**RTF PAC Meeting Minutes**February 19, 2016  
9:00 am – 12:30 pm

**Attendees**

* Jim West, RTF PAC Co-Chair, Snohomish PUD
* Pat Smith, RTF PAC Co-Chair, NWPCC
* Clay Norris, Tacoma
* Larry Blaufus, Clark County PUD
* Greg Kelleher, EWEB
* Fred Gordon, Energy Trust
* Robin Arnold, Montana PSC
* Susan Stratton, NEEA
* Ralph Cavanaugh, NRDC
* Jim Maunder, Ravelli Electric
* Stacy Donahue, Idaho PUC
* Steve Johnson WA UTC
* Carrie Cobb, BPA
* Wendy Gerlitz, NW Energy Coalition
* Cory Scott, Pacific Power
* Craig Smith, Seattle City Light
* Laurent Gage, BPA
* Elizabeth Osborne, NWPCC
* Kathy Yi, Idaho Power
* Charlie Grist, NWPPC (RTF Vice Chair)
* Jennifer Light, NWPCC (RTF Chair)
* Tom Eckman, NWPPC

**Outcomes**

* The RTF PAC supported the creation of a Market Analysis Subcommittee to review the methodology of data collection and analysis for such research. The RTF PAC agreed that this research was important for informing everyone’s baselines. The RTF PAC provided the following cautions:
  + The RTF review should not duplicate other review happening in the region, and the RTF should pay specific attention to NEEA’s cost-effectiveness committee
  + The RTF should explore how it would “staff” this subcommittee, looking first at what it can achieve through volunteers and existing member contracts and exploring other models such as outside advisors
  + The RTF should be clear to focus this around the baseline research, rather than the momentum savings results
* The RTF PAC wrapped up its current discussion on the RTF’s role with regional research. Should additional scope or policy questions arise, staff will bring these to the RTF PAC for future discussion.

**Discussion**

West opened the meeting with introductions, approval of the meeting agenda and approval of the November meeting minutes. Cavanaugh thanked the RTF and the Council for their work on Seventh Power Plan, calling it a Tour De Force.

***RTF’s Engagement with Research***

Light presented the RTF’s Engagement with Research. Norris inquired how sunset dates are selected. Light answered that the RTF sets sunset dates based on the market changes along with incoming codes and standard, noting that some markets move much faster than others. Light said that the RTF always looks for new data. She added that some Smaller Savers use older data, but the RTF always ask if the data is good or is it so outdated that it’s no longer trusted.

Norris asked if there is a role for the PAC on any of the judgment calls. Grist stated no as 1/3 of RTF members are program managers. Kelleher agreed saying they always consider the implementation side. Light mentioned that the Implementers Group also plays a role.

Blaufus referenced the “duct sealing for manufactured home” example asking if it reduced savings, as it had no impact on his program. Grist stated that the RTF may adjust savings, but not incentives. He also added that things can take time to work through the Bonneville Implementation Manual.

Light noted that for the examples presented, in all three cases, the research was brought to the RTF. She noted that this is one aspect of the process they are working to improve.

Gordon asked what the threshold is for Small Savers and whether it was based on total potential or per unit. Light said that there is no specific threshold. Light added that it is based on total potential. A niche opportunity might be small, but if the unit savings were small and the potential was large that would likely be in a different category. Gordon asked how you make the jump. Grist pointed to the RTF Guidelines and RTF judgment. Eckman noted the importance of the baseline and the go-to condition. Gage noted the important back stop role of impact evaluations for anything not Proven.

Norris asked about baseline, saying relying on average may not give the right answer, noting what’s going on in lighting. Grist called that a common practice baseline issue, which is different than this discussion while noting that there the Guidelines address that as well.

Blaufus noted the explosion of multifamily projects and questioned the sunset dates. Light said that the weatherization and new construction measures sunset in March and staff is working to update them. She added that there is an outstanding question regarding our calibration of SEEM for these measures, and we are seeking billing data on weatherization to check. Kelleher noted the lag between sunset dates and BPA changes.

