RTF Policy advisory committee: BPA Feedback

This memo serves as BPA feedback on the issues posed at the July 29, 2011 RTF PAC meeting, including: a) Regional savings reporting standards, b) RTF role in research funding, c) RTF review of impact evaluation, d) Process for addressing measures found out of compliance with the Guidelines

**Regional savings reporting standards.** From our perspective, there are at least the following elements of regional savings reporting:

1. Annual reports of achieved savings
2. Categorization of achieved savings (e.g., sector, business type, measure, RTF-approval type. M&V/evaluation type)
3. True-ups of previously reported savings

In an ideal world, consistent definitions and methods would be used by NW utilities/BPA/ETO to annually report those savings (e.g., net versus gross savings) to the Council. In addition, reports would be categorized at a level granular enough to facilitate historic reporting (e.g., double counting and above Council baseline) and future planning (e.g., measure, sector). Finally, true-ups of savings would be conducted by the Council based on information provided by regional utilities. In all of these areas, work would need to be done to define the relationship between the RTF savings Guidelines and reporting (e.g., which measure types should be trued-up)

It is our understanding that, due to the Planning, Tracking and Reporting system, detailed data from public power utilities/BPA are currently available to the Council staff. Therefore, we may have a different view of the relative costs and benefits of the value of standardized reporting (i.e., we perceive a lower burden and greater benefit than others).

Yet, we believe it would be regionally advantageous to have a conversation about the value and approaches to standardize reporting. We can see that there may be value in developing some standardized approaches, but not require it of utilities. Then, as utilities change systems over time, we can move more and more closely to this goal in the long-term.

Therefore, we believe it should be an element of discussion for the PAC and consideration for some, but not a large amount, of funding by the RTF.

**RTF Role in Research Funding**

The RTF’s primary function is a review body. The benefits of the RTF conducting or funding research include: a) RTF staff understands the RTF requirements and has strong technical capabilities, and b) regional funds are leveraged to complete work in timely and efficient manner. The weaknesses are that a) additional funds may be required for the RTF, b) the RTF doesn’t run programs, so this lack of perspective can influence the research and the lack of end-users makes certain types of research difficult.

The role of the RTF may differ by the types of research to be conducted; some examples are considered below. Generally, our recommendations follow the current practice.

1. Modeling of UES based on existing data. Fits in scope
2. Research of secondary information (e.g., costs, other assumptions); relatively low cost. Fits in scope
3. Development of standard protocols based on existing data. Costs could vary widely. Fits in scope, but may need to be limited to available funds
4. Facilitation of development of recommended evaluation plans for RTF-approved (or proposed) UES and standard protocols. Relatively low cost. Fits in scope.
5. Primary research of metering studies. Out of scope.
6. Impact evaluations of measures and/or programs. Out of scope.
7. Regionally coordinated end-use load research (for load shapes). Out of scope; needs to be discussed

Given that we are not recommending that the RTF fund metering studies or other impact studies, we believe the RTF has a role to support the coordination of these studies directly related to RTF measures such that the responsibility of the research is distributed throughout the utilities/BPA/ETO.

**RTF review of impact evaluation.** This is an area that the Policy committee should consider to decide on the extent of evaluation activities for the RTF. There are three areas of impact evaluation, from our perspective, for consideration:

1. **Should the RTF be open to reviewing evaluation plans? Yes**. Consistent with the Operative Guidelines, the RTF should continue to be open to reviewing evaluation plans, although the current group demographic is relatively engineering heavy and depending on the number/type of requests it could require substantial RTF time (one option might be to have an evaluation sub-committee).
2. **Should the RTF Savings Guidelines include standards on impact evaluation?** **Maybe**. We believe that the RTF could explore the topic, but be very careful to not be duplicative with the multiple other evaluation protocols being developed. In addition, this process would have to be very systematic about various state regulatory goals and requirements for evaluation. We do not consider this a high priority.
3. **Should the RTF review completed impact evaluations? No**. We think RTF review completed evaluationswould be an extension of scope that would require significant resources and possibly different staff/membership to accomplish effectively.

**Process for Measure Definitions**

We recommend that the Policy Advisory Committee review the definition in the Guidelines surrounding out-of-compliance measures (measure will continue to be “RTF Approved if a plan for bringing the measure into compliance is approved by the RTF within one year”.) Currently, the region lacks definition of who will lead the development of research plans, conduct and fund the research required to bring measures back to Active status. Therefore, this leaves risk that many measures will become Deactivated due to lack of regional infrastructure to conduct research.

From our perspective, this issue is related to the larger issue around the need for a regional research strategy, which would include timing and responsibilities. Because many of the current measures rely on data that is decades old, significant research is likely to be required on any new measure as well as a sub-set of existing measures (to bring them in-compliance). Therefore, discussions must be had regarding the strategy and funding levels necessary to conduct the work to ensure measures are not being deactivated due to lack of regional approach to the research. This is true for both emerging and existing measure research needs.