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Washington

April 29, 2014

MEMORANDUM

TO: Council Members

FROM: Charlie Grist

SUBJECT: Discussion of the Draft Northwest Energy Efficiency Alliance Strategic and Business Plans

The Northwest Energy Efficiency Alliance (NEEA) is in the final stages of developing its strategic and business plans for 2015-2019. The NEEA board of directors released a revised draft of the business plan in April. It has also conducted a series of public meetings about the revised draft in all four states. Close of comment is Sunday May 4, 2014. Council staff and the Power Committee are developing comments on the draft plans with the intention of submitting Council-approved comments later this week.

Susan Stratton, executive director of NEEA, will be in Boise to discuss the Council comments and summarize findings from the public outreach effort. Board chair Jim West will also be attending, by phone.



2015-2019 Revised Business Plan Overview

Susan E. Stratton, NEEA Executive Director

James N. West, NEEA Board Chair

May 6, 2014

NORTHWEST ENERGY EFFICIENCY ALLIANCE

Draft Strategic Plan

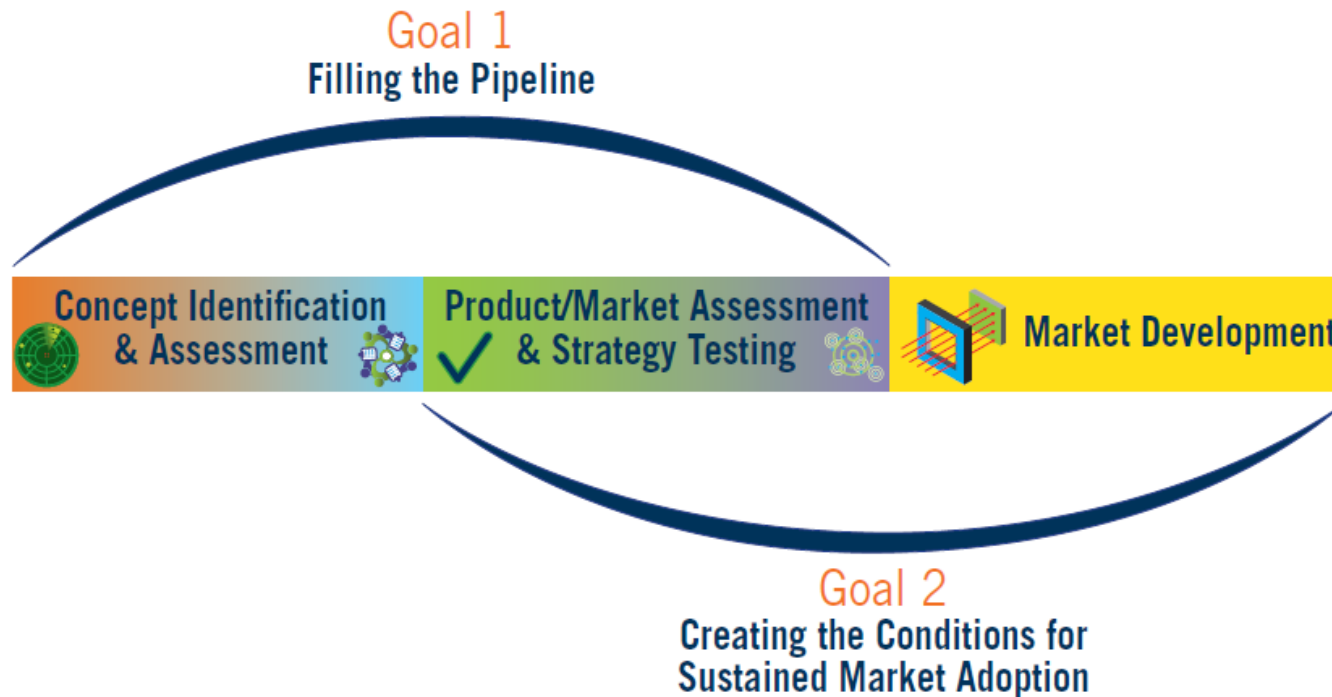
Plan Foundation & Strategic Goals

Vision:

