Northwest **Power** and **Conservation** Council

November 5, 2024

DECISION MEMORANDUM

TO: Council members

FROM: Laura Thomas
Regional Technical Forum Manager

SUBJECT: 2025 RTF Work Plan

PROPOSED ACTION: Staff is seeing approval of the 2025 RTF Work Plan.

SIGNIFICANCE: The RTF works on a calendar year and is supported primarily by separate Bonneville and regional utility funding. Under the RTF's charter, the Council has authority to approve the RTF's work plan and budget, with input from the RTF Policy Advisory Committee and interested parties. Staff is seeking approval of the 2025 Work Plan.

BUDGETARY/ECONOMIC IMPACTS

The RTF is primarily funded by Bonneville and the regional utilities, with the Council contributing staff time in the form of RTF assistance, technical support from Power Division staff, and finance, legal, and IT support. The Council also provides office and meeting space for the RTF. The RTF funders have committed to funding the RTF through 2029, and Council approval of the 2025 RTF Work Plan does not change these current levels of support.

BACKGROUND

Staff is seeking Council approval of the 2025 RTF Work Plan and Budget. Staff will present an overview of the proposed 2025 Work Plan, and the proposed Business Plan and Work Plan documents are attached.

The Council charted the RTF as an advisory committee to the Council in 1999, in response to the 1996 Congressional mandate and recommendations from the 1997 Comprehensive Review of the Northwest Energy System. The Congressional mandate directed Bonneville Power Administration and the Council to “convene a regional technical forum to develop consistent standards and protocols for verification and evaluation of energy savings, in consultation with all interested parties,” and the directive further stated that the RTF’s services should be available to all Northwest utilities. Since 1999, the RTF workload has grown, as has the budget. In 2010, 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 chartered the RTF Policy Advisory Committee (PAC) as an advisory committee to the Council, which has advised the Council on funding and policy related matters and worked to secure stable funding for the RTF.

This year, the RTF PAC agreed to a five-year funding agreement for 2025-2029 with a $2.1 million budget in 2025, escalating to $2.4 million by 2029 to account for inflation. The RTF PAC further agreed to continue maintaining the next cycle as a five-year budget, where unspent funds can be rolled over to a future year to complete RTF work. Council approval of the work plan on an annual basis will continue to be necessary.

The proposed 2025 Work Plan and Budget represents the first year of this five-year agreement. A draft work plan was presented to the RTF in July 2024, which initiated a 30-day stakeholder comment period. Staff received comments from Cadeo Group and Energy 350. Comments were in support of the scope and budget of the work plan or considerations for specific aspects of consideration within an expected projects. The nature of these comments did not require any adjustments to the proposed workplan. The RTF PAC meet on September 5th and October 15th to review the proposed work plan. A positive recommendation from the RTF PAC is included in the Council packet.

The proposed 2025 budget is $2.1 million, which reflects the agreed to funding for the first year of the 2025-2029 funding cycle. Staff believes this is adequate to support the level of work expected to be feasible in 2025. This includes ensuring that the core work on measure development and maintenance, while tackling work on demand response analysis and research for planning measures.

ATTACHMENTS
RTF 2025-2029 Business Plan
Proposed Detailed 2025 RTF Work Plan (Excel)
Recommendation Memo from the RTF Policy Advisory Committee Co-chairs

Northwest **Power** and **Conservation** Council

November 5, 2024

MEMORANDUM

TO: **Council Members**

FROM: **Ginny Burdick, Co-chair, RTF Policy Advisory Committee**
Debbie DePetris, Co-chair, RTF Policy Advisory Committee

SUBJECT: **Recommendation for approval of the RTF 2025 Work Plan and Budget**

The RTF Policy Advisory Committee (PAC) recommends approval of the 2025 RTF Work Plan and Budget. The work plan and budget reflect a scope of work and level of effort that was agreed to by all funders and supported through the five-year funding agreements for 2025 through 2029.

Consistent with the past twenty-five years of RTF work, the 2025 work plan focuses on the core strength of developing energy efficiency savings estimates and methodologies for use in the region's electric and gas efficiency program planning and evaluation. Additionally, the work plan continues to focus on demand response, but establishes a process to ensure that measure assessments consider both energy efficiency and demand response opportunities in tandem. The scope of RTF work is also expanded in 2025 to include research in support of RTF planning measures. Finally, the work plan will continue to support regional research and analysis, including developing technical analysis that will support the utility integrated resource plans and Council planning.

The RTF PAC agrees that the funding levels are appropriate and sufficient to support the work of the RTF in fulfilling its directive and meeting the needs of the regional utilities. The RTF PAC appreciates the opportunity to offer this recommendation to the Council and respectfully request the Council's approval of the 2025 Work Plan and Budget.

Regional Technical Forum 2025-2029 Business Plan

Final November 5, 2024

Introduction

The Regional Technical Forum (RTF) is an advisory committee to the Northwest Power and Conservation Council (Council). The RTF meets monthly to review analysis and make decisions on methodologies for estimating energy efficiency savings and demand response impacts. The RTF is supported by Council staff and outside contractors that manage the workflow and conduct technical analysis. This document describes the RTF's role, funding, operations and staffing, and planned activities for the 2025-2029 period.

