



2011 Business Operating Plan and Funding

Introduction

The Regional Technical Forum (RTF) adopted its 2011 work plan and budget at the September 2010 meeting, following two rounds of comments and revisions beginning in July. This document sets forth the final RTF general scope of work for calendar year 2011, consistent with the RTF's long-term five-year work plan (2010-2014) that was approved in January 2010.

Work Scope

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

1. Develop and maintain standardized protocols for verification and evaluation of energy savings and the performance of renewable resources.
2. Track regional progress toward the achievement of the region's conservation and renewable resource goals.
3. Provide feedback and suggestions for improving the effectiveness of the conservation and renewable resource development programs and activities in the region.
4. Conduct periodic reviews of the region's progress toward meeting its conservation and renewable resource goals at least every 5 years, acknowledging changes in the market for energy services and the potential availability of cost-effective conservation opportunities.

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

- Develop, review, and revise as needed the cost, savings, and regional cost-effectiveness of new or existing energy efficiency measures, technologies, and practices
- Maintain a process through which Bonneville, the region's utilities, and system benefit charge administrators can demonstrate that different cost, savings, and cost-effectiveness findings should apply to their specific programs or service territories
- Develop and maintain protocols by which the savings and the regional cost-effectiveness for energy efficiency measures, technologies, or practices not specifically evaluated by the RTF can be estimated
- Review measurement and evaluation (M&V) plans and/or M&V results to assess their consistency with generally-accepted M&V practices
- Develop, review, and revise as needed program technical specifications'

- Identify high-priority evaluations and research and demonstration activities that are needed to improve regional energy savings estimates or facilitate adoption of new and existing energy efficiency technologies, measures, or practices

2011 Activities and Budget

The RTF's specific work plan is largely dictated by the requests it receives from parties within the region, primarily utilities, Bonneville, Energy Trust of Oregon (ETO), the Northwest Energy Efficiency Alliance (NEEA), and state energy agencies (SEO). Historically these requests have come to the RTF through informal requests by staff from these entities or through the more formal "petition" process on the RTF Planning, Tracking and Reporting (PTR) web site. These two mechanisms allow the RTF to respond in a timely manner to emerging technical issues and questions. In addition, the RTF will issue an annual request to Bonneville, the region's utilities, the ETO, Alliance and SEOs asking these entities to identify specific technical research and evaluation issues that they believe should be addressed during the coming year.

One major thrust of the 2010-2014 work plan for the RTF is the standardization of technical analysis of efficiency measures. In 2010, the RTF began projects to update, standardize, and strengthen technical analyses and document the input assumptions used for energy efficiency measures approved by the RTF. The 2010 work focused on the development and documentation of unit energy savings methodologies. For 2011, this effort will continue and also include the development of consistent methodologies and guidelines for estimating measure costs, non-energy benefits, and measure life. This effort includes deemed savings estimates as well as RTF-approved standardized protocols, and measure specifications. The RTF will continue its updating and standardization work in 2011, expanding the number of measures reviewed. The goal is to establish a systematic process with identified standards of quality for all RTF technical analysis and to cycle through all RTF-approved measures using the updated standards in a timely way. Generally, RTF approved measures need to be revisited every two years to update measure viability, savings and cost estimates, baseline assumptions, lifetime, and other key factors. Given the large number of RTF-approved measures, this will continue to be an ongoing activity. Almost half of the 2011 budget is intended for this activity.

The second largest category for RTF work in 2011 is new measure and protocol reviews. Typically the RTF sets aside some funding for review of specific measures identified as high priority as well as for unanticipated new measures or protocols proposed during the year. About 20 percent of the 2011 budget is set aside for this analytical work. Specific measures up for consideration in 2011 include measures from NEEA's consumer electronics initiatives, exterior lighting measures, a suite of grocery store measures, new manufactured homes, ductless heat pumps, heat pump water heaters, and a proposed metering study for low flow faucet aerators in commercial restrooms. The RTF plans on making two rounds of decisions, in spring and fall, on which specific projects fund.

Another component of the work plan for 2011 is focused on establishing a regionally-cooperative effort to develop end-use load data. The need for this data was recognized as a high priority in the 2009 NEET process. To date, little progress has been made at designing and funding the research. RTF efforts in 2011 will focus on making the case for a large-scale regional effort to update critical end-use load data. The RTF has set aside some funding to help develop the business case for why this research is needed, to work with regional interests to put together a multi-year research plan, and develop appropriate funding for the research. Previous research done by the RTF in 2009 cataloged available data sources, identified major data gaps, and proposed possible next steps to update end-use load data and to build an end-use load data warehouse.

Support and administrative activities identified for 2011 include RTF member support, contract management, and meeting costs. Member support includes compensating RTF members when they are asked to devote significant additional time to RTF work tasks and/or when they would not otherwise be compensated by their employer for participation in RTF work. The RTF also will require expanded technical capabilities to analyze measures, protocols, and measure specifications.