The RTF PAC discussed crossover between the various research groups in the region and the CAT reaching out to national groups. Gordon made the point that attempting to maintain awareness of all research being conducted in real time may be difficult. He noted that it is important to avoid duplicating research efforts where possible, however this may be more contingent upon luck than vigilance. Gage applauded Light’s work on the RTF’s sponsor’s group.

***Formation of a Market Analysis Subcommittee***

The RTF PAC discussed the role creating a subcommittee for market analysis research to provide an independent review of the research. Gerlitz noted the difference between the RTF’s usual work and this type of market research and suggested drawing distinctions between the two. Gordon agreed and outlined the difficulty of getting information from distributers. Grist pointed to the re-population of the RTF with some savvy market people, but acknowledged it’s still an issue. Gordon went on to recommend the RTF develop a set of principles for what data is good enough, as some data may be better than others. It will be important to think through when the data is good enough to hang our hat on the analysis. The point was also made that just measuring the market does not get you the savings, as this can vary depending on where units end up.

Gerlitz asked what RTF-approved data can be used for suggesting that the answer will be a policy question to wrestle with. Light answered that she thinks the methodology and inputs will be “blessed” and not the savings number. Grist said that is what’s on the table and an RTF review will give savings numbers more weight.

Gordon noted that much of what drives measures is fuzzy and the RTF might not want to judge that. This might lead to questions on how reliable a resource is and whether it is an acceptable measure. The RTF might want to stay away from judging this. Eckman noted that there needs to be a grading scale for different measures based on what is known and not known. Certain measures will have data gaps, such as market information, or variable energy savings. The RTF will need some criteria for determining which of these passes muster.

Norris wondered if this would overlap with NEEA’s work. He then asked about attribution when it comes to momentum savings and how much credit utilities should get for it. Grist stated that there is good coordination between the RTF and NEEA along with other research.

Norris restated his uneasiness with momentum savings. Johnson noted his uncertainty with measurement and assigning credit. C. Smith stated that the information is important to the baseline. Arnold stated that she’s also struggling. Donahue agreed.

Cobb explained why she’s asking for RTF judgement, noting that the BPA wants this research.

Gordon called for no net change in time required for meetings to review this research, but called the work important. Cobb agreed stating that her intentions are that if the RTF provides review rather than others in the region and that there would not be a need for more. She does caution that there might be a need for some enhancement, but understands the need for streamlining.

West asked if anyone is opposed to the idea of the RTF venturing into this space. The room is quiet.

Stratton asked if BPA will continue with their current level of research if this happens. Cobb answered that the BPA has a full deck of projects for the next few years but pointed to new standards coming in and didn’t know if BPA or NEEA would handle those.

Norris suggested staffing this with volunteers and not new staff. Gage worried about the robustness of review if all of the members are volunteer. Gordon pointed to Energy Trust’s Evaluation Committee as a potential model, where they have outside advisors support the review.

Stratton asked if NEEA’s cost effectiveness committee work is sufficient. Grist suggested the RTF might want to look at that work. He then stated that he would come back to the PAC if they needed more resources.

Eckman suggested recasting the issue from momentum savings to baseline development. Gerlitz pointed to potential overlap with NEEA and suggested a smaller group follow up to better align efforts. Stratton volunteered Susan Herman at NEEA.

Johnson voiced support for the proposal saying that, to the extent the RTF budget allows staff to work in this area, more professional staff involvement in this area would be ideal. However, caution needs to be taken in avoiding the duplication of efforts, especially with regards to NEEA’s work in this area.

West noted that the PAC has agreed to provide guidance and asked about timing. Light said she will spend time with Cobb and NEEA to avoid duplication, look at the budget and flag possible subcommittee members. She said a webinar might be needed at some point.

**Break**

***RTF Implementation of the Seventh Plan***

Norris asked if the Council looked north for extra capacity. Grist answered yes and noted that there are limitations from both places. Kelleher asked about biomass. Grist stated that it wasn’t tested in the RPM but any renewable that are cost effective should be developed.

Gordon inquired what the DR baseline is now. Grist stressed that this is new and while Idaho is already there this goes above and beyond where we are now.

Norris called the lack of market value the biggest barrier to DR. Grist agreed but stated that California might be a market. P. Smith said if the 2500 MW of winter imports increases it would affect the amount of DR needed, which is another reason for avoiding a hard DR target.