Role of the RTF

The RTF was formed in 1999 as an advisory committee to the Council in response to a directive from Congress (1996) and the 1996 Comprehensive Review of the Northwest Energy System. The primary roles of the RTF have been, and continue to be:

- Developing and maintaining a readily accessible list of eligible conservation resources, the estimated lifetime costs and savings associated with those resources, and the estimated regional power system value associated with those savings;
- Establishing a process for updating the list of eligible conservation resources as technology and standard practices change, and an appeals process through which utilities, trade allies, and customers can demonstrate that different savings and value estimates should apply;
- Developing a set of protocols by which the savings and system value of conservation resources should be estimated with a process for applying the protocols to existing or new measures;
- Assisting the Council in assessing: 1) the current performance, costs and availably of new conservation technologies and measures; 2) technology development trends; and 3) the effect of these trends on the future performance, cost and availability of new conservation resources; and
- Tracking regional progress toward the achievement of the region's conservation targets by collecting and reporting on regional research findings and energy savings annually.

During the 2020-2024 funding cycle, the RTF expanded its core mission to include:

- Development and maintenance of a list of natural gas and dual fuel energy efficiency resources, including methodologies for estimating lifetime energy savings and costs associated with those resources, and a process for updating those estimates as technology and standard practices change.
- Conducting technical analysis on technologies that provide both energy efficiency and demand response potential to assist the Council in assessing the technical potential of the technologies.

In the 2025-2029 funding cycle, the RTF core mission was further expanded to include:

- Performing research on the identified research objectives of RTF Planning measures with the intention of reducing all or a portion of the uncertainty of these measures.

Funding

The RTF is funded by Bonneville, the Energy Trust of Oregon, investor-owned utilities, and large generating public utilities in the region. The RTF Policy Advisory Committee (RTF PAC) established funding levels for 2025-2029 based on the planned activities described in the following sections. The proposed funding levels for the five-year period is $11,295,300, starting with $2.1 million in 2025 and increasing annually at 3.5% to account for inflation. The five-year funding period provides a level of consistency to ensure the long-term goals of the RTF are sufficiently supported, while providing flexibility to meet regional needs on an annual basis.

The RTF PAC agreed to manage the funding as a five-year budget, by applying any unspent and unallocated funds from previous years to later years. At the end of the five-year period, any unspent funds will be credited back to the funders.

As in the previous funding cycles the RTF PAC agreed to use the:

- Allocation method developed by the Northwest Energy Efficiency Alliance (NEEA) for funding.
- Following methodology for sharing costs across the electric and gas utility funds:
    - Electric ratepayer dollars are allocated to work that is intended to solely support electric demand side management programs (ex: electric-only energy efficiency measures and demand response)
    - Gas ratepayer dollars are allocated to work that is intended to solely support natural gas programs (ex: gas-only efficiency measures)
    - Costs will be shared for work that is intended to support all ratepayers (ex: dual fuel measures, tool development, and overhead) with 75 percent allocated to electric ratepayer dollars and 25 percent to gas ratepayer dollars

For the 2025-2029 funding cycle, in addition to the Demand Response budget for specific analysis around DR products, the RTF PAC agreed to use some demand response funds when analyzing energy efficiency measures that also provide demand response potential (i.e., flexible measures). This funding would come from electric ratepayer dollars, allocating 75 percent to energy efficiency dollars and 25 percent to demand response.

The resulting funding shares are as follows:

Table 1: Funding Shares and Five-year Contribution

Organization	Funding Share	Total Five-year Contribution
Bonneville Power Administration	29.32%	$3,311,500
Energy Trust of Oregon	21.96%	$2,480,900
Puget Sound Energy	18.69%	$2,110,700
Idaho Power Company	7.69%	$868,500
Avista Corporation, Inc.	7.00%	$790,900
Seattle City Light	2.62%	$296,000
PacifiCorp (Washington)	2.05%	$232,100
Cascade Natural Gas	1.92%	$216,800

PacifiCorp (Idaho)	1.70%	$191,700
NorthWestern Energy	1.68%	$189,400
PUD No 1 of Clark County	1.16%	$131,100
Chelan County PUD	0.82%	$92,900
Tacoma Power	0.76%	$85,600
NW Natural	0.68%	$77,100
Portland General Electric	0.66%	$74,500
Snohomish County PUD	0.53%	$60,100
PacifiCorp (Oregon)	0.50%	$56,100
Eugene Water & Electric Board	0.19%	$21,000
PUD No 1 of Cowlitz County	0.07%	$8,400
Total	100%	$11,295,300

In addition to the agreed to funding for this work plan cycle, the RTF PAC decided to rollover carryover funds that were not spent or returned from the early years of the RTF prior to the implementation of formal funding agreements. The carryover funding from previous cycles totals $173,504.95. The RTF PAC agreed to apply these funds to the 2025-2029 funding cycle and will be applied in future years of the cycle to either make the budget whole pending finalization of all funding agreements or to expand the work of the RTF in this funding cycle. The work plan and business plans will be updated annual to reflect decisions made regarding the application and use of these carryover funds.

Operations and Staffing

The RTF is an advisory committee consisting of 20-30 voluntary members. The Council appoints the membership every three years to ensure a fair balance in technical expertise for successful completion of the work plan. The RTF as a body meets approximately once a month either in person for a full-day meeting at the Council's main office in Portland, OR or via webinar in two half-day meetings.

To reduce the burden placed on the voluntary members, the RTF budget supports funding for one full-time manager and contracted technical support. The RTF Manager is a Council employee whose responsibility is to oversee day-to-day operation of the RTF. This includes developing and managing work plans, managing contracts and reporting, and interfacing with the Council. Approximately 8 percent of the RTF budget goes to this function in 2025.

