Marshall Johnson	Alex Novie
Amber Cole	
Julianne Thacher	
Wendy Gibson	
Thad Roth	

Others attending:

John Molnar, Rogers Machinery	Wendy Cutts, Cascade Energy
Alan Meyer, Energy Trust board	Alecia Dodd, CLEARResult
Lindsey Hardy, Energy Trust Board of Directors	John Karasaki, Portland General Electric
Andi Rex, Small Business Utility Advocates	Clark Fisher, Energy350
Brooke Landon, CLEARResult	Jenny Sorich, CLEARResult
	Chris Smith, Energy350

1. Welcome and Announcements

Hannah Cruz, senior stakeholder relations and policy manager, convened the meeting at 1:30 p.m. via Zoom. The agenda, notes and presentation materials are available at www.energytrust.org/about/public-meetings/conservation-advisory-council-meetings.

Hannah opened with a summary of the agenda and led a round of introductions among the Conservation Advisory Council and board members present. Hannah introduced two new members joining the council. Andy Cameron is taking over for Roger Kainu and represents the Oregon Department of Energy. Andy has prior experience as an energy manager for Washington County, where he worked with facilities and parks. Jake Wise joins the council from Portland General Electric, taking over for former council member Jason Klotz. Jake has held several positions with Portland General Electric over the last three years, most recently as a community engagement manager in the diversity, equity and inclusion team.

2. Organizational updates

Topic summary

Tracy Scott, director of energy programs, shared Energy Trust's preliminary annual results from 2021, including progress to achieving energy-saving goals. The official annual report will be available on April 15. Tracy reviewed energy efficiency and renewable energy results by fuel type and utility. She provided context that 2021 posed challenges due to supply chain disruptions and labor shortages stemming from the ongoing pandemic. Tracy explained that some shortfalls were due to project completion timelines shifting into 2022, but those are still in progress and will contribute to a strong pipeline for 2022.

Discussion

The council asked when Energy Trust would present the final results to Oregon Public Utility Commission (Kari Greer). Energy Trust will submit its final annual report on April 15 and present the results to the commission in May.

Next steps

Energy Trust's annual report to the Oregon Public Utility Commission will be available on April 15 and will be posted to Energy Trust's website.

3. Program Updates

Topic summary

Program staff shared noteworthy program updates with the council.

Thad Roth, Residential sector lead, and Amanda Potter, Industry and Agriculture sector lead, provided an update on upcoming requests for proposal for program management contractors, which will be posted in the coming months. Both solicitations include a supplier diversity requirement, and the program management contractor needs to demonstrate how it will ensure at least 20% of the contract dollars are spent with firms that are certified by the Certification Office for Business Inclusion and Diversity (COBID). Both programs have also hosted informational webinars to help prospective bidders understand the programs, as well as a virtual networking event for prospective bidders and subcontractors to explore teaming opportunities.

Andrew Shepard, Residential senior project manager, gave an update on the development of on-bill financing for the Savings Within Reach offer in Avista territory. With on-bill financing, income-qualified customers can access low-interest financing through a participating lender and pay off the balance of their upgrade on their utility bill. For Avista customers, the lender is Puget Sound Credit Union. For the territories of other utilities that participate in this offer, Energy Trust will continue to work with lender Craft3.

Discussion

Council members asked for more detail on the contracting diversity requirement featured in the two proposal requests. Staff clarified they are looking for program management contractors to weave Energy Trust's diversity, equity and inclusion expectations into their overall proposal and delivery. This should focus on expanding participation of communities of color, customers experiencing lower incomes and rural customers. Staff added that industrial and agriculture programs have historically focused on increasing service to rural small businesses but are now exploring ways to expand the focus to include more minority- and women-owned businesses.

A council member asked how on-bill payments would be applied for a customer whose bill has gone into arrears (Tina Jayaweera). Council members representing utilities confirmed that the customer's payment would be applied to their bill and billing deposit before being put toward the loan. Utilities would also not disconnect a customer due to nonpayment of the loan balance; the loan would be referred back to the lender in that case (Lisa McGarity, Kari Greer).

Next steps

Staff will continue sharing updates with the council as the requests for proposals are released and the process moves forward. More information about on-bill repayment is available on Energy Trust's website.

