

# NEEA Board of Directors Meeting Q3 2025 | September 15 - 16





# Q3 2025 NEEA Board Meeting

Note: the order and length of time for all topics are subject to change

This meeting will be recorded.

**DATE/TIME:** Monday, September 15-Tuesday, September 16, 2025  
**LOCATION:** Residence Inn City Center, Boise, Idaho  
**ATTENDEES:** Board Members, NEEA Staff and the Public  
**WEBINAR:**

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Note: all times listed are Mountain Time (MT)

## Agenda – Monday, September 15

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1:00 pm	<b>Executive Session</b> – contract negotiations, personnel, confidential information	
2:45 pm	<b>Executive Session Adjourns</b>	
2:45 pm	<b>BREAK</b>	
3:00 pm	<b>Public Board Meeting Called to Order</b> Introductions and agenda review – Jamae Hilliard Creecy, Board Chair  <b>NEEA's Mission:</b> NEEA catalyzes the most efficient use of energy for a thriving Northwest.  <b>NEEA's Purpose:</b> An alliance of utilities and partners that pools resources and shares risks to transform the market for energy efficiency to the benefit of all consumers in the Northwest.  <b>NEEA Board Norms</b>	

3:10 pm	<b>Governance</b> <ol style="list-style-type: none"> <li> <b>3:10 pm NEEA Board Secretary</b>  Elizabeth Osborne, Governance Committee Chair; Becca Yates, NEEA staff  <b>Outcome: discuss the proposed process and timeline for electing a Board Secretary to serve Danie Williams’ remaining term.</b> </li> <li> <b>3:20 pm Board Risk Management Follow-Up</b>  Elizabeth Osborne, Governance Committee Chair; Becca Yates, NEEA staff  <b>Outcome: discuss action item follow-up to the risk management topic raised during the Board Orientation and the GC’s recommendations.</b> </li> <li> <b>3:25 pm 2024 Board Self-Assessment Actions</b>  Elizabeth Osborne, Governance Committee Chair; Becca Yates, NEEA staff  <b>Outcome: review action items status and discuss if there’s any additional work needed</b> </li> <li> <b>3:45 pm Public Interest Board Seat Election</b>  Elizabeth Osborne, Governance Committee Chair; Becca Yates, NEEA staff  <b>Outcome: information sharing</b> </li> </ol>	16
3:45 pm	<b>Finance</b> <ol style="list-style-type: none"> <li> <b>3:45 pm Q2 2025 Financials</b>  Kyle Roadman, Finance and Audit Committee Chair; Kyle Burchard, NEEA staff  <b>Outcome: information sharing</b> </li> <li> <b>4:15 pm Draft Form 990</b>  Kyle Roadman, Finance and Audit Committee Chair; Kyle Burchard, NEEA staff  <b>Outcome: information sharing and opportunity for questions</b> </li> </ol>	25
4:30 pm	<b>Public Board Meeting Adjourns</b> – Jamae Hilliard Creecy, Board Chair	

## Agenda – Tuesday, September 16

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8:30 am	<b>Public Board Meeting Called to Order</b> <b>Introductions and agenda review</b> – Jamae Hilliard Creecy, Board Chair  <b>NEEA’s Mission:</b> NEEA catalyzes the most efficient use of energy for a thriving Northwest.	
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	<p><b>NEEA's Purpose:</b> An alliance of utilities and partners that pools resources and shares risks to transform the market for energy efficiency to the benefit of all consumers in the Northwest.</p> <p><b>NEEA Board Norms</b></p>	
8:40 am	<p><b>Board Consent Agenda</b> – Jamae Hilliard Creecy, Board Chair</p> <p><b>Q2 2025 Board Meeting Minutes</b></p> <p><i>Motion: approve the consent agenda</i></p>	39
8:45 am	<p><b>Executive Director Update</b> – Becca Yates, NEEA staff</p>	
9:15 am	<p><b>Strategic Planning</b> Gilbert Archuleta, Strategic Planning Committee Chair; Jeff Harris, NEEA staff; Tom Beierle, Ross Strategic</p> <p><b>Board Strategic Discussion – Affordability</b></p> <ol style="list-style-type: none"> <li><b>1. Recommendations and Next Steps</b></li> <li><b>2. Presentation - 2024 Northwest Market Characterization: Affordability Insights</b> -- Nathan Martinez, NEEA staff</li> </ol> <p><i>Outcome: discussion</i></p>	34
10:45 am	<p><b>BREAK</b></p>	
11:00 am	<p><b>Strategic Planning</b> Gilbert Archuleta, Strategic Planning Committee Chair; Jeff Harris, NEEA staff</p> <p><b>End-Use Load Flex</b></p> <p><i>Outcome: discuss the New Strategic Opportunity Assessment for the End-Use Load Flex Special Project</i></p>	
11:50 pm	<p><b>Opportunity For Public Comment</b> – Jamae Hilliard Creecy, Board Chair</p>	
11:55 pm	<p><b>Next Steps, Action Item Review, Meeting Feedback, Input on Future Agenda Topics, Closing Remarks</b> – Jamae Hilliard Creecy, Board Chair</p>	
12:00 pm	<p><b>Public Board Meeting Adjourns</b> – Jamae Hilliard Creecy, Board Chair</p>	
12:30 pm	<p><b>Executive Session</b> – contract negotiations, personnel, confidential information</p>	
1:00 pm	<p><b>Executive Session Adjourns</b></p>	

2025 Board Meeting dates/locations – Board approved December 5, 2023

2025 Board Meetings	Location	Day	Date
Q1 Board Orientation (Noon - 5 pm)	Seattle, WA	Monday	Mar 10, 2025
Q1 Board Meeting - (8 am - Noon)	Seattle, WA	Tuesday	Mar 11, 2025
Q2 Board Meeting - Day 1 (Noon - 5 pm)	Spokane, WA	Monday	Jun 23, 2025
Q2 Board Meeting - Day 2 (8 am - Noon)	Spokane, WA	Tuesday	Jun 24, 2025
Q3 Board Meeting - Day 1 (Noon - 5 pm)	Boise, Idaho	Monday	Sep 15, 2025
Q3 Board Meeting - Day 2 (8 am - Noon)	Boise, Idaho	Tuesday	Sep 16, 2025
Q4 Board Meeting - Day 1 (Noon - 5 pm)	Portland, OR	Monday	Dec 08, 2025
Q4 Board Meeting - Day 2 (8 am - Noon)	Portland, OR	Tuesday	Dec 09, 2025

2026 Board Meeting dates/locations – Board approved December 6, 2024

2026 Board Meetings	Location	Day	Date
Q1 Board Orientation (Noon - 5 pm)	Seattle	Thursday	Mar 12, 2026
Q1 Board Meeting - (8 am - Noon)	Seattle	Friday	Mar 13, 2026
Q2 Board Meeting - Day 1 (Noon - 5 pm)	Montana	Monday	Jun 22, 2026
Q2 Board Meeting - Day 2 (8 am - Noon)	Montana	Tuesday	Jun 23, 2026
Q3 Board Meeting - Day 1 (Noon - 5 pm)	Idaho	Monday	Sep 14, 2026
Q3 Board Meeting - Day 2 (8 am - Noon)	Idaho	Tuesday	Sep 15, 2026
Q4 Board Meeting - Day 1 (Noon - 5 pm)	Portland	Thursday	Dec 03, 2026
Q4 Board Meeting - Day 2 (8 am - Noon)	Portland	Friday	Dec 04, 2026





## *Quarterly Report*

# NEEA QUARTERLY REPORT

## Q2 2025 // Performance Highlights

### A Note from the Executive Director

This quarter, NEEA released its [Cycle 6 and 2024 Annual Report](#), showcasing the innovations and milestones that the alliance achieved during our 2020–2024 business cycle. The region is continuing to build on this work, advancing emerging technologies and removing market barriers to energy efficiency. Highlights from NEEA's activities in Q3 include:

- Partnered with Clark County PUD, the Gas Technology Institute (GTI) and NW Natural to publish a [white paper](#) on a collaborative approach to advancing dual-fuel residential HVAC to achieve a reliable, resilient and affordable energy future.
- Observed a 15% increase in Heat Pump Water Heater total sales through NEEA distributor partners (both retrofit and new construction markets) this quarter; sales trends observed in the preliminary retail data are holding steady.
- Submitted comments underscoring the consumer benefits of more than a dozen existing federal standards. These benefits are supported by both U.S. Department of Energy's analysis and by NEEA's data.

In mid-May, NEEA convened the largest Efficiency Exchange conference to date, bringing together over 600 energy efficiency professionals from more than 200 organizations to learn, share best practices and connect to help the region more effectively achieve its energy efficiency goals.

Efficiency Exchange 2025 featured two dozen sessions on topics curated by the region, as well as a keynote panel of utility CEOs that included Maria Pope, Portland General Electric; Kyle Roadman, Emerald PUD; and Kim Rush, NW Natural. In the post-event survey, 98% of respondents rated the conference good/excellent.