The largest portion of the budget (around 59 percent in 2025) supports a team of dedicated contract analysts that conduct the bulk of technical analysis on behalf of the RTF. The RTF transitioned to this team approach from one-off contracts as a way of ensuring greater consistency in analysis across work products and providing flexibility in workflow for achieving annual work plan goals. The 2025 funding levels are sufficient to support up to eight contract analysts.

The remaining 33 percent of the budget is set aside for specific contracts in support of work plan goals. This work generally falls into one of the following categories: 1) contracting with a firm to

act as a third party for quality control review, 2) supporting members attendance at meetings, and 3) expanding the technical capabilities of the team for specific projects or tool development.

Council Contribution

In addition to the funding described above, the Council contributes staff time and office, as well as providing meeting space, technology resources, and website support to the RTF. From a staffing perspective, the Council contributes staff to operation, coordination, technical analysis, contracting and legal assistance, and other administrative tasks. These staff contributions are estimated in the table below. The exact estimates will be updated annually to reflect the previous year's rollover of funds, application of carryover from previous cycles, and any shifts across categories.

Table 2: Annual Funding Levels with Council Contribution

	2025	2026	2027	2028	2029
Contract RFP	$742,100	$583,700	$778,500	$849,000	$706,000
Contract Analyst Team	$1,202,200	$1,425,900	$1,304,700	$1,259,300	$1,525,900
RTF Manager	$162,000	$170,500	$173,200	$182,100	$185,200
Annual Funder Contribution Total	**$2,106,300**	**$2,180,100**	**$2,256,400**	**$2,335,400**	**$2,417,100**
Council Staff Contribution	$204,900	$212,100	$219,500	$227,200	$235,200

Activities and Budget

The specific tasks contained in this business plan are driven by existing measure work, anticipated growth for new measure requests, and expectations for future analysis tied to regional research or planning efforts. The specific work in any calendar year is largely driven by the existing measure needs and any requests received from parties within the region, primarily utilities, Bonneville, the Energy Trust of Oregon, NEEA, and Council staff. The RTF solicits topics from stakeholders through an annual request as part of the work planning and through open solicitation via an online form for proposing new measures. Each year, the RTF typically adjusts the allocation of resources among the categories in its work plan based on requests received, proposals, and the pace of multi-year projects. The RTF notifies the Council and its funders of all significant reallocation of resources or priorities. Table 3 provides an overview of the anticipated allocation of work for the 2025-2029 business plan cycle, and Table 4 provides a detailed breakdown of activities for 2025. Annual changes in Table 3 budgets represent anticipated shifts in work between measure analysis and other analytical support through tools and regional coordination, or adjustments based on roll over unspent funds from previous years. More details on those shifts are provided below.

Table 3: Strategic Plan Funding, by high level category, excluding Council contributions

	2025	2026	2027	2028	2029
Measure Analysis	$1,064,000	$1,241,500	$1,197,000	$1,104,000	$1,381,300
Tools and Regional Coordination	$398,000	$224,900	$374,500	$545,500	$357,000
Demand Response*	$76,200	$131,000	$93,400	$70,000	$52,800
Planning Measure Research	$50,000	$51,800	$53,600	$55,500	$57,400
RTF Management/ Administration	$518,100	$530,900	$537,900	$560,400	$568,600
Total	**$2,106,300**	**$2,180,100**	**$2,256,400**	**$2,335,400**	**$2,417,100**

*Note this reflects demand response only work and additional work related to flexible measures that offer both energy efficiency and demand response potential is captured in the measure analysis work, when there is a directly associated energy efficiency measure.

Table 4: Proposed 2025 Budget Levels

Category	Contract RFP	Contract Analyst Team and RTF Manager	Total Funder Contribution	Council Contribution	% of total
Existing Measure Maintenance	$745,400	$2,236,200	$2,981,600	$139,100	26%
New Measure Development	$141,400	$1,799,800	$1,941,200	$26,350	17%
Standardization of Technical Analysis	$50,000	$1,015,000	$1,065,000	$1,500	9%
Tool Development	$313,600	$226,900	$540,500	$45,550	5%
Regional Coordination	$680,000	$679,400	$1,359,400	$236,850	12%
Demand Response	$264,700	$158,700	$423,400	$38,500	4%
Planning Measure Research	$241,300	$27,000	$268,300	$30,000	2%
Regional Conservation Progress	$334,200	$0	$334,200	$236,500	13%
RTF Meeting Support	$894,700	$550,000	$1,444,700	$75,000	3%
RTF Management	$39,000	$898,000	$937,000	$269,550	8%
Total	**$3,704,300**	**$7,591,000**	**$11,295,300**	**$1,098,900**	**100%**

Measure Analysis

Approximately 53 percent of the five-year budget is anticipated to directly support measure analysis. This includes maintenance of the existing measure library, the addition of new measures, and activities associated with ensuring consistency in analysis approach across the entire suite of measures.

Existing Measure Maintenance

About half of the measure analysis work is focused on maintaining existing RTF measures. The pace of existing measure review and update is driven by the sunset dates (i.e., date the RTF needs to review the measure) of measures. The RTF assigns sunset dates that range from one to five years based on the specific circumstances of a measure. For example, the RTF typically applies shorter sunset dates for measures in markets that are changing rapidly to keep pace with that change, whereas it applies longer sunset dates to more stable markets and measures. Other factors that will impact sunset dates are anticipated updates to Federal or state codes and standards, updates to ENERGY STAR® specifications, or anticipation of new data. The number of anticipated measures sunsetting or otherwise requiring review in any given year of the funding cycle ranges between 22 and 32 measures.