- Energy efficiency is a cornerstone of a vibrant sustainable Northwest

Mission:

- Mobilize the Northwest to become increasingly energy efficient for a sustainable future



Revised Draft 2015-2019 Business Plan

Summary of 2015-2019 Business Plan

- Supports core work while providing choice and flexibility;
- Achieves desired savings for 2015-2019 Business Cycle;
- Accounts for increased local utility investments and capabilities;
- Identifies ways to collaborate more productively and minimize overlaps between NEEA and local activities;
- Is responsive to the needs of existing NEEA funders

Draft Plan 5-Year Funding Scenario

Budget Range \$145 - 169M

Description

- Focus on **4** strategic markets
- Offers funders up to **15%** in optional activities (\$24M)

New Initiatives \$18.5M

**New Opportunity
(Scanning)** \$6M

Criteria for Strategic Markets

- Energy Efficiency Opportunities
- Partnership Opportunities
- Clear Business Case
- Linkage to Codes or Standards
- Benefits Exceed Infrastructure Costs



Strategic Markets Focus: 6 to 4



Consumer Products



Residential New Construction



Commercial Lighting



Commercial Real Estate



Commercial New Construction



Irrigated Agriculture

Criteria for NEEA Involvement

- Market Barriers/ Opportunities
- Regional Leverage
- Sustained Market Change
- Linkage to Codes + Standards
- Market Progress Measurement



Residential Initiatives and Infrastructure Programs

Infrastructure	Initiative	<i>Potential Projects in Scanning</i>
Consumer Products Retail Product Portfolio	Consumer Products Retail Product Portfolio	<i>Super-efficient Dryers</i>
	Heat Pump Water Heaters	<i>Dual Purpose Ductless Heat Pumps</i>
	Ductless Heat Pumps	<i>Advanced Heat Pump Water Heaters</i>
	Residential New Construction/ Next Step Site-Built Homes	<i>Efficient Manufactured Homes</i>

Commercial Initiatives and Infrastructure Programs

Infrastructure	Initiative	Potential Projects in Scanning
Commercial Lighting Upstream Platform/ Reduced Wattage Replacement Lamps	Commercial Lighting Upstream Platform/ Reduced Wattage Replacement Lamps	Low-Cost, High-Reliability Building Performance Metering
Commercial Lighting Regional Resources	Luminaire Level Lighting Controls	Advanced Roof-Top Units and Controls
Commercial Strategic Energy Management Online	Building Operator Certification Expansion	Commercial Interior Secondary Glazing
Commercial New Construction/ Integrated Design Support		
<i>***Commercial Real Estate and Existing Building Renewal***</i>		
<i>***Top Tier Trade Ally***</i>		

Industrial/Agriculture Initiatives and Infrastructure Programs

Infrastructure	Initiative	Potential Projects in Scanning
Industrial and Commercial Strategic Energy Management Online	Certified Refrigeration Energy Specialist (CRES) Certification	Industrial Energy Management Systems
<i>***Industrial Technical Training***</i>		Complete Integrated Motor System Solutions
		Pump System Operator Certification
		Source to Pivot Optimization

****Denotes program that will be optional for funders****

Optional Activities and Programs

Optional Activities within Initiatives

- Consumer Marketing
- Distribution Channel Development
- Utility Customization and Event Support

Optional Programs

- Commercial Real Estate and Existing Building Renewal
- Top Tier Trade Ally
- Industrial Technical Training