More highlights from NEEA's work are available in the quarterly newsletters linked below. Please reach out to NEEA staff directly with questions.



Becca Yates, Executive Director

### ADDITIONAL RESOURCES:

> [Codes + Standards Newsletter](#)

> [Emerging Technology Newsletter](#)

> [Market Research + Evaluation Newsletter](#)

> [Market Progress Report](#)



## Deliver on Cycle 7 Mission + Purpose

NEEA is an alliance of utilities and energy efficiency organizations whose purpose is to pool resources and share risks to transform the market for energy efficiency to the benefit of all consumers in the Northwest. NEEA works with all parts of the market to deliver energy efficiency to Northwest consumers by:

- Gathering and analyzing data to inform NEEA's Market Transformation programs as well as regional power planning and utility programs.
- Leveraging its relationships with mid and upstream market actors like manufacturers and retailers to influence their business practices by making the case for efficiency.
- Improving how products are tested and perform in real life applications.

These long-term efforts transform the market by making more efficient products and options available to consumers and businesses across the Northwest. Highlights of NEEA's market transformation progress achieved over the last quarter are documented below.




Portfolio Priorities	Q2 Updates
<b>2025 Portfolio Goal: Maintain progress in key electric portfolio programs driving NEEA's Cycle 7 energy savings, while exploring opportunities that align with evolving regional needs.</b>	
<b>Heat Pump Water Heaters (HPWH)</b>	<ul style="list-style-type: none"> <li>• Launched development of a national partner matrix with the Advanced Water Heating Initiative. This database will identify HPWH efforts across the country, highlighting region-specific barriers, opportunities, and key actors, and support NEEA's efforts to increase HPWH adoption in the Northwest.</li> </ul>
<b>Extended Motor Products</b>	<ul style="list-style-type: none"> <li>• Documented an increase in smart pump market share reaching 22% year-to-date, driven by a strong Q2 performance.</li> <li>• Increased awareness on the benefits of energy-efficient smart pumps both within the pump industry and among utility customers through community and industry events, such as International Facility Management Association and National Association of Energy Service Companies.</li> </ul>
<b>Retail Product Portfolio/TVs</b>	<ul style="list-style-type: none"> <li>• Maintained market relationships, partnering and planning with industry stakeholders to navigate ENERGY STAR® program developments. NEEA is closely tracking developments on behalf of the region.</li> <li>• Continued lab testing for laundry, refrigerators, heat pump dryers to support future advancements in product specifications.</li> </ul>

Portfolio Priorities	Q2 Updates
<b>2025 Portfolio Goal: Continue development of the natural gas portfolio and dual-fuel systems.</b>	
<b>Natural Gas/Dual-fuel Portfolio</b>	<ul style="list-style-type: none"> <li>• Developed initial concept for a Residential Dual-Fuel HVAC Program that advances efficient systems with grid-enabled controls to provide energy and cost savings without sacrificing year-round comfort. The Natural Gas Advisory Committee will review for advancement in Q3 2025.</li> <li>• Presented a program concept for a gas high efficiency dedicated outdoor air system (DOAS) specification to the Natural Gas Advisory Committee (NGAC). If approved by NGAC in early 2026, this will expand NEEA's electric High-Performance HVAC program to address electric and gas heating systems, enabling swifter transformation of the commercial market through broader market engagement and increased demand.</li> <li>• Began baseline metering at a dual-fuel commercial water heating demonstration site that is preparing for installation by the end of the year. An additional gas heat pump demonstration site is also in the early stages of development.</li> <li>• Completed the first Market Progress Evaluation Report (<a href="#">MPER #1</a>) for Efficient Rooftop Units (RTU) to address efforts to increase market awareness, availability and efficiency program inclusion.</li> </ul>
<b>2025 Portfolio Goal: Collaboratively develop End-Use Load Flexibility and Whole Building special projects.</b>	
<b>End-Use Load Flexibility</b>	<ul style="list-style-type: none"> <li>• Discussed the <b>Draft End-Use Load Flexibility 2026-2029 Strategic and Business Plan</b> with NEEA's Board of Directors to gather feedback and input and worked with the Steering Committee on edits for a revised version of the Plan. This Plan lays out a proposed regional Market Transformation approach to accelerate load flexibility as a resource.</li> <li>• Represented the region's End-Use Load Flexibility work by sharing best practices and results at recent industry events and conferences including the Peak Load Management Spring Conference, Efficiency Exchange and the Western Energy Institute Utilities Conference to support regional collaboration on the topic.</li> </ul>
<b>Whole Building</b>	<ul style="list-style-type: none"> <li>• Developed regional resources to enable high-performance buildings to meet or exceed policy targets. Resources will include materials to help building owners navigate compliance with building performance standards (BPS), funding and finance pathways and opportunities, case studies, and a recognition strategy for buildings who exceed targets.</li> <li>• Initiated work to develop whole building market transformation concepts. Completed data analysis, secondary research and interviews with utilities related to BPS implementation to date, and established database of whole building market transformation concepts foundational to this work.</li> </ul>




Additional Priorities	Q2 Updates
<b>Other notable highlights.</b>	
<b>Regional Coordination</b>	<ul style="list-style-type: none"> <li>Submitted input to the Northwest Power and Conservation Council's 9th Power Plan to recommend incorporating demand reduction-induced price effects into cost-effectiveness modeling, reassessing development timelines for new generation resources, evaluating risks from demand uncertainty and natural gas supply constraints, and reconsidering the treatment of renewable energy tax credits to better reflect their impact on Northwest ratepayers.</li> </ul>
<b>Market Research + Evaluation</b>	<ul style="list-style-type: none"> <li>Launched an Agricultural Pumps Market Research effort to explore market barriers and other aspects of the regional market for efficient irrigation pumps across the Northwest.</li> <li>Finalized the Northwest Market Characterization study, exploring how energy-efficient benefits are distributed across different geographic communities across the Northwest, with a focus on rural areas. The study will inform future research and market transformation strategies.</li> </ul>
<b>Emerging Technology</b>	<ul style="list-style-type: none"> <li>Published final report for commercial heat pump dryers. Study findings revealed insights to support manufacturers in refining commercial dryer product design to better serve customer needs.</li> <li>Launched several new research projects, including residential duct sealing and modeling for natural gas and very high efficiency dedicated outdoor air systems (DOAS).</li> </ul>
<b>Risk Management</b>	<ul style="list-style-type: none"> <li>Received certification from an independent audit firm for 2024 financial statements, including no material adjustments needed, in accordance with the Generally Accepted Accounting Principles.</li> <li>Redesigned NEEA's website, <a href="https://neea.org">neea.org</a>, and the <a href="https://BetterBricks.com">BetterBricks.com</a> website with the latest best practices in security and improved navigability to better serve the region's stakeholders and building owners.</li> <li>Upgraded NEEA office technology, policies and procedures, including a more secure Virtual Private Network based on the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF).</li> </ul>



## Market Transformation Metrics

	Business Plan Estimate	Current Forecast	Status
<b>Electric Portfolio Energy Savings</b>			
<b>5-year (2025–2029) Co-Created Energy Savings (aMW)</b>	190–225	190–225 <sup>1</sup>	
<b>Natural Gas Portfolio Energy Savings</b>			
<b>5-year (2025–2029) Co-Created Energy Savings (MM Therms)</b>	6–17	6–17	
 Within 5% of target  Within 5-10% of target  More than 10% from target			

## Operational Metrics

	Actual	Forecast	Budget / Target	Status
<b>Electric Portfolio</b>				
<b>YTD Investment (\$M)</b>	\$18.3	\$18.8	\$18.5	
<b>Full Year Investment (\$M)</b>	N/A	\$38.7	\$38.7	
<b>Natural Gas Portfolio Energy Savings</b>				
<b>YTD Investment (\$M)</b>	\$2.7	\$2.7	\$3.0	
<b>Full Year Investment (\$M)</b>	N/A	\$5.9	\$5.9	
<b>Administrative Budget</b>				
<b>Administrative Expenses (%)</b>	16.4%	N/A	<18.0%	
 Within 5% of target  Within 5-10% of target  More than 10% below target				

Variance Notes:

**Natural Gas Portfolio:** NEEA's natural gas actuals through Q2 were \$2.7M, or 10% below budget. This variance is primarily due to a staffing vacancy as NEEA is hiring a Product Manager to support the expanding portfolio. NEEA staff are projecting that core natural gas work will finish the year close to budget.

**Co-Created Energy Savings:** Energy savings that the regional Market Transformation efforts and local programs achieve by working together. These savings reflect the gains above a forecasted market baseline.