The 2025 work plan assumes updates to 25 of its existing measures. This is driven by the sunset date of 13 electric measures (of which 6 include a DR component), 3 gas measures, and 9 dual fuel measures (of which 2 include a DR component). The work includes measure review and update by the contract analyst team and quality control/quality assurance review by an outside contractor.

New Measure Development

The region's utilities have continued to highlight that a key value the RTF provides is developing measures to allow for continued opportunities, particularly small and emerging opportunities to support new programs and future efficiency goals. To support this need, the RTF is allocating approximately 32 percent of its five-year budget to assessing new measure opportunities. The estimate of new measure work varies each year, with the anticipation of between two and nine new measures annually, which is consistent with past funding cycles. The exact number of measures in any given year is highly uncertain, as it is driven primarily by regional needs.

The 2025 work plan assumes the development of up to four new measures. In 2024, the RTF completed a new electric measure scan which will help to potentially expand its queue of new electric, dual, and gas fuel measures for future development. The focus of these new measures will likely be on electric or dual fuel opportunities, as 2024 focused on development of a new gas measure for commercial rooftop units. The estimated new measures also include an assumption of focused work around providing guidance for reliable savings estimation of complex programs, such as deep energy retrofits in commercial buildings or commercial strategic energy management.

Support of Small and Rural Utilities

The RTF allocates a portion of its new measure development to support the needs of the region's small and rural utilities. For 2025, this effort will be fully supported through one contract analyst's time. The work includes supporting a standing subcommittee that meets quarterly to discuss the applicability of existing RTF measures to small and rural utilities and explores potential refinements to measures to better meet their specific needs. This work also includes the development of new measures of specific interest to small and rural utilities that might not otherwise get developed for the RTF.

Standardization of Technical Analysis

The RTF strives to ensure consistency and standardization across all aspects of its technical analysis work. This is achieved through two primary efforts: 1) maintenance of resources providing guidance (Operative Guidelines) or standardization of analysis (Standard Information Workbook), and 2) providing time for the dedicated team of contract analysts who provide the majority of the technical analysis to meet weekly to collaborate and coordinate. Given the importance of this function, the 2025-2029 funding cycle has allocated approximately 18 percent of its five-year budget to ensuring thorough and consistent analysis across all of its work.

As the Standard Information Workbook is anticipated to be updated in 2024, the 2025 work plan does not account for any time spent revising this resource. The 2025 budget for this category will be focused on the contract analyst team coordination and review and update of the RTF Operations and Procedures Manual.

Tool Development

The RTF maintains a handful of tools to support measure development, including its cost-effectiveness tool (ProCost) and building simulation models to estimate energy savings. For the 2025 to 2029 funding cycle, the RTF is allocating approximately 5 percent of its five-year budget to this function. The annual funding level varies, as much of the work is tied to other regional efforts, including the Council's power planning cycle. Additionally, the RTF will spend more time on tool development when there are fewer measures requiring update or development.

ProCost

The RTF uses and maintains the Council's cost-effectiveness tool. Given this, the ProCost development work is closely tied to the Council's regional planning cycles. In the 2025 work plan, the RTF assumes minimal updates as the Council prepares the next power plan, since many updates to support that work occurred in 2024.

Building Simulation Models

The RTF uses building simulation models for estimating energy savings in residential and commercial buildings. The RTF uses two front end tools to model commercial and residential buildings, including the Residential Energy Efficiency and Demand Response (REEDR) tool for modeling residential single family and manufactured homes and ModelKit to model commercial buildings. Both REEDR and ModelKit use EnergyPlus, which is a whole building energy simulation program developed by the Department of Energy. From 2022-2024, the RTF spent significant focus on the development of these front-end modeling tools as well as aligning these to energy consumption data from the Pacific Northwest. In 2025, the RTF anticipates minor updates to its building simulation models as these tools are used more regularly in measure work throughout the year.

Regional Coordination

The RTF primarily relies on primary research conducted by regional entities, including Bonneville, NEEA, the Energy Trust, the region's utilities, and others to inform its savings analysis. To support this regional research, the RTF allocates approximately 12 percent of its five-year budget to coordinating with those regional entities to help inform research, identify

opportunities to leverage that research for RTF analysis, and connect RTF analysis to regional efforts. As with its tool development efforts, the annual workflow varies to better coordinate with regional efforts, while also providing a balance in the RTF workload when there are fewer measures requiring updates or development.

Research Coordination and Market Analysis

The RTF, Council, and efficiency programs rely on research, data collection, evaluations, and market intelligence to inform efficiency measures development. To support this effect, the RTF's contract analysts are expected to coordinate with regional utilities, Bonneville, NEEA, and other groups supporting regional goals. This work includes working with specific utilities on defining upcoming research needs that might support RTF measure development and discussing the outcomes of the research to inform measure analysis. As directed by interested research funders, the contract analysts can support coordination of joint research projects funded by utilities in support of RTF analysis.

The RTF also allocates a portion of contract analyst time to help inform regional studies, such as the NEEA stock assessments and Bonneville's market studies. The RTF supports contract analyst time for engagement in the Residential Building Stock Assessment and Commercial Building Stock Assessment work groups, which provides guidance throughout the design and implementation of the study. The RTF contract analysts also participate in Bonneville and NEEA groups studying markets with the goal to understand available data, provide recommendations on data analysis, weighing in on uncertainty around market factors, and support estimation of total market consumption. The 2025 work plan assumes the same level of participation and budget as previous years to engage in this regional work.

