

## RTF PAC Meeting Minutes

September 29, 2021

9:00am – 11:30am Pacific

### Meeting Participants:

Pat Oshie, Council Member WA (co-chair)

Jamae Hilliard Creecy, Bonneville

Jessica Aiona, Bonneville

Phillip Kelsven, Bonneville

David Moody, Bonneville

Kary Burin, Cascade Natural Gas

Debbie DePetris, Clark PUD

Jennifer Langdon, Cowlitz PUD

Fred Gordon, Energy Trust of Oregon

Juan Serpa Munoz, EWEB

Quentin Nesbitt, Idaho Power

John Chatburn, ID Office of Energy and  
Mineral Resources

Melissa Warren, ID Office of Energy and  
Mineral Resources

Alexa Sakolsky-Basquill, ID Office of Energy  
and Mineral Resources

Taylor Thomas, ID PUC

Jeff Harris, NEEA

Jonathan Belais, NEEA

Deb Young, NorthWestern

Ralph Cavanagh, NRDC

Rick Hodges, NW Natural

Cory Scott, PacificPower

Matthew Tidwell, Portland General

Robert Cromwell, Seattle City Light

Suzanne Frew, Snohomish PUD

Ray Johnson, Tacoma Power

Steve Bicker, Tacoma Power

Elizabeth Osborne, WA Dept of Commerce

Steve Johnson, Washington UTC

Craig Patterson, Independent

Leanne Bleakney, Council Staff OR

Tina Jayaweera, Council Staff

Jennifer Light, RTF Chair/Manager

Annika Roberts RTF Assistant

### Key Outcomes:

There were three main topics of discussion the Q3 RTF PAC meeting.

- PAC members approving a recommendation to the Council for the RTF's 2022 Work Plan.
- The bulk of the meeting was taken up by a presentation and resulting discussion giving members an overview of conservation and demand response in the 2021 Power Plan:
  - PAC member's responses focused on the limits on cost-effectiveness in this Power Plan and its effects on energy efficiency in the region as well as other values of EE that may not be fully captured in the target but are still important to utilities and other stakeholders.
  - Some members were especially interested in the way equity was being incorporated in the larger conservation program and there was discussion

centered around the council's recommendation to achieve non-cost-effective weatherization in underserved homes.

- Jennifer Light, RTF Manager, gave an update on the RTF's progress on their 2021 Work Plan and the meeting ended with

## **Discussion**

Patrick Oshie, RTF PAC Co-Chair and Washington Councilmember opened the meeting at 9:00 am PST. Jennifer Light started with announcements, expressing with great sadness the passing of PAC member Bob Essex. She then introduced new members Jennifer Langdon, Matt Tidwell, and Gilbert Archuletta. After introductions from the rest of the group the meeting then began with a presentation on the 2021 Power Plan which has recently been released as a draft, by Council staff member Tina Jayaweera.

## **Overview of EE and DR in the Draft 2021 Power Plan**

*The energy efficiency cost-effectiveness limit has changed in the draft 2021 Power Plan. The purpose of this presentation was to provide an overview of the changes to the methodology, the regional inputs to the methodology, and a high-level overview of the impact of the changes on regional cost-effectiveness.*

Cavanaugh asked how the Power Plan addresses the future role of the RTF.

Jayaweera and Light explained that the Plan has action items recommended for the RTF to take on and pointed the group to the research and development chapters as well as the conservation section in chapter 5

2021 Plan EE Target: Slide 7

Cromwell clarified if the Council's modeling was adequately capturing the value of energy efficiency.

Jayaweera answered that some of the value is incorporated in the modeling and is some isn't. She expanded that the 'Pathways to Decarbonization' scenario, which modeled significant electrification, saw additional EE be acquired. And that the Council has done a fair amount to about the adequacy value, which is captured in the cost-effective reserves work. She explained that the Council utilizes a modeling system, with a couple different models, and stitches those different models together to get a more complete picture. She concluded that these values are captured in different places, both in the models and also narratively throughout the Plan.

Hilliard-Creecy inquired if the Council had considered setting the cost-effectiveness threshold at the 1000 aMW rather than 750 aMW low end of the range. And expressed that BPA disagrees with setting the target at the low end.

Jayaweera responded by explaining the Council's interest in preserving the meaning of a cost-effective resource and how setting the cost-effectiveness threshold at 1000 aMW while setting the target at 750 aMW would undermine that intent and the targets

consistency with the Act language. She encouraged Bonneville to express this concern with a more formal comment.