**Total Regional Energy Savings:** All energy savings calculated above the pre-intervention market starting point.

**Administrative Expenses:** Percent of total budget dedicated to business administration and executive cost centers.

<sup>1</sup> NEEA is tracking external factors and federal policy changes to assess related impacts to near term savings expectations. NEEA adjusts its savings forecasts twice a year. The next updated forecast will be shared in the Q3 Quarterly Report, which the Board will receive in December.



## ***Pre-read Materials***



# Memorandum

September 2, 2025

To: NEEA Board  
 From: Becca Yates, Executive Director  
 Subject: 2025 Board Secretary Election

**Ask:** Review the timeline and process for electing a new Board Secretary and attend the Q3 Board Meeting with any questions.

**Background:** According to NEEA's Bylaws, Board officers and members of the Executive Committee are elected by the Board every two years at the annual Board Meeting. The Governance Committee is tasked with overseeing the biennial elections and ad hoc elections should a Board Officer position become vacant at any time during the two-year officer term. The most recent elections were held in December 2024.

Danie Williams served as Board Secretary. She left NorthWestern Energy on July 25, 2025 and, as a result, stepped down from the Board and vacated her position as Board Secretary.

During its Q3 Meeting, the Governance Committee aligned on the process and timeline for reaching out to Board Members to solicit interest for the Board Secretary position.

**Next steps:** The Governance Committee is tasked with soliciting interest in fulfilling the remainder of the Board Secretary term until the next elections during the 2026 December Board Meeting and bringing forth a nomination to the Board.

1. Q3 - Governance Committee Chair, or designee, will reach out to Board Members to gauge interest in the Board Secretary position.
2. Q4 Governance Committee Meeting - the Governance Committee will discuss the list of interested parties and align on the nomination to bring to the Executive Committee and Board in December for election.
3. Q4 Board Meeting – the Board votes on a new Secretary to serve as an officer and member of the Executive Committee.

## Election Process:

1. The Governance Committee Chair or Board Chair will present the nomination to the Board for election to fulfill the remainder of the Board Secretary position, until the next elections in December 2026.
2. If there is no contest for the seat, the Governance Committee Chair or Board Chair will call for a voice vote.
3. If there is more than one candidate for this position, the Governance Committee Chair or Board Chair will conduct the vote in accordance with Robert's Rules of Order, using either a roll call or ballot process, at the discretion of the Board Chair.

# Memorandum



September 2, 2025

To: NEEA Board  
From: Becca Yates, NEEA Staff  
Subject: Board Risk Management Follow-up

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**Ask:** For information and discussion.

**Background:** At the Q2 Board meeting the Board reviewed the results of the 2024 Board self-assessment of strengths. The analysis of this survey identified risk management understanding and how that should be applied within the Board's discussions and decisions as a focus area for Board development. An action item from that discussion was for the Governance Committee (GC) to determine next steps to further this development.

**Outcomes of the Q2 GC Committee Discussion:** The Governance Committee reviewed ways risk management is currently being integrated into organizational and Board discussions (see Appendix 1) and aligned on a recommendation for staff to explore to help the Board develop its risk management awareness and practice. This recommended path includes:

1. Developing recommendations for ensuring risks are embedded more frequently, where appropriate, into Board discussions and decisions.
2. Creating categories of risks that are routinely visited in these discussions, with the understanding that different topics may have unique risk profiles.

Staff will spend Q3 developing options for this recommended path to review with the GC in Q4. NEEA's Executive Director plans to provide a brief update on this process at the Q3 Board meeting with more robust discussion with the Board planned for after the GC reviews and aligns on recommendations for implementing its recommendations.

## **Appendix 1: How Risk Management Currently Shows up in Board Engagements and Decisions:**

Currently, NEEA staff identifies some risks to be considered as part of new opportunities, ongoing operations and strategic/business planning. There are other risks that the Board may want to consider in its deliberations. These are all outlined below.

1. **New Opportunities.** NEEA's new strategic opportunity assessment document and process highlight both opportunities and risks for the Board to consider as new opportunities are discussed within the Board. These categories include:
  - a. Is there distraction from current EE Market Transformation efforts that a new opportunity would create?
  - b. Are there positive and/or negative impacts to existing EE Market Transformation efforts by pursuing/not pursuing this opportunity?
  - c. What reputation or market positioning risks exist for NEEA with its funders, market actors and key supply chain partners in pursuing/not pursuing this opportunity?
  - d. What would the impacts to NEEA's resourcing or operational effectiveness be with this new opportunity?
  - e. What impacts, if any, would there be to NEEA's core funding by pursuing/not pursuing this opportunity?
2. **Ongoing Operations.** NEEA staff tracks and manages operations related to numerous risks to the organization. Staff also creates a report twice a year for Executive Committee review outlining the likelihood a risk will manifest, impact this would have, and appropriate mitigation strategies. At times, some of these risks escalate to a larger Board discussion when there is potential impact to NEEA funding, governance, Board-directed policies and direction and/or if any of these risks put NEEA's strategic or business plan success into jeopardy. The categories of risks that staff report on are outlined below, with risks that have escalated to the Board for discussion within the last two years bolded.

### **Primary risks**

- a. **Funder loss**
- b. **Regional and NEEA funder misalignment**
- c. **External environment risk (i.e. economic downturn)**
- d. **Changes in Federal and State Policies, including Regulatory, Legislative and Executive Actions**
- e. **NEEA energy savings and whether they are at risk of falling outside of range**
- f. Natural disaster/emergency preparedness
- g. **Attraction and retention of employees**
- h. Product risk
- i. **Vendor business or performance failure (in part or whole)**
- j. **Loss or Exposure of Highly Confidential or Sensitive Information due to Malicious or Inadvertent Activity**
- k. **Loss of Key Market Supplier**
- l. Risk of Misaligned Market Transformation Approaches with Supply Chain and Other Market Influencers

### **Secondary risks**

- a. Business systems and controls
- b. Employee Performance Management
- c. Disclosure of Highly Confidential Personnel Data
- d. Public relations crisis
- e. Inefficient Contract Management and Administration



- f. Significant Outage of a Major NEEA System due to System/Network Failure, Malicious Activity, SaaS Vendor Outage, or Disaster
  - g. Potential Program Incentive Fraud
  - h. Federal Contractor Requirements Noncompliance
3. **Strategic and business planning.** The key risks the Board focuses on during strategic and business planning are focused on:
- a. Can the region agree on a business plan that delivers enough value at a price point that works for all interested funders.
  - b. What risk is there to losing a funder.
  - c. What types of work does the alliance need to be focused on to ensure continued value delivery in the near and long term.
4. **Other types of risks.** The following risks are additional ones that the Board may consider taking into account in existing or new discussions/processes:
- a. Does a decision or direction pursued by the Board impact existing Board-approved policies, guidelines or charters?
  - b. How does pursuing or not pursuing an opportunity impact NEEA's financial positioning?



# Memorandum

September 2, 2025

To: NEEA Board

From: Becca Yates, Executive Director

Subject: 2024 Board Self-Assessment Action Items - Status

**Our ask:** Review the action items status and provide any additional comments if needed.

**Background:** Every two years the Governance Committee leads a Board Self-Assessment. The Board reviewed and aligned on action items from the 2024 Board Self-Assessment during the Q1 2025 Board Meeting. The Governance Committee is tasked with monitoring the actions, modifying actions as needed to reflect changing Board dynamics, and reporting the status to the Board.

During its Q3 Meeting, the Governance Committee asked NEEA staff to research the feasibility of a potential Board survey to address action item 3(b). NEEA staff will bring this discussion back to the Governance Committee in Q4 for additional discussion and consideration.

The next Board Self-Assessment will be in 2026.

## Board-approved action items with updates on progress-to-date.

Action item	Responsible Party	Progress	Comments
<b>1. Enhance Succession Planning &amp; Continuity</b>			
<b>a.</b> Implement structured handover process where Board Chair and Executive Director are connected with decision maker at home organization to discuss role expectations and any alliance context to help inform decision-making on the role to ensure expectations and needs are aligned during appointment process	Outgoing Board members, Board and/or Vice Chair and NEEA Executive Director		Ongoing, implemented Q1 2025
<b>b.</b> Create formal transition plans, such as shadowing opportunities or using introduction packets, to familiarize new members with ongoing projects and committees	NEEA staff		Ongoing
<b>c.</b> Establish mentorship programs where current board members actively mentor and guide their replacements	NEEA staff and Board		Board orientation
<b>2. Clarify Roles &amp; Contributions</b>			
<b>a.</b> Provide clear role descriptions that define board member's responsibilities for serving on the Board, time commitments, and expected contributions.	NEEA staff		Board manual, completed update
<b>b.</b> Facilitate discussions to help new board members differentiate between funder perspectives and their personal or organizational views.	NEEA Governance Committee and staff		Board orientation, completed