4. Measure development updates and research priorities for 2022

Topic summary

Alex Novie, measure development manager, presented plans for measure development and related research happening in 2022 for 2023 program planning and budgeting. He reviewed the measure development process and its relationship to program design, explaining that measures may be designed to reach customers at different points in the decision-making process. Energy Trust typically finalizes new and updated measures each September and is inviting input from the council early in the process.

Existing measures being updated for homes and businesses include insulation, windows, heating, water heating and smart thermostats. New measures and offers being explored include residential direct install and no-cost measures, and enhanced offerings for affordable multifamily housing and small businesses. Energy Trust will explore topics like cooling appliances and extreme weather events in its research efforts.

Discussion

The council asked about how this process will be affected if there is a transition to a new program management contractor this year, which may bring interesting ideas to the table (Tina Jayaweera). Staff responded that Energy Trust will be as flexible as possible. While transition planning includes steps to consider this, it will need to remain adaptive.

A council member asked how grid-interactive efficient buildings are reflected in this year's development work (Jake Wise). Staff explained that it is part of the business plan for the Regional Technical Forum, which Energy Trust supports and participates in. In addition, Energy Trust is also working on studies related to system planning, but they are efficiency focused. Energy Trust is looking at energy efficiency benefits that may come with other demand response capabilities and learning from others. The council added that another Regional Technical Forum project is looking at how to develop methodology to value the role of energy efficiency to support flexibility to the grid (Tina Jayaweera).

A council member asked if measure and research prioritization are open to change in response to the public purpose charge modernization law (Rick Hodges). Staff noted that the law has specific language about creating utility-specific budgets, and Energy Trust is figuring out what

that means and how it will impact the budget process. Measure development isn't expected to play into that since budgeting is done at the program level.

The council added that the energy industry is moving in the direction of focusing on grid-interactive efficient buildings and asked how Energy Trust will adapt to these market changes as it starts seeing more overlap between efficiency and other benefits like demand response (Kerry Meade). Staff gave an example of how Energy Trust is working with Portland General Electric on its Smart Grid Test Bed project to test marketing approaches to promote combined efficiency, demand response and renewable energy. Energy Trust is also subcontracting with Portland General Electric to target measures that have intersections with other demand-related benefits.

Next steps

Council members are encouraged to contribute measure or research ideas for Energy Trust to consider. The new and updated measures will be announced in September.

5. Update on heat pump cost-effectiveness exception request

Topic summary

Alex Novie, measure development manager, presented an overview of a ductless heat pump cost-effectiveness exception granted by the Oregon Public Utility Commission for 2022-2024. This exception is for efforts in existing single-family, multifamily and manufactured homes to displace electric resistance heat and deliver multiple benefits to customers through trade allies and community partners. One application of the exception will be for Energy Trust to co-create a no-cost ductless heat pump pilot this year and work with community partners to lower energy burdens for customers experiencing lower incomes. One objective of the pilot is to deepen Energy Trust's knowledge about how to form relationships with other organizations to increase adoption of this technology by customers with higher energy burdens. The council was asked how it would like to be involved in these efforts.

Discussion

The council asked if the pilot is expected to have a cap on total installations (Kari Greer). Staff said there was a dollar cap of \$5 million over three years for the overall pilot. A council member expressed enthusiasm for the co-creation idea, noting that Pacific Power would like to be involved and supportive, as there is a large proportion of renter-occupied homes among their customers (Kari Greer). Staff stated ownership was not specified by the exception request.

The council noted that it is interesting that ductless heat pump measures struggle to achieve cost-effectiveness because savings can vary a lot based on the application. One member asked what nuances are being explored in this no-cost pilot (Tina Jayaweera). Staff said that there will be a focus on quality control and how to optimize savings performance. The ductless heat pump market is bigger than what Energy Trust has focused on specifically in the past. Through the pilot, it expects to gather information about how the conditions of where the technology is being installed can affect savings. Staff added that it's feasible for there to be other funding sources not related to energy efficiency, and Energy Trust is studying a pathway to find out how blended funding can be leveraged to do more. Staff noted savings could also end up being higher in these installation conditions, but Energy Trust can't claim that without knowing for sure through the pilot.

