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Oregon

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Oregon

November 6, 2008

## MEMORANDUM

**TO:** Council Members

**FROM:** Terry Morlan  
Director, Power Planning

**SUBJECT:** Update on the Status of the Northwest Energy Efficiency Taskforce

Ken Canon, the facilitator for the Northwest Energy Efficiency Taskforce (NEET), will brief the Council on the progress of NEET. NEET is jointly sponsored by the Council and Bonneville and is chaired by three co-chairs; Tom Karier (Council), Steve Wright (Bonneville), and Pat Reiten (Pacific Power).

NEET was convened to help the region find ways to accelerate the acquisition of conservation in the Pacific Northwest. It consists of a steering committee of 27 senior representatives of utilities, government agencies, public interest groups, and private companies. There are six work groups investigating different approaches to accelerating interest and accomplishments in energy efficiency. The level of interest and participation in the NEET process has been impressive, with hundreds of volunteers involved in the work groups.

The Council is hosting the website for NEET. Gillian Charles designed and maintains the site, which can be accessed at the following link, <http://www.nwcouncil.org/energy/neet/Default.asp>.

The six work groups presented their preliminary findings to the steering committee on October 3, 2008. The press release from that meeting is attached. The work groups will continue to refine their recommendations until the end of the year. A final report is expected early in 2009.

Attachments

Chairs: Tom Karier, Council Member, Northwest Power and Conservation Council // Pat Reiten, President, Pacific Power  
Steve Wright, Administrator, Bonneville Power Administration // Ken Canon, Facilitator // Darby Collins, BPA EE Taskforce Project Manager

**FOR IMMEDIATE RELEASE  
WEDNESDAY, OCTOBER 8, 2008**

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## **Energy Efficiency Taskforce on track to help accelerate conservation**

Lower electricity costs and improved environmental quality got a boost at an Oct. 3 meeting of the Northwest Energy Efficiency Taskforce in Vancouver, Wash. Energy and policy leaders from throughout the region are moving toward a set of concepts aimed at answering a question posed by Steve Wright, administrator of the Bonneville Power Administration. Wright asked: "Is there a way to do things more efficiently than what we're doing today to accomplish more conservation for the Northwest?"

Judging by the discussion at the meeting, the answer is "Yes," and many of the actions involve end-use consumers, not just utilities and businesses.

Wright is one of three leaders co-chairing the Taskforce, a volunteer organization that includes regional leaders of electric utilities, businesses, government agencies, environmental groups and energy-efficiency organizations. Pat Reiten, president of Pacific Power, and Tom Karier, a Washington member and former chair of the Northwest Power and Conservation Council are also co-chairs.

The 30-member Taskforce convened last January to address climate change concerns, growth in regional population along with rising energy consumption, and escalating costs for new power sources. During its kickoff meeting last June, the Taskforce gave six technical workgroups marching orders to identify ways to create, market, deliver and measure future energy efficiency. At the Oct. 3 meeting, the work groups presented their preliminary recommendations. The Taskforce expects to issue a draft report on Jan. 9, 2009.

Highlights of the workgroups' recommendations include:

- Investing in the data needed to identify new efficiency technologies, their costs and how much energy savings they accomplish for the region.

- Focusing research and development on technologies and solutions at the end-user level, taking a longer term view and finding ways to achieve greater coordination within the region.
- Identifying high-impact initiatives for business, homeowners and vulnerable customers (including looking at devices that can plug into electrical outlets to manage loads; efficiency opportunities in new-home construction and commercial data centers; greater enforcement of codes and standards and improved educational and behavior programs.)
- Developing a regional marketing effort to advance energy-efficient practices and enhance utility efforts that could include partnerships with city, county and state governments as well as private-sector businesses and industries.
- Finding ways to build the energy efficiency workforce of the future.
- Promoting policies, incentives and regulations that are easy to navigate, encourage customer involvement and innovation as well as minimize costs to individuals, the environment and utilities.

Reiten underscored the need to move quickly with recommendations so they will be useful for utilities currently planning future resources and for state legislatures that may address energy legislation in 2009. "Ultimately these recommendations should lead to lower net power costs and benefits to customers," he said.

Karier added that it is particularly timely to promote energy efficiency, citing the importance of the issue in regional and national election campaigns. He challenged the Taskforce members to think about how to turn the recommendations into actions, and to determine who will do the work and why. "We will need to sell these recommendations to the region," he said.

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## **Northwest Energy Efficiency Taskforce work group preliminary recommendations**

### **1. Data needs and measurements to increase energy efficiency:**

The region should invest in the data needed to identify new efficiency technologies, their costs and the number of applications available in the region as well as to track those efficiency improvements already secured. An entity (or entities) with dedicated funds to plan and coordinate such data could help handle relevant data such as building characteristics studies, systematic cost reviews of existing and emerging conservation measures, market research to improve targeting of conservation efforts and verification of conservation savings from specific measures.

### **2. Emerging solutions and technologies:**

Research, development and demonstration should focus on energy-efficient technologies and solutions at the level of the end-user, coordinated by a central entity with a long-term view and commitment. The goal is to identify innovative technologies that have technical promise, provide significant energy savings across the region, and offer advantages to end users in terms of cost effectiveness. The steering committee suggested a broader goal of identifying a large number of potential technologies and recognition of the role of improved technology to control and manage electricity use.