Action item	Responsible Party	Progress	Comments
<b>c.</b> Guide new members to identify their unique contributions, helping them integrate effectively into the board's existing structure	NEEA Board Chair, Vice Chair and Executive Director		Cadence ongoing & through individual new member orientation
<b>3. Strengthen Board Composition &amp; Skills Diversity</b>			
<b>a.</b> Develop and implement a skills matrix to ensure a variety of expertise is represented on the Board (e.g., finance, legal, governance, energy policy).	NEEA staff and Board		Board orientation, completed
<b>b.</b> Conduct voluntary surveys to track membership, informing future appointment conversations where feasible and tracking whether representation aligns with NEEA's mission and purpose statement.	NEEA Governance Committee and staff		Board orientation. Governance Committee discussion needed for future action.
<b>4. Develop a Pipeline for Future Board Members</b>			
<b>a.</b> Leverage the experience of staff members engaged in NEEA work to help inform awareness of NEEA's mission and work as organizations are making appointment decisions.	NEEA Board and NEEA staff		Ongoing
<b>b.</b> Prioritize recruitment efforts that seek to fill gaps in Board skills and expertise.	See 1a, 3a and 3b		Ongoing

## Appendix 1: Themes identified during the 2024 Board Self-Assessment

### 1. Succession Planning & Continuity

- **Challenges in Knowledge Transfer:** New Board members face a significant learning curve due to a lack of structured handovers and continuity from predecessors. This results in gaps in understanding ongoing projects, committees, and organizational goals.
- **Structured Transition Process:** There is a clear need for thoughtful succession planning, including formal transition practices (e.g., introduction packets, shadowing) to facilitate smoother onboarding and ensure continuity.
- **Role in Succession Planning:** Current Board members should be more engaged in managing succession and mentoring their replacements to maintain institutional knowledge.

### 2. Role Clarity & Contributions

- **Differentiating Perspectives:** New board members often struggle to separate the funder's perspective from their personal or organizational viewpoint. Clarity on this distinction would enhance contributions.

- **Unique Contributions:** NEEA staff can assist board members in finding their unique role within the board, separate from their predecessor's contributions, to better integrate into the organization.

### 3. Board Composition & Skills

- **Broad Skills & Perspectives:** A board skills matrix and survey would provide insight into the variety of expertise and perspectives of the Board and could guide future appointments.
- **Data Collection:** Voluntary, but strongly encouraged, surveys would help assess how the board aligns with regional and national benchmarks.

### 4. Communication of Expectations

- **Clear Role Descriptions:** Detailed descriptions of board roles, including responsibilities, time commitments, and expectations, would enhance clarity for new members and help them transition into their roles more effectively.

### 5. Pipeline Development & Recruitment

- **Succession Pipeline:** RPAC membership can serve as a valuable pipeline for future board members. Developing internal pipelines within the organization for succession could support the continuity of board composition.
- **Representation:** Emphasizing varied perspectives, beyond just roles of authority, is critical for ensuring strong representation on the board.

## Appendix 2: Results

### Results Overview

#### Your Board's Scores



### Results Overview

#### Your Board's Scores



From an overall perspective, the Board's self-assessment improved or stayed the same in all areas since 2020. Six current Board Members were on the Board in 2020 and eleven were on the Board in 2022. The areas summarized are in four overarching categories: people, culture, work, and impact. The full report contains more detail in each area.



# Memorandum

September 2, 2025

TO: NEEA Board

FROM: Becca Yates, NEEA staff

SUBJECT: Public Interest Board Seat Candidate Update

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**Our Ask:** for information and discussion as needed.

**Background:**

The Governance Committee is tasked with oversight of this Ad Hoc Public Interest Candidate Selection Committee (Ad Hoc Committee) and for this selection process. Members of the Ad Hoc Committee include Gilbert Archuleta, Debbie DePetrus, Kellye Dundon, Nicole Hydzik, Elizabeth Osborne, Ruchi Sadhir. The Ad Hoc Committee's responsibility is to conduct the public outreach to solicit nominations for the Public Interest representative, vet the applications and make recommendations to the Governance Committee.

During its Q1 meeting, the Governance Committee aligned on the process and timeline for this year's public interest candidate selection and established a separate Ad Hoc Committee that reports to the Governance Committee. In Q2, the Ad Hoc Committee reviewed and approved the Solicitation Letter, interview questions, and scoring criteria. In Q3, the Ad Hoc Committee reviewed the twelve applications, and selected two candidates to interview. Those not moving forward with an interview will be contacted by the end of August.

**Next steps:**

1. (Q3) Ad Hoc Committee Members Debbie DePetrus, Kellye Dundon, Elizabeth Osborne, and Ruchi Sadhir will conduct interviews for the Public Interest Board Seat. Josh Mitchell will serve as the alternate as needed. NEEA staff will schedule interviews in September, followed by a debrief. NEEA staff will also notify applicants not selected for interviews.
2. (Q4) The Ad Hoc Committee will align on the recommendation to present to the Governance Committee during the Q4 GC Meeting on October 28<sup>th</sup>.
3. (Q4) The Governance Committee will align on the public interest candidate selection and present to the Executive Committee and Board in December for election.

# Memorandum



Date: September 2, 2025

To: NEEA Board

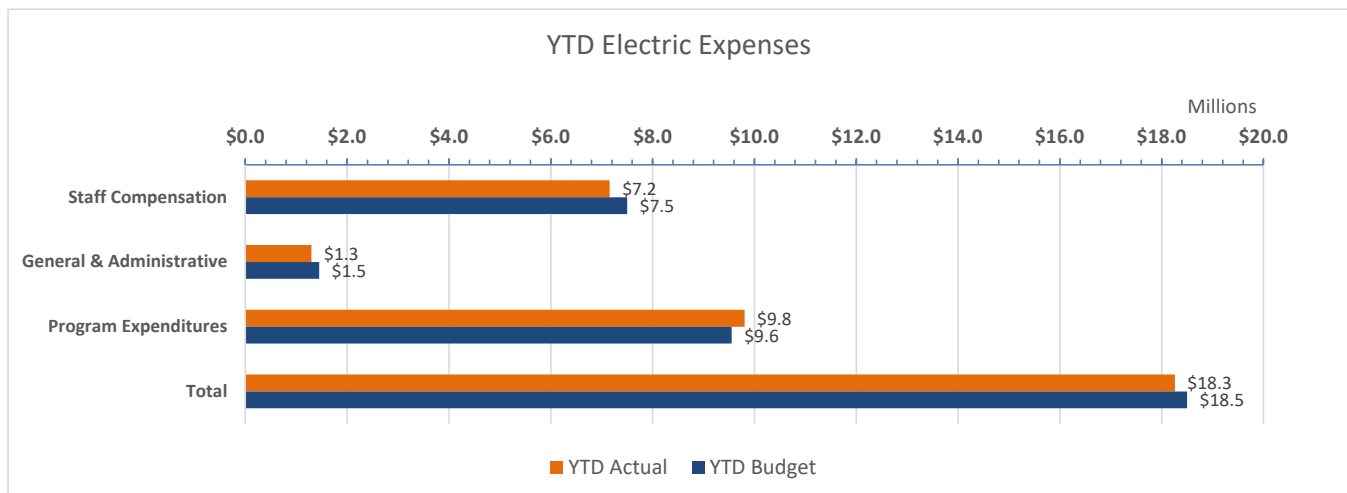
From: Kyle Burchard, Vice President of Business Administration

Subject: Q2 YTD 2025 Financial Summary

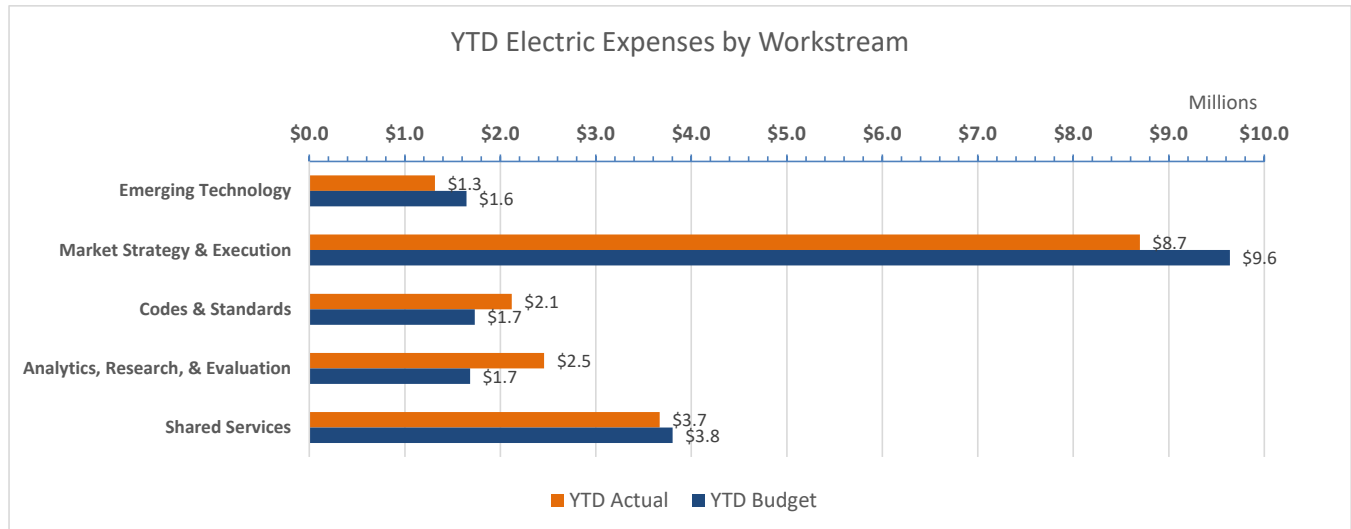
**Our Ask:** For information only.

