RTF PAC Comments: Bruce Folsom 9/15/2011

At the RTF Policy Advisory Committee Meeting of July 28th, we were asked to provide comments to you on the “Key RTF Policy Issues” and budget allocations.

The four policy issues are as follows, with an additional three (disposition of renewable, program evaluation, and low-income programs) held for future resolution.

1)      Regional savings reporting

2)      RTF role in research funding

3)      RTF review of impact evaluation

4)      Process for addressing measures found out of compliance with the guidelines

We want to be clear on the applicability and definitions for each of these.  Regarding applicability for homogenous products with consistent end-use patterns (e.g., Energy Star® Refrigerators), the RTF has high value.  Regional savings reporting (according to regional standards) defines the RTF for such measures.  And Policy Issues 2-4 are relevant to this.  The economies of scale achievable when evaluation work is performed, coordinated or shared at the regional level is compelling. To date the RTF has been a body that collects, funds and applies technical evaluations within the region.  The RTF serves as a library of regional and national evaluations and provides RTF-funded evaluation.  Avista has been a supporter of the RTF and continues to advocate for regional consistency of energy efficiency evaluation.

However, there are two other significant portions of our portfolio that are not distinguished in this manner.  These include site-specific programs and programs marked by different delivery mechanisms that don’t allow one-to-one usage of stated UES (e.g., CFL distribution programs).  So this suggests that the applicability and definitions for Policy Issues 2-4 need  definition, elaboration and full discussion.

For our site specific programs, we file impact evaluations (including stated compliance of RTF protocols by the evaluating entity with technical supporting documentation) with our respective Commissions.  We don’t expect the RTF to re-review our work (which was performed by independent third-party evaluators) because it would be duplicative of significant funding that utilities had expended on that evaluation (as well as extending the RTF’s jurisdictional focus beyond BPA and public utilities).  This presents the exact opposite of the economy of scale argument in favor for an increased RTF role and subsequent funding.

This, then, brings into question some definitional issues associated with Policy Issues 2-4 (e.g., “review of impact evaluation” and “out of compliance”).  Each can add a layer of cost, time, and jurisdictional issues.  Likewise, the RTF’s “role in research funding” should not presuppose that the RTF is the only player in this realm.  We don’t believe that is intended, but this, too, needs more definition.

The above comments are relevant to budget allocations.  Avista supports collecting, funding and applying technical evaluations, justifiable based upon the economy of scale that is achievable when performing evaluation on a regional basis.  We have concerns if this is expanded to areas that duplicates cost and jurisdictional review.

We look forward to discussing these issues at our next RTF Policy Advisory Committee.

Thanks, Bruce