### **3. High-impact initiatives for business, homeowners and vulnerable customers**

This workgroup is formulating recommendations with a focus on the following:

- Residential conservation: plug loads (devices such as appliances that plug into electrical outlets), efficiency opportunities in new-home construction, educational and behavioral programs such as home-energy monitors, new financing approaches for efficiency measures, and targeting of low-income households.
- Commercial buildings: data centers, plug loads, building performance, enforcement of codes and standards, education and training, and energy efficient business practices.
- Industrial buildings: educational and behavioral change programs, tailored industry programs and new financing approaches.

#### **4. Marketing and public awareness in energy efficiency**

A regional marketing effort could effectively advance adoption of energy-efficient practices and enhance utility efforts. A coordinated Northwest effort must consider the varying needs of utilities of all locations, sizes and population demographics. It must not compete with existing utility brands or marketing efforts. Partnerships with city, county and state governments should be explored to expand the reach of the marketing effort. Private-sector businesses and industries should also be considered, possibly to underwrite the effort.

#### **5. Building the energy efficiency workforce of the future**

Increased interest in energy efficiency has outstripped the availability of qualified workers and professionals. Energy-efficiency occupations and job skills need to be clearly defined or inventoried as a subset of green-workforce employment. This could be addressed by:

- creating a regional index of energy-efficiency occupations and work skills, and estimating job-demand levels;
- emphasizing the role of energy efficiency in the green economy – an economy that leads to reduced emissions and job creation;
- creating a common language and consistent process across states to define and track green jobs;
- creating a regional clearinghouse function to track energy-efficiency job data; and
- encouraging the energy industry to engage colleges and universities, labor organizations and government to collaborate in producing the workforce necessary to meet the demand for energy-efficiency improvements.

#### **6. Rethinking governance and energy efficiency policies**

Harmonized policies, incentives, and regulation should encourage innovation and lead to a common goal – energy services that minimize costs to individuals, the environment, utilities and the power system. The energy community will fail to serve customer demand or to capitalize on market forces to meet public policy goals if it continues policies and programs that are difficult to navigate or that discourage customer investment,

This workgroup is exploring how to decouple electricity sales from cost recovery to encourage investments in efficiency (efficiency reduces power sales and, as a result, income to recover costs). Finally, this workgroup addressed ways to promote the promise of the smart grid (use of two-way communication and sensors) to better optimize energy use on both the customer and utility side of the meter.

Chairs: Tom Karier, Council Member, Northwest Power and Conservation Council // Pat Reiten, President, Pacific Power  
 Steve Wright, Administrator, Bonneville Power Administration // Ken Canon, Facilitator // Darby Collins, BPA EE Taskforce Project Manager

## Northwest Energy Efficiency Task Force Members

- Jim Abrahamson, *Oregon Energy Partnership Coordinator, Community Action Partnership of Oregon*
- Richard Beam, *Director of Energy Management Services, Providence Health and Services*
- Ralph Cavanagh, *Energy Program Director, Natural Resources Defense Council*
- Lisa Coltart, *Director, Power Smart, BC Hydro*
- Randal Douthit, *Group Vice President of Facility Engineering, Fred Meyer*
- Bill Drummond, *Manager, Western Montana Generation and Transmission Cooperative*
- Melinda Eden, *Oregon Member, Northwest Power and Conservation Council*
- Steve Eldrige, *General Manager and Chief Executive Officer, Umatilla Electric*
- Paul Elias, *General Manager, McMinnville Power and Light*
- Bill Gaines, *Director/Chief Executive Officer, Tacoma Public Utilities*
- Margie Harris, *Executive Director, Energy Trust of Oregon*
- Claire Fulenwider, *Executive Director, Northwest Energy Efficiency Alliance*
- Erin Holland, *Edelman, Executive Vice President and General Manager, Portland*
- Fred Kiga, *Vice President of State and Local Government Relations/Global Corporate Citizenship, Boeing*
- Warren Kline, *Vice President of Customer Service and Regional Operations, Idaho Power*
- Paul Kjellander, *Administrator, Idaho Office of Energy Resources*
- Bill Nicholson, *Portland General Electric, Vice President of Customers and Economic Development*
- Sara Patton, *Coalition Director, NW Energy Coalition*
- Robert Rowe, *President and Chief Executive Officer, NorthWestern Power*
- John Savage, *Commissioner, Oregon Public Utility Commission*
- Brian Skeahan, *General Manager, Cowlitz County Public Utility District*
- Cal Shirley, *Puget Sound Energy, Vice President for Energy Efficiency Services*
- George Smith, *Chief Executive Officer, NORPAC*
- Matt Steuerwalt, *Energy Policy Advisor to Washington Governor Christine Gregoire*
- Phil Welker, *Executive Director, Portland Energy Conservation, Inc.*
- Brady Wiseman, *Montana House of Representatives, District 65*
- Roger Woodworth, *Avista Utilities, Vice President for Sustainable Energy Solutions*