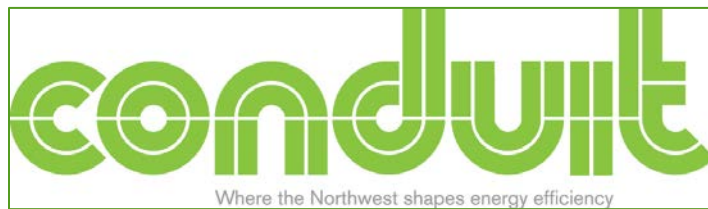
Additional Regionally Valued Services



Data Services



Regional Stock Assessments

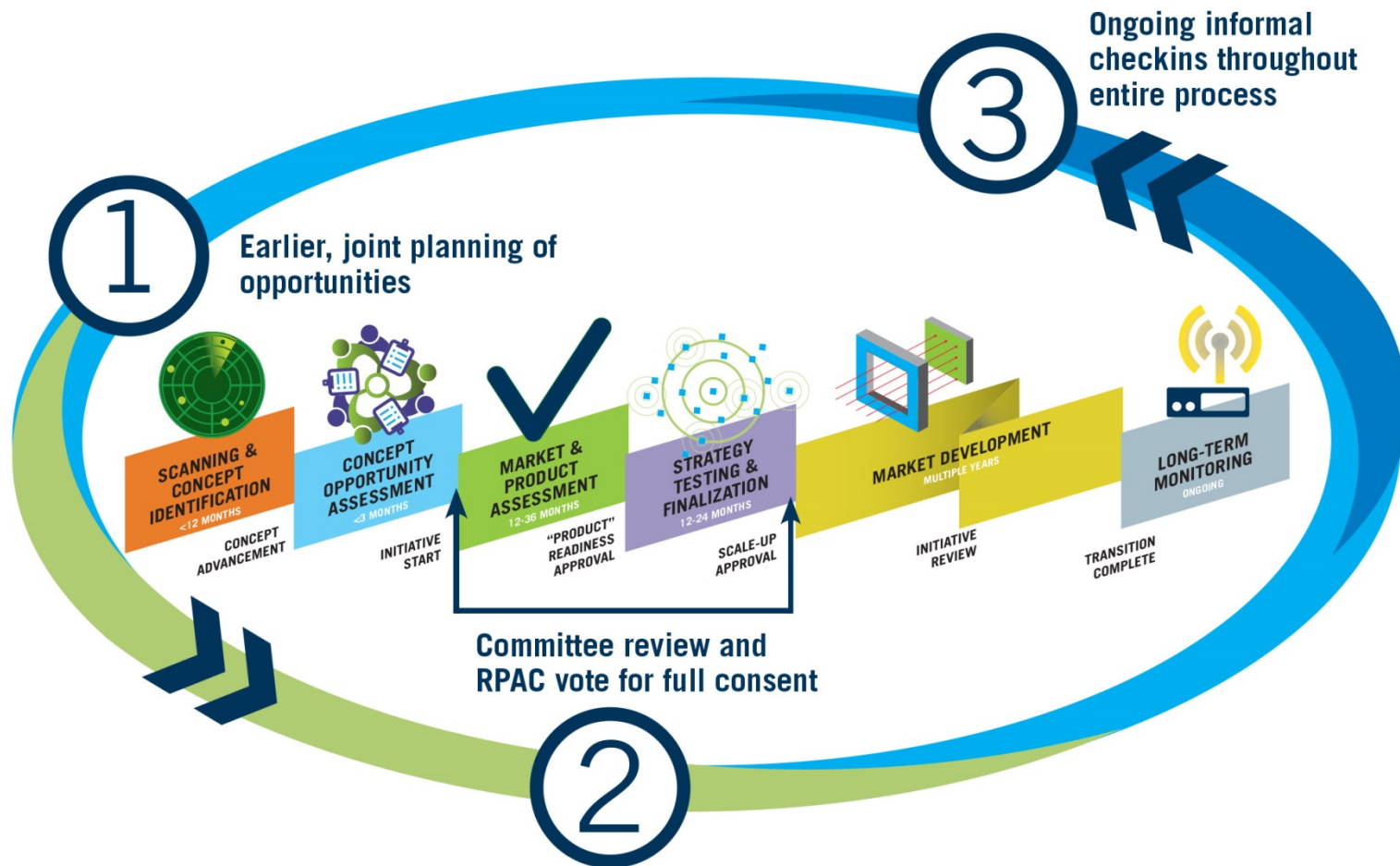


Online Collaboration Platform



Efficiency Conference

Proposed Processes for Increased Stakeholder Engagement