## Q2 2025 Electric Financial Summary Report – *please reference Tables 1 & 2 of 2025 Operations Plan*

NEEA's electric YTD actuals through Q2 2025 were \$18.3M vs. a budget of \$18.5M, a variance of -\$0.2M (-1%). Compensation and Benefits were -\$0.3M below budget (-5%) due to hiring delays and staff vacancy. General and Administrative expenditures were -\$0.2M below budget (-11%) due primarily to deferred website expenditures and delayed professional development. Program expenditures of \$9.8M were over the \$9.6M budget by +\$0.3M (+3%). The YTD variance is in line with expectations as NEEA ramps up into work identified in the Cycle 7 Business Plan.



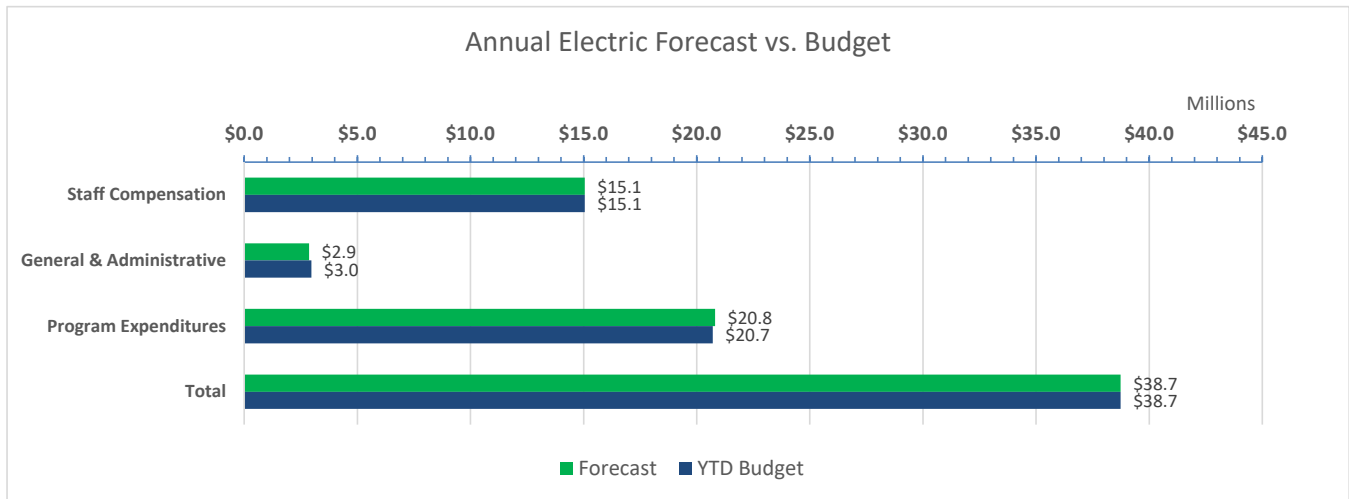
## Q2 2025 YTD Expenses by Workstream



- **Emerging Technology** finished the quarter  $-\$0.3\text{M}$  (-20%) below budget as ramp was slower to start year than assumed in budget, but on track to finish year close to budget.
- **Market Strategy & Execution** was  $-\$0.9\text{M}$  below budget (-10%) through June as almost all product group direct expenses (excluding labor and G&A, details below) finished under budget.
  - Water Heating (-31%) due to a slight delay in the market progress evaluation report. Installer engagements have also been slower in execution than expected.
  - HVAC (-29%) due to delays in market progress work.
  - Consumer Products (-13%) driven by delays in tv research that will now occur in the second half of 2025. Fewer heat pump dryer new models were released which attributed to the variance as well.
  - Enabling Infrastructure (-2%) due to slight delay in BetterBricks website development.
  - Motor-Driven Systems (-2%) due to slight delays in contracting work with fans.
  - Lighting (+5%) has a small amount of accelerated work with Luminaire Level Lighting Controls.
- **Codes & Standards** were  $+\$0.4\text{M}$  above budget (+22%) due to higher than expected activity with 3 state (OR/WA/ID) and national codes.
- **Analytics, Research, & Evaluation** finished the quarter  $+\$0.8\text{M}$  vs. budget (+46%) driven primarily by Commercial Building Stock Assessments relying more heavily on in-person recruiting.
- **Shared Services** were  $-\$136\text{K}$  (-3%) under budget for the quarter representing mostly G&A expenditures.

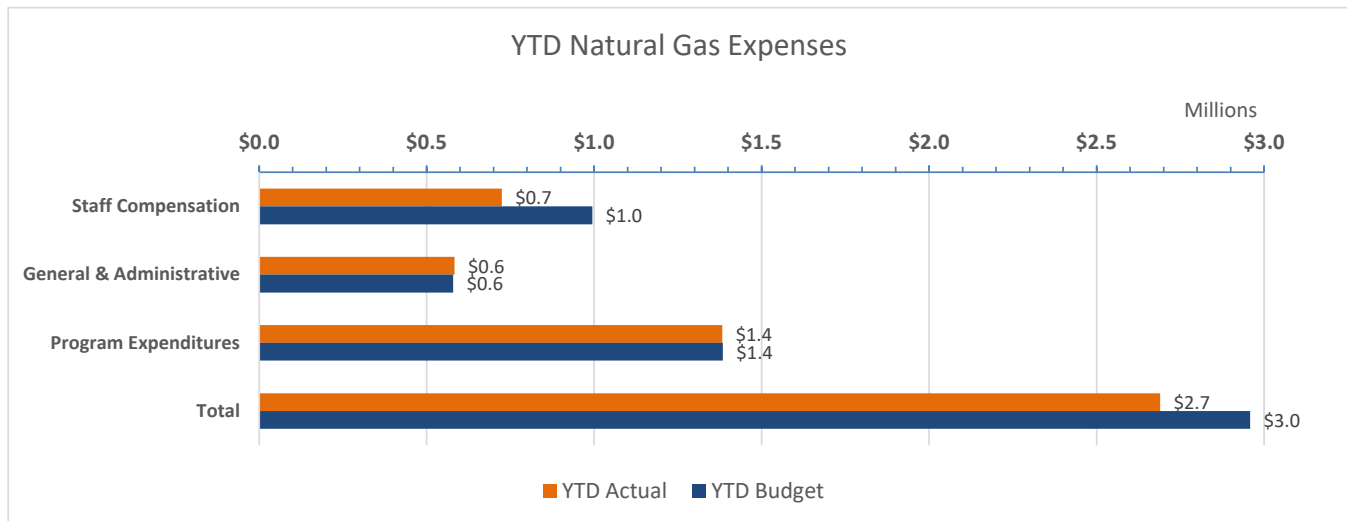


### 2025 Forecast as of July



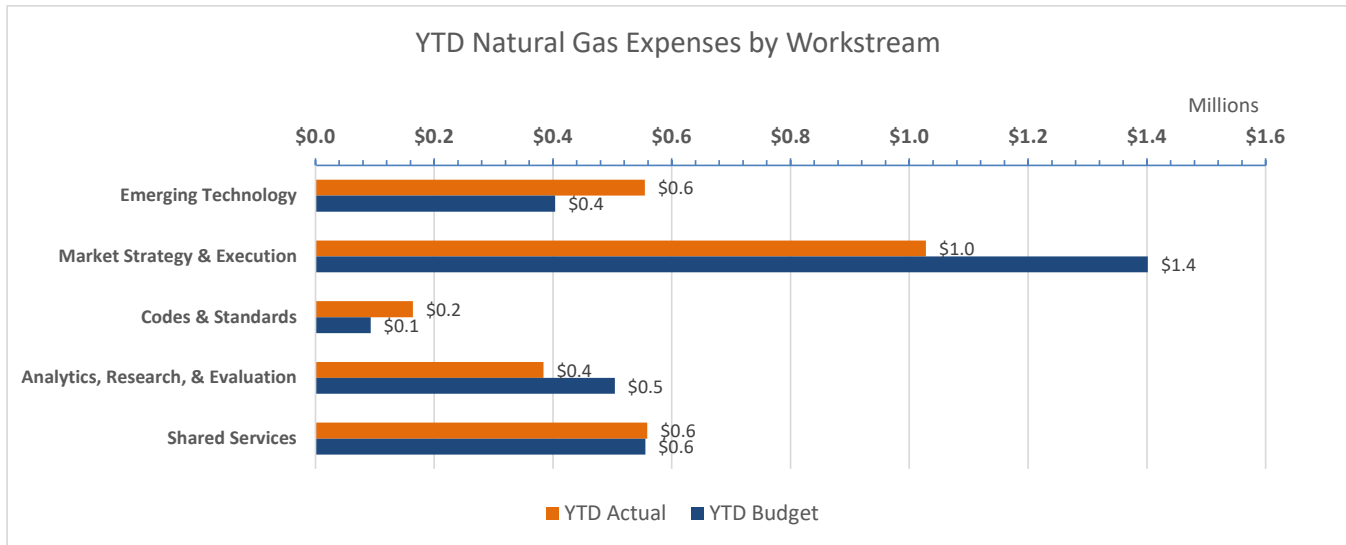
NEEA staff are currently projecting that electric expenses will finish the year at or close to budget. The portfolio management function has been established and is monitoring market fluctuations that can affect work. This function now owns the process of monthly forecast/reallocation reviews to adaptively manage budget variances.