Gordon observed that a lot of the Plan is premised on the grid being flooded with solar and wind during peak hours and asked if there is sufficient transmission existing or planned to make those resources relevant west of the cascades.

Jayaweera acknowledged transmission is a hot topic for the 2021 Plan and explained that there is an action item in the Plan related to studying the transmission system. She expanded that it's less about the capacity of the wire and more about how the contracts are done. The action item is to make sure the region is utilizing the capacity as best it can, looking at where wires are allocated but underused, and better allocate resources so that the wires can be better used.

Oshie added that the Council recognizes that transmission can and is an issue, noting that coming into the Plan and looking at the high target for renewable development, a key question was the risk involved in setting a target so high given transmission limitations. He went onto explain that the efficient use of the existing transmission capacity would alleviate that risk, and that the availability of capacity going north and south, has room to move up based on the modeling. He concluded saying that looking at transmission has not been a large role of the Council in the past, and he would welcome input from constituents on the topic.

Comparing EE Potential with 2021P Generation Resources Costs: Slide 9  
Harris clarified whether RECs and tax credits are included in the actual evaluation of renewables

Jayaweera responded yes to both and acknowledged that they make solar and wind even more valuable.

Hours of Highest Value: Slide 13  
Gordon asked how stable these hours of high value are across scenarios. Then followed up asking if the next 5 years look different than this slide or if what's being shown is really what's happening now.

Jayaweera answered that the hours are fairly stable and that they're being seen across all seasons. She added that it's hard to say for the next 5 year but acknowledged that this is already being seen in California and it's becoming more dramatic with time.

Cost-Effective Potential by Sector Slide 17  
Cavanagh asked why transportation isn't on the list.

Jayaweera mentioned that electric vehicle chargers are in the residential sector. Light added that the RTF just allocated resources for scoping efficient electric vehicles measure.

Hilliard-Creecy expressed that the cost-effectiveness potential really constrains measures available for the residential sector.

Light agreed, expressing that another challenge with residential measures is that the savings aren't what we thought they were especially in how we're delivering them. The region is seeing savings being washed out while costs are staying high. Given how much has been achieved in the sector, what's left is expensive and difficult.

Harris brought up that one of the challenges in the residential sector for appliances, is the possibility for cost effectiveness under a standards scenario is very different from voluntary program delivery. Giving heat pump water heaters as an example.

Jayaweera responded that the Council uses costs as they're known today, while recognizing in the conservation chapters that codes and standards are critical in achieving efficiency long term.

Young asked how heating zones and climate's effects on savings were accounted for in the Plan.

Jayaweera explained that heating and cooling zone data were incorporated when available when the conservation team built the measure list though there is limited data for in heating zone 3. She confirmed that the potential was built up accounting for those differences in performance seen by climate zone.

Light added that the RTF has a lot more work slated around understanding the different performance of technologies in different heating or cooling zones in the upcoming year.

Implications for Programs: Slide 23

Harris brought up that residential consumer products can be cost effective under federal standard, but voluntary program they may not look cost effective. Explaining why he's interested in the longer-term goal of getting a federal standard change if the region can get to that kind of scale.

Plan Analysis—High Level Takeaway [Demand Response] Slide 26

Johnson asked how big the value differential is between standard DR products and more flexible ones.

Jayaweera showed the chart on slide 27 'Increase in Average DR Build from Baseline Conditions' and explained that with the original DR bins for the Plan that were based on cost and less focused on the features of those products there wasn't any acquisition. When staff re-binned and put DVR and TOU into bin one, changed the dispatch cost because those don't have a big cost for dispatch the RPM saw there was a lot of value in that DR and basically bought everything. She expanded that the model was saying that these technologies are really valuable, they reduced emissions and system costs, and they didn't really impact the other resource builds from the baseline, just helped make the system more cost efficient.

Harris asked Tina to comment on how DVR and CVR are related noting that they're essentially the same equipment.

Jayaweera responded that it's Council policy that EE comes first, so CVR happens before DVR.

Gordon put in the chat: "This is not a formal comment. But- our dilemma in applying or discussing the plan is in dealing with the bookends created by the regional power act; we are increasingly trying to leverage money that is funding social justice objectives. We are getting measure exceptions based on long term cost. We are trying to split costs for Thermostats with DR programs. The plan is good at what it is but doesn't address increasing elements of our working environment- while our primary goals are still similar to the plan."