*** *Regional Portfolio Advisory Committee (RPAC) Full Consent*

Budget and Savings Comparison

Budget and Total Regional aMW Savings Estimates

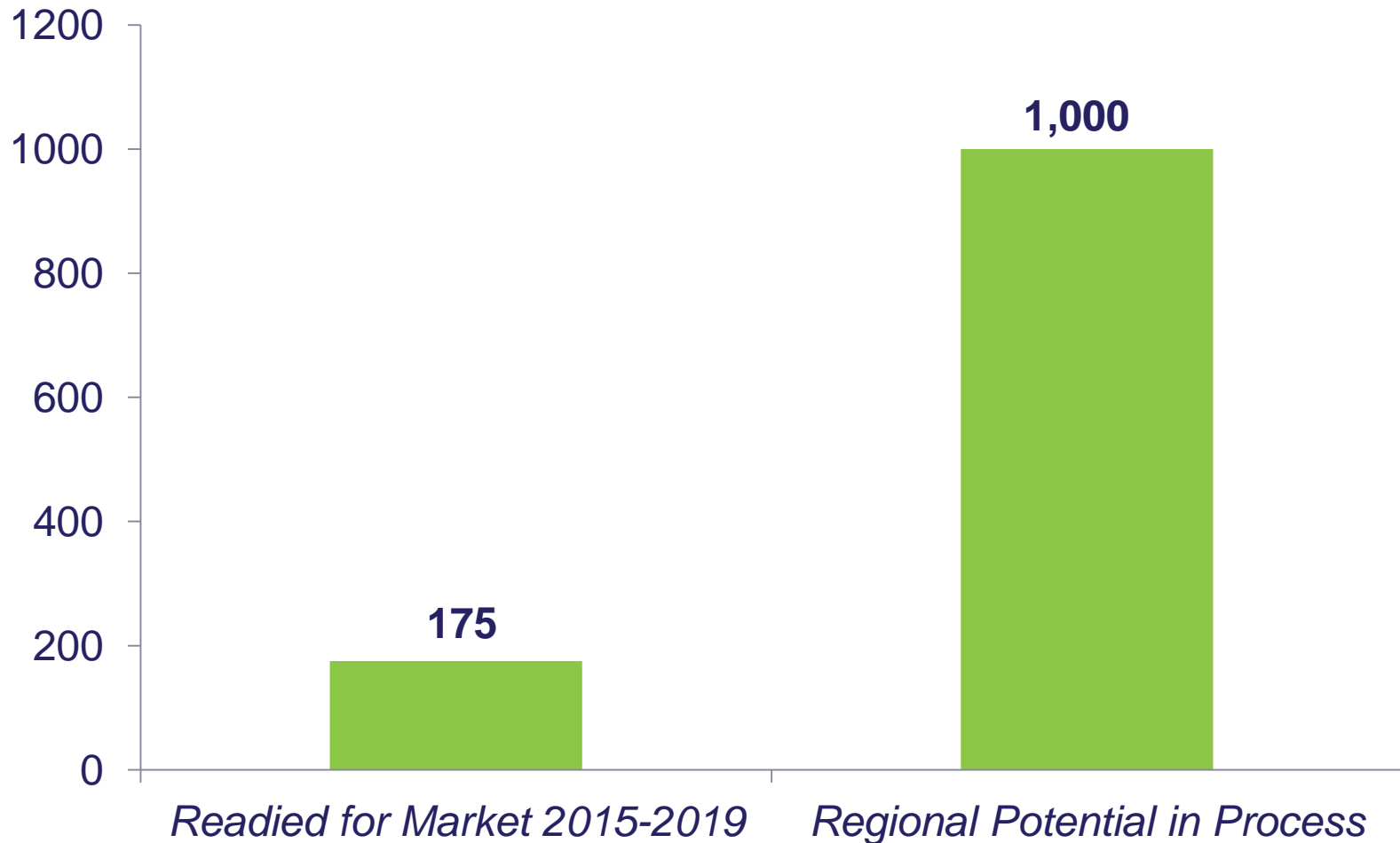
	2010-2014 Business Plan	2015-2019 Nov. 1 Draft	2015-2019 Today
5 – Year Estimates	200	150	149
10 – Year Estimates	550	400	367
5 – Year Budget (\$ Millions)	\$188	\$185	\$145-169