### Q2 2025 Gas Financial Summary Report – please reference Tables 1 & 2 of 2025 Operations Plan

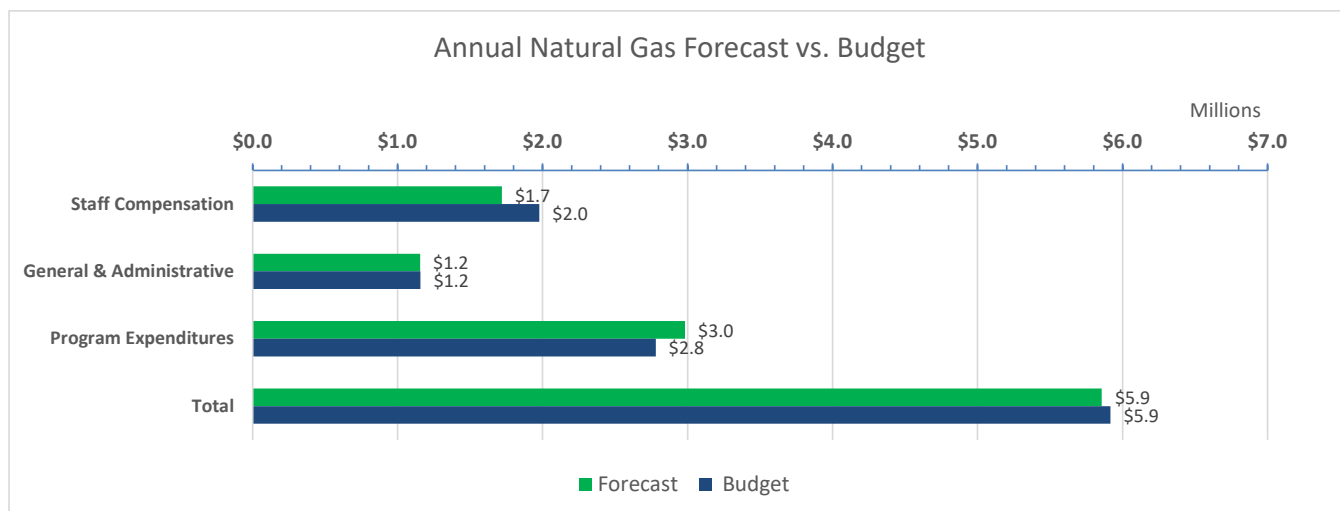


NEEA's natural gas actuals through Q2 2025 were \$2.7M vs. budget of \$3.0M, a variance of -\$0.3M (-9%). Compensation and Benefits were -\$270K under budget (-27%) due to later than expected start dates for new hires and fewer hours needed to support program needs in the first half of the year. General and Administrative costs were +\$4K above budget (+1%). Program utilization finished the quarter at budget YTD. The main driver of the YTD variance is related to staffing vacancy as NEEA is hiring a Product Manager to support the expanding portfolio. Staff expects to have the position filled by the time the new dual-fuel residential HVAC program advances into the portfolio.

## Q2 2025 YTD Expenses by Workstream



- **Emerging Technology** finished the quarter +\$151K above budget (+37%) as the Residential Dual Fuel HVAC program concept is moving quickly in preparation for Concept Advancement milestone in Q4. A field study, market research, and modeling are the main activities.
- **Market Strategy & Execution** was -\$373K below budget (-27%) through June as product group direct expenses (excluding labor and G&A, details below) finished under budget.
  - Water Heating (-69%) was below budget primarily because of delays in field and lab testing that will now occur in Q3.
  - HVAC (-33%) was below budget as some expenses shifted into Q3 and partner funding offset some anticipated costs.
- **Codes and Standards** finished Q2 YTD +\$71K (+76%) as work accelerated in Q1/Q2 compared to ramp assumed in budget.
- **Analytics, Research, & Evaluation** was -\$120K (-24%) as labor costs were lower than budgeted and research work was slightly delayed.
- **Shared Services** was +\$3K (+1%) above budget for the quarter.

**2025 Forecast as of August**

NEEA staff are projecting that core gas will finish the year close to budget. NEEA Staff have continued the practice of monthly forecast/reallocation reviews to adaptively manage budget variances.

## Electric Variance Report by Product Group

	Year to date as of June 2025					Full Fiscal Year 2025			
	<u>Actuals</u> (\$K)	<u>Budget</u> (\$K)	<u>Variance</u> (\$K)	<u>% Var</u>		<u>Annual Budget</u> (\$K)	<u>Annual Forecast</u> (\$K)	<u>Variance</u> (\$K)	<u>% Var</u>
Compensation and Benefits	7,155	7,499	(343)	(5%)	G	15,053	14,983	(70)	(0%)
General and Administrative	1,298	1,450	(152)	(11%)	G	2,971	2,924	(47)	(2%)
Emerging Technology (Direct Expense)	747	859	(112)	(13%)		1,800	1,759	(41)	(2%)
Consumer Products (Direct Expense)									
Retail Product Portfolio	1,202	1,383	(180)	(13%)	G	3,117	3,086	(32)	(1%)
<b>Total Consumer Products</b>	<b>1,202</b>	<b>1,383</b>	<b>(180)</b>	<b>(13%)</b>		<b>3,117</b>	<b>3,086</b>	<b>(32)</b>	<b>(1%)</b>
HVAC (Direct Expense)									
Advanced Heat Pumps	330	541	(211)	0%		1,350	1,350	0	0%
Ductless Heat Pumps	26	30	(4)	0%	G	60	26	(34)	(57%)
High-Performance HVAC	323	383	(60)	(16%)	G	1,190	1,246	56	5%
Market Strategy	83	122	(40)	(32%)		126	127	1	1%
<b>Total HVAC</b>	<b>761</b>	<b>1,076</b>	<b>(314)</b>	<b>(29%)</b>		<b>2,726</b>	<b>2,749</b>	<b>22</b>	<b>1%</b>
Lighting (Direct Expense)									
Luminaire Level Lighting Controls	728	686	42	6%	G	1,280	1,469	189	15%
Market Strategy	164	165	(1)	(1%)	G	180	179	(1)	(0%)
<b>Total Lighting</b>	<b>892</b>	<b>851</b>	<b>41</b>	<b>5%</b>		<b>1,460</b>	<b>1,648</b>	<b>188</b>	<b>13%</b>
Motor-Driven Systems (Direct Expense)									
Extended Motor Products (XMP)	721	672	48	7%	G	1,540	1,556	16	1%
Fans	51	113	(62)	(55%)	G	320	255	(65)	(20%)
Market Strategy	0	0	0	0%	G	40	40	0	0%
<b>Total Motor-Driven Systems</b>	<b>772</b>	<b>785</b>	<b>(13)</b>	<b>(2%)</b>		<b>1,900</b>	<b>1,850</b>	<b>(50)</b>	<b>(3%)</b>
New Construction (Direct Expense)									
Manufactured Homes	0	0	0	0%	G	60	40	(20)	(33%)
<b>Total New Construction</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>		<b>60</b>	<b>40</b>	<b>(20)</b>	<b>(33%)</b>
Water Heating (Direct Expense)									
Heat Pump Water Heaters	898	1,302	(404)	(31%)	Y	2,698	2,497	(201)	(7%)
Water Heating Strategy	18	18	0	0%	G	35	35	0	0%
<b>Total Water Heating</b>	<b>916</b>	<b>1,319</b>	<b>(404)</b>	<b>(31%)</b>		<b>2,733</b>	<b>2,532</b>	<b>(201)</b>	<b>(7%)</b>
Enabling Infrastructure (Direct Expense)									
Betterbricks	189	235	(46)	(19%)	G	450	517	67	15%
Integrated Design Labs	249	213	36	17%	G	425	497	72	17%
<b>Total Enabling Infrastructure (Direct</b>	<b>438</b>	<b>447</b>	<b>(10)</b>	<b>(2%)</b>		<b>875</b>	<b>1,014</b>	<b>139</b>	<b>16%</b>
Codes and Standards (Direct Expense)	1,662	1,160	502	43%	G	2,660	3,168	508	19%
Market Intelligence (Direct Expense)	2,316	1,542	774	50%	G	3,099	3,301	201	6%
Market Research (Direct Expense)	1	0	1	0%		0	1	1	100%
Market Strategy (Direct Expense)	25	100	(75)	(75%)	G	250	125	(125)	(50%)
Other Projects (Direct Expense)	74	30	44	146%		30	74	44	146%
<b>Total Expense</b>	<b>18,259</b>	<b>18,501</b>	<b>(243)</b>	<b>(1%)</b>		<b>38,735</b>	<b>39,252</b>	<b>517</b>	<b>1%</b>

Impact of Variance: Disposition based on qualitative and quantitative assessment by NEEA Staff at time of reporting.