Savings Shape Development

The region has continued to highlight the importance of understanding the capacity benefits of energy efficiency measures and time of use to inform demand response opportunities, particularly leveraging regional data. The RTF continues to maintain a savings shapes library during the measure update and development process, but periodically deeper analysis and work is needed to support this effort. The 2025-2029 business cycle assumes some work annually toward this effort, with larger updates occurring later in the business cycle.

For 2025, the work plan assumes a minimal budget in this area, as the RTF made progress in this area during 2024 as part of the preparations for the next power plan.

Council Plan and Other Regional Support

Being an advisory committee to the Council, one of the roles of the RTF is to provide technical support and analysis of energy efficiency measures and demand response technologies. Most of this work is directly tied to the Council's power planning efforts, but also includes support following the plan to conduct studies or further analysis to support implementation of the power plan and future planning analysis. The Council anticipates the next power plan will be released in late 2026. Therefore, the 2025-2029 business plan anticipates increased support with the technical analysis to support plan development in 2025 for the ninth power plan and 2029 for the tenth power plan. Additionally, there is anticipated support in 2027-2029 to focus on implementation of the power plan.

Demand Response

The RTF has allocated 6 percent of its budget to support technical analysis on demand response technologies. In the previous funding cycle, the RTF PAC expanded the RTF's scope to include demand response technical analysis. The focus has been on technologies that provide both energy efficiency and demand response opportunities, as a way of leveraging the RTF's existing knowledge and thinking about these opportunities holistically. The RTF analysis will focus on technical considerations of the technologies, estimating the technical, per unit demand impact potential for technologies, absent any specific product design considerations. The purpose of this work is to be an input, of many, into Council and utility demand response supply curves.

The work in the 2025 to 2029 funding cycle builds upon the RTF's previous work on demand response and will focus on enhancing the RTF's analytical capabilities, maintaining modeling tools for demand response, and regional support. In 2025, the demand response work will focus on updating the existing demand response technologies and development of shapes for common demand response program types.

Planning Measure Research

As the region relies on energy efficiency as a resource, the RTF categorizes its unit energy savings measures into one of three categories (Proven, Planning, and Small Saver) based on the uncertainty and technical potential in the region. Measures categorized as Planning are not considered reliable by the RTF but have sufficient energy savings potential to justify additional research that could reduce the uncertainty and increase reliability. All RTF Planning measures have an associated Research Strategy that provides research objectives for the region to consider as research is done on these measures. To claim RTF savings for a Planning measure, the RTF guidelines require that utilities either undergo a full impact evaluation or complete the research strategy. Long-term completing the research and enabling a measure to become Proven will reduce the evaluation burden on individual utilities.

To further support the reliability of RTF measures, the RTF PAC expanded the RTF's scope for the 2025-2029 cycle to include research for RTF Planning measures. Projects selected will be based on current research objectives of active RTF Planning measures. This budget will not be used to explore new potential measures to add to the RTF portfolio or research projects recommended by the RTF or regional stakeholders. Planning measure research represents two percent of the five-year budget, and additional unspent or unallocated funding from previous years in the cycle may be used to enable the RTF to take on larger research objective projects.

In 2025, the RTF will focus on one project to address the research objectives of a current RTF Planning measure(s). This project will be approved by the RTF PAC, who will take into consideration project recommendations from the RTF and stakeholders during the RTF work plan comment period.

RTF Management

The final 24 percent of the budget is allocated to management of the RTF, including support for RTF meetings and the RTF Manager. This also includes management of the Council's Regional Conservation Progress survey.

Regional Conservation Progress Report

Per its charter, one of the roles of the RTF is to track the region's progress against the Council's power plan targets for energy efficiency. This is done through the annual Regional Conservation Progress (RCP) survey and report. Every year, the RTF collects data from Bonneville, Energy Trust, NEEA, and the region's utilities on energy efficiency savings and expenditures from the previous year. The 2025 to 2029 funding cycle allocates about $62,000 annually, plus inflation, to contract out the data collection and analysis. This budget assumes that the RTF Manager, in coordination with other Council staff, will be responsible for compiling the results into a final report for the Council.

Meeting and Member Support

The RTF meets approximately monthly for a one-day meeting. It is at these meetings where the formative work of the RTF occurs. Given the importance of these meetings, the RTF allocates approximately 13 percent of its budget to supporting this function. The most significant portion of this budget is ensuring that all the members and contract analysts are able to attend and participate in the monthly meetings in person. As noted above, the RTF members serve in a voluntary capacity. To ensure that all members can attend the meeting in person, the RTF supports travel costs and participation for some of the members. Additionally, several of the contract analysts have traditionally lived outside of Portland. Part of the contract costs for these analysts includes the travel and time for attending the RTF meetings.

The RTF also allocates a small portion of the budget to contract out for meeting minute services. Each of these components is important to ensuring that the RTF meetings are publicly available, including to those that are unable to travel or attend a specific meeting.

The 2025 budget assumes that RTF meetings will be a mix of virtual and in person meetings.

Management and Administration

The final 8 percent of the RTF annual budget goes to support RTF management and administration. This is primarily the support of the RTF Manager, who provides the day-to-day management of the RTF. This budget also includes any potential travel to Council meetings and relevant conferences.