In response to Fred's comment Jayaweera the weatherization recommendation in the Plan explaining that a lot of the remaining homes with minimal weatherization have been underserved in the past and that part of trying to recognize that inequity is keep those underserved homes as part of the conservation program. She added that there's an action item thinking more globally about how to incorporate equity in the Plan which will be a regional effort to understand the data needs how to incorporate that into the Council's work and will likely be launching next spring/summer. She went on to explain that the Council doesn't do the implementation of programs which is where a lot of those efforts are being borne by other entities in the region. She added that the dual baseline question is related to this, asking where might the regional current practice market not apply, which might change things for some.

Light recognized that when the Council is encouraging utilities to go after underserved populations they might have to go after opportunities for cofounding. She further explained that there was work to weave some of that direction into the Plan and that it's not all baked in to cost effectiveness.

Gordon followed up, asking if low-income electric efficiency is in the target.

Jayaweera answered that the Council didn't carve out low-income as a separate sector in the supply curves. Adding that they did carve out particularly that weatherization need in the conservation program, above and beyond the target.

Nesbit asked for more clarification around how weatherization measures aren't very cost effective but are still included in the Plan somehow.

Light answered that one of the things the Council has recognized is that historically weatherization has been cost effective but there are just some gaps out there which are not technically cost effective under this current plan, but are still an important resource, in part for equity.

Jayaweera added that in a departure from prior Plans, the draft 2021 Plan has a conservation program chapter, which is more than just the savings target. That chapter discusses weatherization, the value of NEEA and codes and standards etc. She

explained that all of the program is part of the Plan to highlight values of EE and how the region should accomplish efficiency.

Light explained that the Council went that direction to align with the Act which has always framed conservation more than just one target number.

Jayaweera concluded her presentation by encouraging the group to submit public comment on the draft Plan if they have any more to add or want their opinions more formally considered.

### **Updates on 2021 Work Plan Progress**

*The purpose of this presentation was to provide an update on the progress of RTF work to date, highlighting differences from work plan assumptions and potential policy considerations that will come to the committee at a future date.*

There was general support for the direction and progress of the Work Plan this year.

There was some discussion about the format of meetings going forward and the mix of in person versus virtual meeting. Light clarified that she's assuming a mix of in person and virtual meetings for the following year citing that while the RTF has learned they can be very effective virtually there is something missing from not being together in person. Her goal is, when it is safe to do so, achieve some sort of hybrid approach, holding in person meetings when it suits the content, and keeping virtual meetings when we can. She reassured that group that even when in person meetings are scheduled again the RTF will still be accommodating of those still wishing to join virtually.

### **Recommendation on the 2022 Work Plan**

*The committee considered the proposed 2022 RTF Work Plan for recommendation to the Council for their approval at their October meeting.*

Measure Development: Slide 11

Harris asked whether the non-energy impacts would be a component of this measure development explaining that he could see the RTF as a repository for those impact beyond what the Council is able to do under the Act.

Light responded that this specific cost review project won't be concerned with that, however she can put on this group's agenda to think through the RTFs role in quantifying non-energy impacts outside those recognized by the Power Act. She added that the RTF likely won't have bandwidth for that in 2022.

Gordon agreed that the discussion of non-Power Plan non-energy benefits is a good idea.

Tool Development and DR: Slide 12

Nesbit asked for clarification around what the RTFs demand response work looks like.

Light explained that original scope of DR at the RTF was looking at the maximum kW potential for different technologies recognizing programs and implementation would have an effect on that. The next step will still mostly looking at technical questions and not

implementation, but will also start looking at costs. She reminded the group that the RTF looked at six technologies in the original scope and plans to revisit those and maybe add on going forward.

Discussion: Slide 19

Ralph Cavanaugh offers resolution in support of the recommendation to the Council which was seconded by Jeff Harris

Voice vote, all in favor.

Pat Oshie adjourned the meeting at 11:30am PST after thanking the group for their engagement and questions and encouraging they reach out with any additional questions, comment and continued conversations about the Plan. He also reminded the body that the Washington Public Hearing on the Draft Power Plan will be held on October 7, the Oregon hearing will be on October 12, and Idaho will be on October 14 and would love to see members' participation.