### Natural Gas Variance Report by Product Group

	Year to date as of June 2025				Impact of Variance	Full Fiscal Year 2025			
	Actuals (\$K)	Budget (\$K)	Variance (\$K)	% Var		Annual Budget (\$K)	Annual Forecast (\$K)	Variance (\$K)	% Var
Compensation and Benefits	724	995	(270)	(27%)	Y	1,978	1,719	(259)	(13%)
General and Administrative	583	579	4	1%	G	1,158	1,155	(3)	(0%)
Emerging Technology (Direct Expense)	521	375	146	39%	G	750	818	68	9%
HVAC (Direct Expense)									
Dual Fuel Res HVAC	0	0	0		G	0	0	0	
Gas : Efficient Rooftop Units	209	305	(95)	(31%)	G	715	672	(43)	(6%)
Market Strategy	43	50	(7)	(14%)	G	51	147	96	189%
<b>Total HVAC</b>	<b>252</b>	<b>379</b>	<b>(127)</b>	<b>(33%)</b>		<b>816</b>	<b>820</b>	<b>4</b>	<b>1%</b>
Water Heating (Direct Expense)									
Advanced Commercial Water Heating	88	286	(198)	(69%)	G	490	701	211	43%
Efficient Gas Water Heating	5	0	5		G	0	5	5	
<b>Total Water Heating</b>	<b>93</b>	<b>286</b>	<b>(193)</b>	<b>(68%)</b>		<b>490</b>	<b>706</b>	<b>216</b>	<b>44%</b>
Codes and Standards (Direct Expense)	131	65	66	101%	G	175	181	5	3%
Market Intelligence (Direct Expense)	375	270	106	39%	G	539	448	(92)	(17%)
<b>Total Expense</b>	<b>2,690</b>	<b>2,958</b>	<b>(268)</b>	<b>(9%)</b>		<b>5,916</b>	<b>5,857</b>	<b>(60)</b>	<b>(1%)</b>
					Impact of Variance: Disposition based on qualitative and quantitative assessment by NEEA Staff at time of reporting.				

	B	C	D	E	F	H	I	J	K
1	This PUBLIC report is a traditional Profit and Loss financial report including all funding sources sorted by funding source and natural account classification. The report displays Year-to-Date financial results compared to budget and variance, along with the Annual Budget, most recent Annual Forecast and variance. Project expenses will be reported by Product Group.								
2									
3	<b>Northwest Energy Efficiency Alliance</b>								
4	<b>Profit and Loss Statement</b>								
5		\$ Thousands				\$ Thousands			
6		<b>Calendar Year-to-Date through June 2025</b>				<b>Annual</b>			
7		<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>% Variance</b>	<b>Budget</b>	<b>Forecast</b>	<b>Variance</b>	<b>% Variance</b>
8	<b>INCOME</b>								
9	Electric Funds	18,623	18,501	121	0.7%	38,735	39,616	881	2.3%
10	Natural Gas	2,743	2,958	(215)	-7.3%	5,916	5,910	(6)	-0.1%
17	End-Use Load Research	394	591	(197)	-33.3%	1,296	1,172	(124)	-9.6%
21	Special Funds	1,508	2,107	(599)	-28.4%	4,063	3,542	(521)	-12.8%
22	Misc Income	96	38	59	156.1%	75	134	59	78.0%
23	<b>Total Income</b>	<b>23,364</b>	<b>24,195</b>	<b>(831)</b>	<b>-3.4%</b>	<b>50,085</b>	<b>50,374</b>	<b>289</b>	<b>0.6%</b>
24	<b>Electric Expenses</b>								
25	<b>Compensation &amp; Benefits</b>	<b>7,155</b>	<b>7,499</b>	<b>(343)</b>	<b>-4.6%</b>	<b>15,053</b>	<b>14,983</b>	<b>(70)</b>	<b>-0.5%</b>
27	<b>Electric Genl &amp; Admin Expenses</b>								
28	Professional Services	661	821	(160)	-19.5%	1,572	1,558	(14)	-0.9%
29	Office Expenses	247	256	(9)	-3.4%	512	505	(7)	-1.4%
30	Sponsorships	39	33	6	20.0%	60	56	(4)	-5.8%
31	Equipment and Software	434	363	71	19.5%	738	809	71	9.6%
32	Facilities	329	322	7	2.1%	645	653	8	1.2%
33	Travel and Meetings	268	416	(148)	-35.6%	879	716	(163)	-18.6%
34	Depreciation	251	251	(0)	-0.1%	587	568	(19)	-3.3%
35	Miscellaneous	2	4	(3)	-58.8%	10	8	(2)	-19.1%
36	Allocate Shared Services	(933)	(1,016)	83	-8.2%	(2,032)	(1,949)	83	-4.1%
37	<b>Total Electric G&amp;A Funds</b>	<b>1,298</b>	<b>1,450</b>	<b>(152)</b>	<b>-10.5%</b>	<b>2,971</b>	<b>2,924</b>	<b>(47)</b>	<b>-1.6%</b>
39	<b>PROJECT EXPENSES BY PRODUCT GROUP:</b>								
40	Emerging Technology	747	859	(112)	-13.0%	1,800	1,759	(41)	-2.3%
41	Building Envelope	0	0	0	0.0%	0	0	0	0.0%
42	Consumer Products	1,202	1,383	(180)	-13.1%	3,117	3,086	(32)	-1.0%
43	HVAC	761	1,076	(314)	-29.2%	2,726	2,749	22	0.8%
44	Lighting	892	851	41	4.8%	1,460	1,648	188	12.9%
45	Motor-Driven Systems	772	785	(13)	-1.7%	1,900	1,850	(50)	-2.6%
46	New Construction	0	0	0	0.0%	60	40	(20)	-33.3%
47	Water Heating	916	1,319	(404)	-30.6%	2,733	2,532	(201)	-7.3%
48	Enabling Infrastructure	438	447	(10)	-2.1%	875	1,014	139	15.9%
49	Codes and Standards	1,662	1,160	502	43.3%	2,660	3,168	508	19.1%
50	Market Intelligence	2,316	1,542	774	50.2%	3,099	3,301	201	6.5%
51	Market Research	1	0	1	0.0%	0	1	1	0.0%
52	Market Strategy	25	100	(75)	-75.3%	250	125	(125)	-50.1%
55	<b>Total Electric Project Expenses</b>	<b>9,806</b>	<b>9,552</b>	<b>253</b>	<b>2.6%</b>	<b>20,711</b>	<b>21,346</b>	<b>635</b>	<b>3.1%</b>
57	<b>Total Electric Expenses</b>	<b>18,259</b>	<b>18,501</b>	<b>(243)</b>	<b>-1.3%</b>	<b>38,735</b>	<b>39,252</b>	<b>517</b>	<b>1.3%</b>
59	<b>Natural Gas</b>								
60	Compensation & Benefits	724	995	(270)	-27.2%	1,978	1,719	(259)	-13.1%
61	General & Administrative	38	33	4	13.4%	67	64	(3)	-4.6%
62	Allocate Shared Services	546	546	0	0.0%	1,091	1,091	0	0.0%
63	Projects	1,382	1,385	(2)	-0.2%	2,780	2,983	203	7.3%
64	<b>Total Natural Gas Expenses</b>	<b>2,690</b>	<b>2,958</b>	<b>(268)</b>	<b>-9.1%</b>	<b>5,916</b>	<b>5,857</b>	<b>(60)</b>	<b>-1.0%</b>
66	<b>End-Use Load Research</b>								
67	Compensation & Benefits	129	175	(47)	-26.6%	352	244	(108)	-30.6%
68	General & Administrative	10	0	10	0.0%	0	10	10	0.0%
69	Allocate Shared Services	62	62	(0)	0.0%	124	124	(0)	0.0%
70	Projects	274	475	(201)	-42.4%	1,087	1,034	(53)	-4.8%
71	<b>Total End-Use Load Expenses</b>	<b>475</b>	<b>713</b>	<b>(237)</b>	<b>-33.3%</b>	<b>1,563</b>	<b>1,413</b>	<b>(150)</b>	<b>-9.6%</b>
73	<b>Special Projects</b>								
74	Compensation & Benefits	445	642	(197)	-28.4%	1,421	1,133	(288)	-20.3%
75	General & Administrative	29	111	(82)	-73.9%	122	59	(64)	-52.5%
76	Allocate Shared Services	325	409	(83)	-20.3%	817	734	(83)	-10.2%
77	Projects	790	774	17	2.2%	1,605	1,768	163	10.2%
78	<b>Total Special Project Expenses</b>	<b>1,590</b>	<b>1,935</b>	<b>(346)</b>	<b>-18.0%</b>	<b>3,965</b>	<b>3,694</b>	<b>(271)</b>	<b>-6.8%</b>
79	<b>Total NEEA Expenses</b>	<b>23,013</b>	<b>24,107</b>	<b>(1,094)</b>	<b>-4.5%</b>	<b>50,179</b>	<b>50,215</b>	<b>36</b>	<b>0.1%</b>
80	<b>Net Surplus (Deficit)</b>	<b>351</b>	<b>88</b>	<b>263</b>		<b>(94)</b>	<b>159</b>	<b>252</b>	