2025 RTF Work Plan and Budget

November 13-14, 2024

Council Meeting

Laura Thomas, RTF Manager

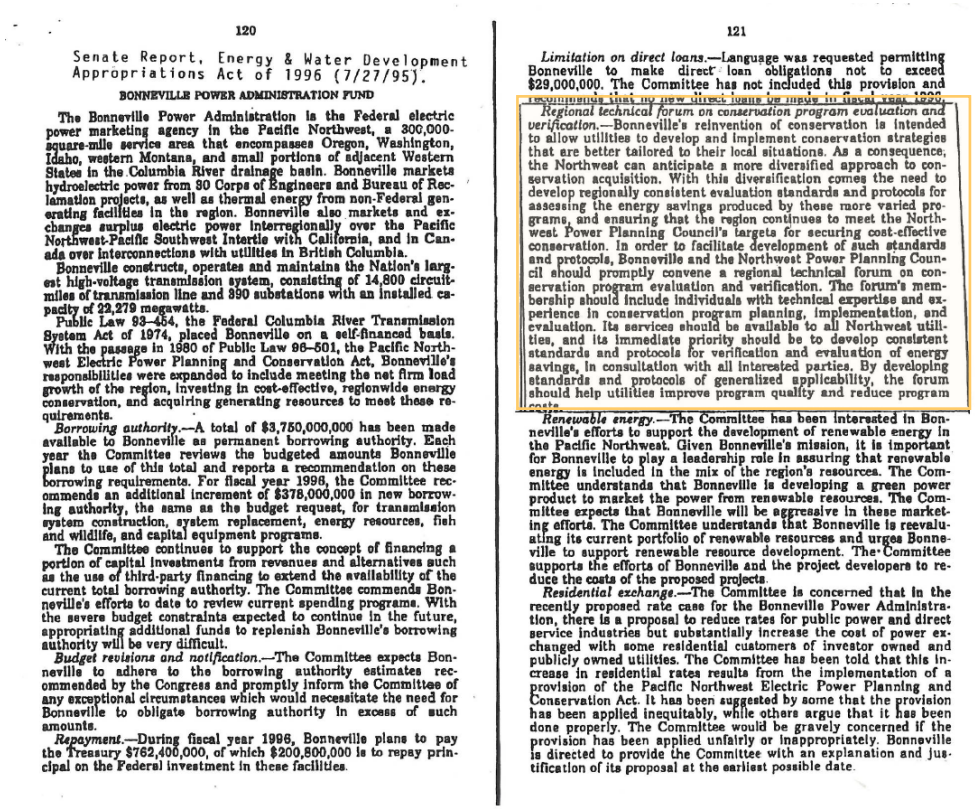
Northwest **Power** and **Conservation** Council

Purpose

- Seeking Council approval of the 2025 RTF Work Plan and Budget

Regional Technical Forum History

- In 1996, Congress directed Bonneville and the Council to convene a regional technical forum in Senate Report 104-120 to:
  - Develop standardized protocols for verifying and evaluating conservation savings
  - Ensure region meets Council's conservation targets
  - Include individuals with appropriate technical expertise
  - Ensure services are available to all NW utilities



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Senate Report, Energy & Water Development Appropriations Act of 1996 (7/27/95).

BONNEVILLE POWER ADMINISTRATION FUND

The Bonneville Power Administration is the Federal electric power marketing agency in the Pacific Northwest, a 300,000-square-mile service area that encompasses Oregon, Washington, Idaho, western Montana, and small portions of adjacent Western States in the Columbia River drainage basin. Bonneville markets hydroelectric power from 30 Corps of Engineers and Bureau of Reclamation projects, as well as thermal energy from non-Federal generating facilities in the region. Bonneville also markets and exchanges surplus electric power interregionally over the Pacific Northwest-Pacific Southwest Intertie with California, and in Canada over interconnections with utilities in British Columbia.

Bonneville constructs, operates and maintains the Nation's largest high-voltage transmission system, consisting of 14,800 circuit-miles of transmission line and 390 substations with an installed capacity of 22,279 megawatts.

Public Law 93-454, the Federal Columbia River Transmission System Act of 1974, placed Bonneville on a self-financed basis. With the passage in 1980 of Public Law 96-501, the Pacific Northwest Electric Power Planning and Conservation Act, Bonneville's responsibilities were expanded to include meeting the net firm load growth of the region, investing in cost-effective, regionwide energy conservation, and acquiring generating resources to meet these requirements.

Borrowing authority.—A total of $3,750,000,000 has been made available to Bonneville as permanent borrowing authority. Each year the Committee reviews the budgeted amounts Bonneville plans to use of this total and reports a recommendation on these borrowing requirements. For fiscal year 1996, the Committee recommends an additional increment of $378,000,000 in new borrowing authority, the same as the budget request, for transmission system construction, system replacement, energy resources, fish and wildlife, and capital equipment programs.

The Committee continues to support the concept of financing a portion of capital investments from revenues and alternatives such as the use of third-party financing to extend the availability of the current total borrowing authority. The Committee commends Bonneville's efforts to date to review current spending programs. With the severe budget constraints expected to continue in the future, appropriating additional funds to replenish Bonneville's borrowing authority will be very difficult.

Budget revisions and notification.—The Committee expects Bonneville to adhere to the borrowing authority estimates recommended by the Congress and promptly inform the Committee of any exceptional circumstances which would necessitate the need for Bonneville to obligate borrowing authority in excess of such amounts.

Repayment.—During fiscal year 1996, Bonneville plans to pay the Treasury $762,400,000, of which $200,800,000 is to repay principal on the Federal investment in these facilities.