Norris noted that EE is driven by the need for capacity and asked if it would be fair to say that the utilities that are capacity short would have a larger share of the target. Grist stated that this work is done on a regional level, but that the capacity from EE is the cheapest.

Kelleher stated that what’s best for the region is not necessarily best for individual utilities and asked for a better way to align this. He called for a price signal on capacity. Grist appreciated his dilemma and said there are recommendations in the Action Plan to find the value and remove barriers to the resource. He admitted that will be a challenge.

Light then walked through the Action Plan Items that touch on the work of the RTF. She specifically focused on two that have scope and policy questions, and therefore a clear connection to the RTF PAC

*Non-Energy Impacts*

Norris stated that evaluating Non-Energy Impacts feels out of the realm of the RTF’s technical expertise. West noted that Plan language specifies a role for the PAC.

Gordon suggested summarizing regulatory guidance and wondered if there is consistent regional thought on the topic. He noted that thought should be given to circumstances when you are actually able to get a number based in research, versus when all you may be able to do is make an educated guess as to the bounds of a given assumption and show directionality. We want to be mindful about not spending resources to get a precise number if it is not possible. Grist likened it to the wood smoke issue. Light agreed with Gordon, there may be cases we give a sense of the significance without precisely quantifying it.

Kelleher said who the beneficiary of the non-energy benefit is should factor into the funding. Light said that’s addressed with the sentence, “setting the cost effectiveness limits differently and recognizing that it might not be appropriate for the utility…” indicating that there’s more to come on the topic.

*Capacity*

Stratton stated that NEEA is facilitating the end-use loads research, calling the effort bigger than an update. Grist stated he was pleased to see the momentum of different groups valuing this research. West asked how the PAC can help. Grist stated that the information from the NEEA forum should be shared with steering committees and working groups.

West stated that there is appetite for an increase in funding if needed. He stated that there is unassigned budget that could be used for topics brought up today but expressed curiosity on how to coordinate the competing need for time, attention and dollars.

***RTF PAC Dashboard***

Gordon asked if anyone looks at the dashboard in detail and if Light needs to manage the information anyway. Light answered that the work is relatively easy to continue if it is valuable to the PAC, but it isn’t necessarily added value to her as much of this information is tracked elsewhere. West commented on the voting tab, saying that early in the PAC they updated the RTF charter and by-laws and spent a long time on the voting process. He said that made him hesitant to get rid of all the information on the voting process, but wondered if such a granular level of detail is required. Light clarified that the voting record is captured every meeting anyway and is this is just a recreation of that. She added that the additional information in this tab speaks to issues on which the RTF is getting bogged down. Gordon said that he can get that information from ETO’s RTF member.

West suggested that a qualitative rather than quantitative approach might better serve the PAC’s needs and suggested spending time on that topic during the next meeting. Grist suggested reporting on issues that are hard to get through to find out why. Light said there is no page that talks about measures’ research questions and discussions that are surrounding them. She said she tracks that information and wondered if the PAC is interested in it as well.

West addressed “Finalizing our Recommendation around Market Transformation Lag” from a previous meeting, noting that NEEA is working on how to best deal with the small, rural market. He wondered if there was a way to link conversations with the RTF and the PAC on this topic and asked to bring that at the next meeting. West suggested a webinar as May might be too long to wait on the topic.

Norris observed that the number of policy questions in the administration tab of the Dashboard is small, but still wondered if the RTF is being asked to weigh in too much on policy issues. West stated that the two big changes in the Action Items will present big policy question to the PAC. Grist stated that the RTF is attentive to issues with big policy implications and tends to kick them up to the PAC but it is something to pay attention to.

Grist said the PAC was formed for transparency of decisions and many of the early rough spots were ironed out. West stated that this group has all of the funders, calling that a huge advance. Gordon stated that the boundaries of the RTF will be something to watch.

P. Smith stated that he is proud of the finalization of the Seventh Plan and is appreciative of the Staff and the advisory committees. He stated that now that we are in the implementation phase they will continue to rely on the advisory committees and the PAC and express appreciation again.

**Adjourned**

West adjourned the meeting with a reminder that the next PAC meeting is May 26, 2016.