Table 1 shows a high-level budget categorization for RTF activities in 2011. It does not include Council staff costs dedicated to the RTF, which are about \$180,000 annually. A detailed budget for 2011 and the four-year budget forecast are in the attached [excel workbook](#).

Table 1: Planned RTF Activities for 2011

Category	2011 Budget	Percent
Standardization of Technical Analysis & Existing Measure Review	\$660,000	47%
Review of New Measures, Specific Technologies, Identified High-Priority Measures & Unsolicited Proposals	\$300,000	21%
Develop plan, funding and data warehouse for end-use load research	\$100,000	7%
Website, Database support, Conservation Tracking	\$ 30,000	2%
RTF Member Support, Contract Staff & Administration	\$310,000	22%
Total	\$1,400,000	100%

Organization and Staffing

The full RTF meets ten to twelve times per year for an all-day meeting. In 2010, the RTF began to delegate a significant amount of work to its subcommittees. The use of subcommittees allows more decisions to be made by the full RTF at its regular monthly meetings. It allows subgroups comprised of RTF members, corresponding members, and interested parties with topic-specific expertise to focus on the details of issues that will come before the RTF. The subcommittee process allows sufficient time to delve into details, provide feedback, and develop proposals for RTF consideration. Doing technical work in subcommittees also requires additional time commitments from RTF staff to schedule and manage the subcommittee work and craft recommendations for consideration by the full RTF. Subcommittees are primarily technical in scope and usually limited in duration.

In mid-2010, the RTF also established an Operations Committee. The Operations Committee is a standing committee which considers administrative issues that arise from the RTF's work. It weighs in on agenda development, finances, funding and contract issues, and helps develop procedures and identify policy issues that emerge from the work of the RTF.

For 2011, staffing of the RTF is comprised of about 1.3 FTE from Council staff and 0.5 FTE from contract staff. Since 2009, the RTF has relied on half-time contract staff, Adam Hadley, to carry significant amounts of technical analysis as well as much of the technical management of RTF affairs. The work includes development of the RTF agendas, developing scopes of work and contracts, reviewing contract work products, and documenting RTF decisions. The contract staff work is guided by Council staff serving the RTF and by the RTF Operations Committee. The RTF budget for 2011 covers the addition of another half-time technical staff to handle the increased volume of RTF work and assure the high degree of integrity and independence that the RTF seeks. The RTF anticipates using a second person to act as RTF staff in addition to Mr. Hadley.

Proposed 2011 Funding

Prior to 2010, the RTF operated on a combination of funding for its core services and funding for special “subscription” projects. Beginning in 2010, the RTF moved to eliminate subscription projects to reduce the burden of seeking extra funding for specific efforts and reduce administrative overhead. The funding plan for 2011 continues to bundle all RTF activities together.

Funding shares are based on the formula developed for NEEA funding. This approach solicits funding from Bonneville, several of the large generating public utilities, and all six investor-owned utilities in the region. Table 2 shows proposed 2011 funding shares and amounts by funder.

Table 2: Proposed 2011 Funding Shares

Organization	NEEA Funding Shares as of January 2010	Share of RTF Budget
Bonneville Power Administration	35.5%	\$ 496,900
Energy Trust of Oregon	20.5%	\$ 287,400
Puget Sound Energy	13.7%	\$ 192,100
Idaho Power Company	8.6%	\$ 120,600
Avista Corporation, Inc	5.5%	\$ 77,400
PacifiCorp	4.5%	\$ 63,100
NorthWestern Energy	3.8%	\$ 53,400
Seattle City Light	3.7%	\$ 52,100
Clark Public Utilities	1.4%	\$ 19,000
Tacoma Power	1.1%	\$ 15,700
PUD #1 of Snohomish	0.8%	\$ 11,000
Eugene Water and Electric Board	0.5%	\$ 7,300
PUD #1 of Cowlitz County	0.3%	\$ 4,000
Total	100.0%	\$ 1,400,000

Multi-Year Work Plan & Regional Review of the RTF

The RTF developed an initial multi-year work plan and budget for 2010 through 2014 to aid in long-term budget planning. Table 3 shows anticipated RTF funding for the five-year period. This multi-year budget is likely to be revised as the region determines exactly what it requires from the RTF.

Table 3: Proposed 2010-2014 RTF Budget

CY 2010 Budget	CY 2011 Budget	CY 2012 Budget	CY 2013 Budget	CY 2014 Budget
\$1,040,500	\$1,400,000	\$1,510,000	\$1,060,000	\$1,060,000

In 2009 the Northwest Energy Efficiency Taskforce (NEET) conducted an independent evaluation of the RTF to determine how it can best meet the region’s needs. In 2010, a review committee was formed to address confusion over roles and structure, to manage expectations, and potentially propose an organizational structure for the RTF. The mission of the group is to identify a business/governance structure for a sustainable entity that provides independent analyses of energy efficiency to meet the regional needs & develop a multiyear funding structure that supports that entity. The review committee expects to make recommendations to the Council in 2011.