121

Limitation on direct loans.—Language was requested permitting Bonneville to make direct loan obligations not to exceed $29,000,000. The Committee has not included this provision and recommends that no new direct loans be made in fiscal year 1996.

Regional technical forum on conservation program evaluation and verification.—Bonneville's reinvention of conservation is intended to allow utilities to develop and implement conservation strategies that are better tailored to their local situations. As a consequence, the Northwest can anticipate a more diversified approach to conservation acquisition. With this diversification comes the need to develop regionally consistent evaluation standards and protocols for assessing the energy savings produced by these more varied programs, and ensuring that the region continues to meet the Northwest Power Planning Council's targets for securing cost-effective conservation. In order to facilitate development of such standards and protocols, Bonneville and the Northwest Power Planning Council should promptly convene a regional technical forum on conservation program evaluation and verification. The forum's membership should include individuals with technical expertise and experience in conservation program planning, implementation, and evaluation. Its services should be available to all Northwest utilities, and its immediate priority should be to develop consistent standards and protocols for verification and evaluation of energy savings, in consultation with all interested parties. By developing standards and protocols of generalized applicability, the forum should help utilities improve program quality and reduce program costs.

Renewable energy.—The Committee has been interested in Bonneville's efforts to support the development of renewable energy in the Pacific Northwest. Given Bonneville's mission, it is important for Bonneville to play a leadership role in assuring that renewable energy is included in the mix of the region's resources. The Committee understands that Bonneville is developing a green power product to market the power from renewable resources. The Committee expects that Bonneville will be aggressive in these marketing efforts. The Committee understands that Bonneville is reevaluating its current portfolio of renewable resources and urges Bonneville to support renewable resource development. The Committee supports the efforts of Bonneville and the project developers to reduce the costs of the proposed projects.

Residential exchange.—The Committee is concerned that in the recently proposed rate case for the Bonneville Power Administration, there is a proposal to reduce rates for public power and direct service industries but substantially increase the cost of power exchanged with some residential customers of investor owned and publicly owned utilities. The Committee has been told that this increase in residential rates results from the implementation of a provision of the Pacific Northwest Electric Power Planning and Conservation Act. It has been suggested by some that the provision has been applied inequitably, while others argue that it has been done properly. The Committee would be gravely concerned if the provision has been applied unfairly or inappropriately. Bonneville is directed to provide the Committee with an explanation and justification of its proposal at the earliest possible date.

*Senate Report 104-120 – Energy and Water Development Appropriations Bill, 1996

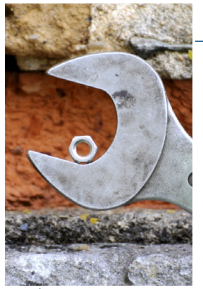
RTF Activities Outlined in Charter

Develops and maintains measure library with savings, lifetime costs, and estimated value to the power system

Analyzes the demand response impact of technologies that also provide energy efficiency

Provides analytical support to the Council in assessing energy efficiency measures, demand response technologies, technology trends, etc.

Has an established process for updating measures and an appeals process for demonstration of different values



Maintains tools that support analysis of energy efficiency and demand response opportunities for RTF/Council work, as well as utility programs and NEEA

Conducts the annual Regional Conservation Progress survey on behalf of the Council to track regional progress against Council goals

Values the RTF Brings to the Region

Reduces Individual Utility Burden

- By leveraging the energy efficiency work across the region

Public Process and Transparent Work

- Analysis brings in additional ideas and expertise across the region

Unbiased and Technical Expertise

- Thirty experts who represent their expertise and not their organization to analyze data and provide recommendations

Standardized and Reliable Estimation

- Reduces some of friction between utilities and regulators

RTF Funders

- RTF is funded by Bonneville, Energy Trust, and regional utilities
  - Council provides in kind support through staff, office/meeting space, etc.
- RTF Policy Advisory Committee consists of funders and other key organizations to advise the Council on policy, scope and budget considerations around the RTF.
- The Committee convened throughout 2024 to secure the funding for the 2025-2029 business cycle.

*RTF staff are still working with NorthWestern Energy to determine funding for the 2025-2029 cycle

Work Plan Process

RTF PAC convened in two meetings to discuss the initial scoping and key assumptions for 2025-2029 funding level proposal

RTF PAC convened in a series of subcommittees to discuss key aspects of funding and scope, including demand response, planning measure research, and gas

RTF PAC finalized and reached agreement on the 2025-2029 RTF scope and funding levels, and reviewed the RTF 2025 work plan

RTF and stakeholders reviewed the draft 2025 RTF work plan during a 30-day comment period