Expected Value Delivery: Market Changes

- 1) Implement a portfolio of market transformation initiatives in 4 strategic markets
- 2) Ensure that NEEA programs result in substantive and measurable change in market conditions
- 3) Advance efficiency in building codes and equipment standards

Expected Value Delivery: Future Savings

20-Year Pipeline Targets (aMW)



What We've Heard from NWPCC

The Council supports:

- Scanning Activities
- Funding for New Market Transformation Initiatives
- Board Membership Continuity
- Stock Assessments and Data Collection
- Management of Overlap with Utilities

What We've Heard from NWPCC

Interest Expressed:

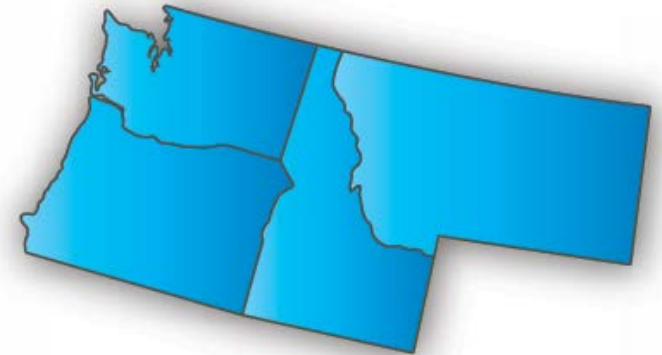
- Difference in Optionality through RPAC vs. Activities/ Programs*
- Strategic Market Selection Justification
- NEEA Coordination of Efficiency Planning
- Expanded Board Representation

What We've Heard from Stakeholders

- Does a budget reduction weaken NEEA's influence and ability to capture savings?
- How will the region ensure optional initiative activities get done?
- Can there be tailored programs for rural markets?
- Can NEEA revisit its Board Composition?
- Can NEEA add demand response or electric vehicles to NEEA activities?
- Can NEEA increase its industrial portfolio?
- What is the threshold for optional infrastructure programs?

Additional Regional Outreach Conducted

Webinar 1	April 21
Portland	April 21
Missoula	April 22
Spokane	April 23
Boise	April 28
Seattle	April 30
Webinar 2	May 2



Next Steps

May 27

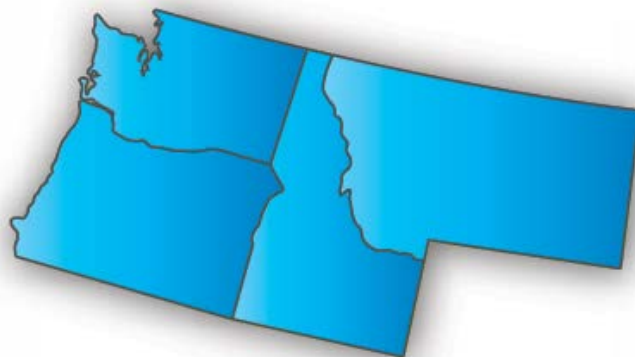
Comment Period Closes

May 29

Board Consideration of
Comments on 2015-2019 Strategic &
Business Plans

June

Final Board Consideration of 2015-
2019 Strategic & Business Plans



Questions for the Council

- Further questions?
- Areas of concern or support?
- Ideas?

Thank You!

Filling the
Energy
Efficiency
Pipeline

Accelerating
Market
Adoption

Delivering
Regional
Advantage