The council asked if the pilot would study savings from the cooling capacity of ductless heat pumps (Jake Wise). Staff explained that this is not a specific goal of the pilot, but staff does assume increased comfort from cooling as part of measure development. Energy Trust hopes to learn more about what is going on in these homes in terms of heating and cooling use and acknowledge some of its assumptions about cooling are likely to change quickly.

Next steps

Council members are invited to share ideas and input about these efforts. Staff will continue bringing updates to utility coordination meetings and to the council as the pilot planning evolves and launches.

6. CAC recruitment

Overview

Hannah Cruz, senior stakeholder relations and policy manager, introduced an update that Energy Trust is proposing to modify its recruitment approach for Conservation Advisory Council and Renewable Energy Advisory Council this year.

The new process would include engaging the council to identify existing skillsets and gaps in desired skillsets. Hannah explained Energy Trust is interested in the council's feedback in refining and implementing the process, which is outlined in full in a memo included with the meeting materials.

The Conservation Advisory Council currently has 14 members, but there's potential for membership to include up to 18 members. Historically, the council has used a more informal recruitment process, but the proposal would be more similar to how the Diversity Advisory Council handles recruitment by using a skillset matrix and a robust outreach, review and selection process. The Energy Trust Board of Directors recent recruitment efforts and nomination process had similar elements. Hannah pointed out there are specific perspectives that would benefit the Conservation Advisory Council, including experience with rural communities, communities of color and customers experiencing lower incomes.

Discussion

The council asked about the council's designated purpose (Becky Walker). Hannah explained the council is intended to advise the board to inform decisions about topics such as strategic planning and budgeting. For staff, the council provides a helpful perspective about experiences with customers in the market that informs proposals, pilots and research.

The council noted that geographic representation is valuable to ensure rural voices are considered. From a technical perspective, members with a climate-forward efficiency approach are desirable. Members stated the council should also seek members who can help view things through an environmental justice and community lens (Jake Wise). A council member added that including members who do not work in the energy efficiency industry could be helpful, but that may require extra work for staff to ensure understanding of the technical topics the council often discusses (Becky Walker).

An attendee said that this reframing of the recruitment process is important because it creates potential for Energy Trust to reach new communities or organizations it wouldn't typically engage with. The attendee added they have found council discussions valuable as they have helped shape their thinking (Lindsey Hardy).

The council stated that the council should look for members who have industry experience across sectors to ensure a balanced market perspective. A regular review cycle to assess skillsets is also worth considering (Tina Jayaweera).

A council member said that rural representation is desirable and expressed interest in broadcasting the opportunity. The member also shared they are supportive of stipends where appropriate (Andy Cameron).

Next Steps

In the next two weeks, Conservation Advisory Council members are asked to complete a skills matrix and are invited to help broadcast the opportunity to their networks to promote awareness among a wider group.

7. 2022 State legislative update

Overview

Jay Ward, senior manager stakeholder relations and policy, presented on energy-related bills that are being monitored during Oregon's 2022 state legislative session. He provided a reminder that pursuant to its grant agreement, Energy Trust does not advocate, lobby or take positions on legislation, and its involvement is limited to monitoring and offering expertise on energy topics when requested. Jay mentioned Energy Trust recently revised the lens used to determine which bills to monitor.

Jay noted that a foundational element of this session is a high degree of change, including in the makeup of legislature in both the house and senate. Due to resignations and retirements, at the end of next session almost half of legislators will be relatively new. Staff identified 25 bills to monitor this session, including three that have a core connection to the organization and programs. These bills relate to building codes, cooling and extreme weather events and equity in clean energy.

Discussion

The council asked about a bill that would create an environmental justice map (Jake Wise). Staff confirmed that bill is House Bill 4077.

Next steps

Staff will continue sharing relevant outcomes from the legislative session with the council.

8. Public comment

There was no additional public comment.

9. Adjournment

The meeting adjourned at 4:30 p.m. The next Conservation Advisory Council meeting was to be scheduled for Tuesday, April 12, from 10:30 a.m. – 2 p.m. as a joint meeting with the Diversity Advisory Council and the Renewable Energy Advisory Council on 2023 organizational goal setting. That joint meeting will be cancelled. The next Conservation Advisory Council meeting will be scheduled at a date TBD.