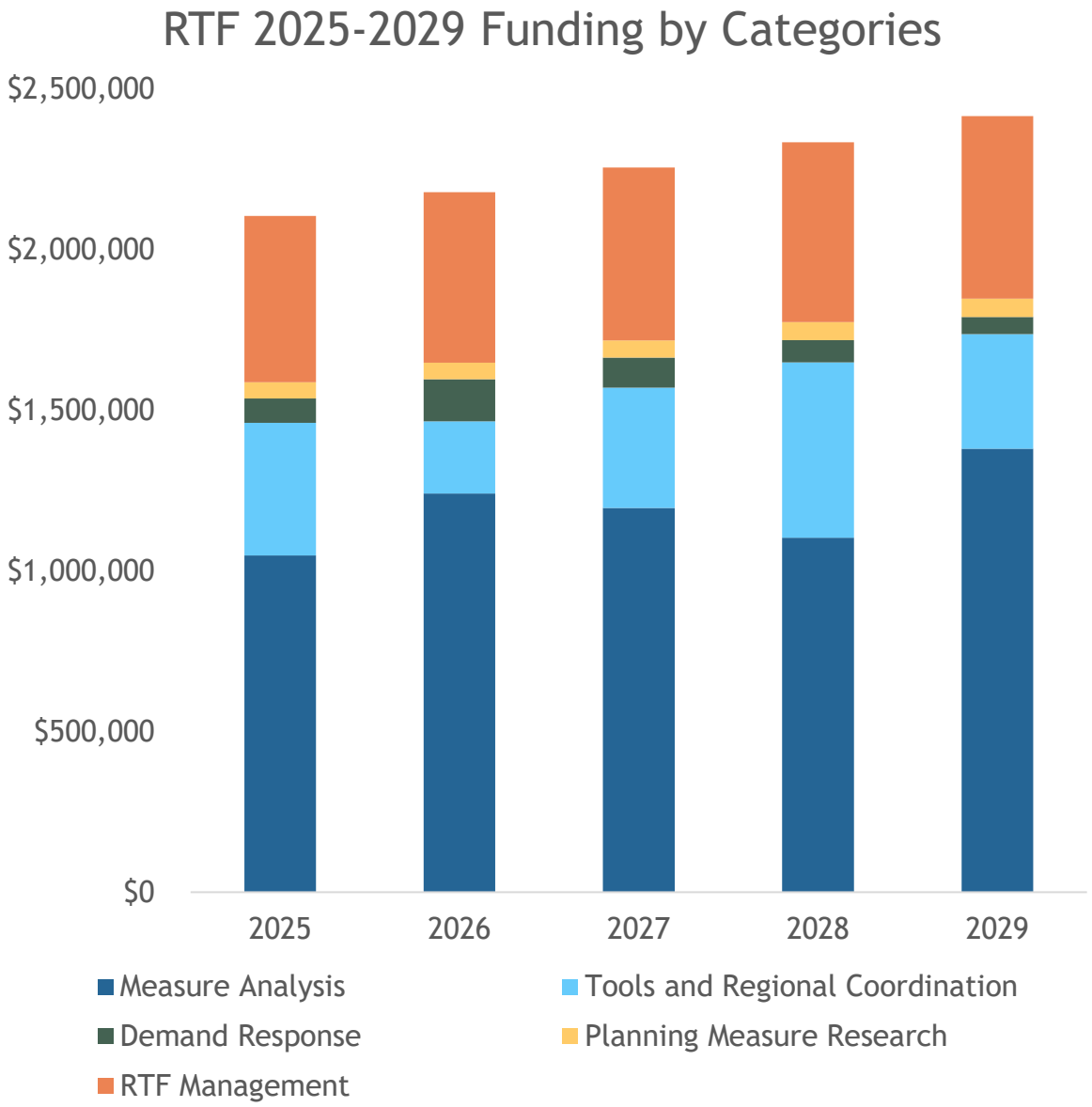
RTF and RTF PAC reviewed comments received and updates to the draft work plan and approved for recommendation to the Council

Proposed DRAFT 2025 RTF Budget

Category	Contract RFP	Contract Analyst Team + Manager	Total Funders	Council Contribution	% of total
Existing Measure Maintenance	$159,500	$478,500	$638,000	$29,000	30%
New Measure Development	$16,500	$210,000	$226,500	$3,000	11%
Standardization of Technical Analysis	$0	$184,500	$184,500	$0	9%
Tool Development	$30,000	$158,000	$188,000	$11,250	9%
Regional Coordination	$81,500	$143,200	$224,700	$30,150	11%
Demand Response	$40,000	$36,200	$76,200	$13,000	4%
Primary Research	$0	$50,000	$50,000	$6,000	2%
RTF Meeting Support	$171,900	$110,000	$281,900	$15,000	13%
Regional Conservation Tracking	$62,300	$0	$62,300	$45,000	3%
RTF Management	$7,200	$167,000	$174,200	$52,500	8%
Total	**$568,900**	**$1,537,400**	**$2,106,300**	**$204,900**	**100%**

Funding Level Agreements

- Starting with $2.1 million in 2025 and increasing with inflation
- Sufficient budget for:
  - Up to 8 contract analysts
  - Additional contract support
  - RTF Manager
- Funder agreed to manage this as a five-year budget, allowing unspent funds from early years to support expanded scope in later years as needed.



Proposed Budget Highlights

Consistent with previous years in terms of focus and core areas

Half the budget is focused on measure development and maintenance

Streamlining review and development process for EE and DR work

Adds scope for research efforts on existing RTF planning measures

Stakeholder Comments and Updates

- Comments received:
  - Overall supportive of scope and proposed budget in the respective categories.
  - Support of expansion of scope to include Planning Measure Research and recommendation that the RTF play convener role versus take on a discrete research project.
  - Suggestion that Demand Response work focus include baselines and standard methodologies for assessing savings, including programmatic elements.

- No updates were made to the work plan based on comments received.

Summary

- Seeking approval from the Council of the 2024 RTF Work Plan and Budget of $2,106,300
  - These funds next year will be spent to provide the core functions and mission of the RTF to establish methods for reliable energy savings, including:
    - Measure development
    - Tool development
    - Demand response
    - Planning measure research
    - Regional coordination and analysis
    - Administrative