**Northwest Energy Efficiency Alliance, Inc.**  
**Balance Sheet summarized (Unaudited)**  
**End of June 2025**

	Current Qtr End (June 2025)	Previous Qtr End (March 2025)	Last Fiscal Year (December 2024)
<b>ASSETS</b>			
Current Assets			
Cash and Cash Equivalents	\$ 14,336,965	\$ 25,001,613	\$ 14,473,898
Accounts Receivable	13,873,295	760,534	204,764
Other Current Asset	1,183,820	1,469,506	965,171
Total Current Assets	\$ 29,394,079	\$ 27,231,654	\$ 15,643,833
Fixed Assets	1,725,878	1,670,190	1,618,572
Right of Use Asset : Lloyd Lease	3,198,360	3,336,816	3,474,889
Total ASSETS	<u>\$ 34,318,318</u>	<u>\$ 32,238,660</u>	<u>\$ 20,737,294</u>
<b>LIABILITIES &amp; EQUITY</b>			
Current Liabilities	5,040,400	4,359,454	5,686,580
Advances From Funders	21,822,633	20,441,128	7,583,430
Total Current Liabilities	\$ 26,863,033	\$ 24,800,582	\$ 13,270,010
Total Long Term Liabilities	\$ 4,052,677	\$ 4,217,291	\$ 4,379,832
Net Assets			
Equity			
Without Donor Restriction	\$ 3,402,608	\$ 3,220,786	\$ 3,051,657
With Donor Restriction	-	1	35,796
Total Net Assets	<u>\$ 3,402,608</u>	<u>\$ 3,220,787</u>	<u>\$ 3,087,452</u>
Total LIABILITIES & EQUITY	<u>\$ 34,318,318</u>	<u>\$ 32,238,660</u>	<u>\$ 20,737,294</u>

**Net Assets Without Donor Restriction Detail**

Property and Equipment, net of Right to Use Asset and associated Liability	871,562
Net Reserved for End-Use Load Research (NREL Funding)	439,931
Net Financial Reserve	2,091,115
Total Net Assets Without Donor Restriction	<u>3,402,608</u>

**Definitions**

**Assets**

**Cash and cash equivalents:** unrestricted cash for operations

**Accounts Receivable:** outstanding invoices to funders and customers (DOE, extra-regional funds, etc.)

**Other current assets:** all pre paid expenses such as memberships, travel, conference registrations

**Fixed assets:** Property, Plant, & Equipment – computers, furniture, leasehold improvements etc.

**Liabilities and Net Assets**

**Current liabilities:** Accounts Payable, bills

**Advances from funders:** Funds we have from advance billing for work in a future period (Electric, Natural Gas, EULR)

**Net assets**

**Net Assets With Donor Restriction:** Special Project Funds and DOE Funds

**Net Assets Without Donor Restriction:** It is synonymous with Retained Earnings in a for-profit corporation.

It is the long-term accumulation of net income and net loss through the life of the organization,

**Total Net Assets:** Total Assets minus Total Current Liabilities, also the Total of Net Assets

With and Without Donor Restrictions.



# Memorandum

September 2, 2025

TO: NEEA Board

FROM: Jeff Harris, Chief Transformation Officer

SUBJECT: Strategic Issues for Board Discussion in 2025

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**Ask:** For Information Only

**Background:** At its June meeting, the Board held a strategic discussion focused on the affordability of efficient products and potential opportunities to address costs through regionally coordinated approaches, including bulk purchasing, fixed fee installation services and financing tools. In August, the strategic planning committee reviewed key themes from the discussion and aligned on presenting the following staff recommendations to the Board in September:

- Recommendation #1: NEEA should not pursue bulk buying opportunities or fixed price installation strategies for the region. Given the Board's expressed concerns about uncertain outcomes and the potential for unintended consequences, staff believe the resources required to thoroughly investigate these approaches and coordinate a regional response would be better used elsewhere.
- Recommendation #2: NEEA should continue to opportunistically explore innovative financing strategies for efficient products and services as part of our core work. For example, an innovative financing opportunity has been identified within our pilot project with the Northwest Marketplace and could be tested in 2026.
- Recommendation #3: NEEA should explore (perhaps in partnership with the Northwest Research group) potential research questions and approaches to better understand the barriers to affordability and the drivers of cost across the region. Care will be taken to ensure research questions will produce actionable results that have meaning for the entire region.
- Recommendation #4: NEEA should continue to leverage Board meetings to update the Board and explore issues of affordability along with potential actions with aligned goals and desired outcomes. NEEA Advisory Committees will continue to focus on advancing NEEA's Market Transformation programs, some of which are working to address first cost barriers at the program level.

**Next Steps:** At the September Board meeting, the Board will discuss these recommendations and potential next steps. To inform this conversation, NEEA staff will present a new study exploring the characteristics of rural, suburban, and urban residential markets. This work was conducted to better understand how the diffusion of energy efficiency benefits occurs within different customer segments across the region (with a focus on geography). Results will identify future research and MT strategies that could accelerate the benefits of energy efficiency to rural markets and the region (Strategic Goal #4) including research to advance the region's affordability goals.





## ***Informational Materials***

# Memorandum – Q3 Board Committee Meetings Summary



September 2, 2025

## Governance Committee – August 5, 2025

Committee members present: Josh Mitchell, Elizabeth Osborne, Ruchi Sadhir

Committee members absent: Gilbert Archuleta, Clay Monroe, Eileen Quigley

Ad Hoc Committee to Select Public Interest Board Candidate (guests): Debbie DePetris, Kellye Dundon

Ad Hoc Committee absent: Nicole Hydzik

Key topics:

1. Public Interest Board Seat – the Ad Hoc Committee to Select Public Interest Board Candidate met at the beginning of the Governance Committee Meeting. The Ad Hoc Committee reviewed the twelve applications received for this Board seat and aligned on two candidates to interview. Debbie DePetris, Kellye Dundon, Elizabeth Osborne, and Ruchi Sadhir will conduct the interviews. Josh Mitchell will serve as the alternate as needed. NEEA staff will schedule interviews in September, followed by a debrief. NEEA staff will also notify the candidates that were not selected for interviews. The Committee will bring the nomination to the Board in December for election.
2. Policies, Guidelines, Charters Review – The Governance Committee did not have a quorum, so the remaining three policies will be brought to the Executive Committee and Board in December for review and approval.
3. NEEA Risk Management Follow-up – the Governance Committee reviewed options for applying risk management to Board discussions and decisions. The Committee agreed to continue this discussion in Q4 and will bring recommendations to the Board in December.
4. NEEA Board Secretary – the Governance Committee reviewed the process and timeline for electing a new Board Secretary to fulfill Danie Williams' remaining term through December 2026. The Committee will present this information to the Board in September.
5. 2024 Board Self-Assessment Actions – the Governance Committee reviewed the status of Board-identified actions and agreed to present to the Board in September. The Committee asked NEEA staff to research the feasibility of a potential Board survey to address action item 3(b). NEEA staff will bring this discussion back to the Governance Committee in Q4 for additional input and consideration.

## Strategic Planning Committee – August 7, 2025

Committee members present: Gilbert Archuleta, Suzanne Frew, Josh Mitchell

Committee members absent: Jamae Hilliard Creecy, Kyle Roadman

Key topics:

1. End-Use Load Flexibility (EULF) Special Project – NEEA staff provided an overview of this special project. The Strategic Planning Committee approved forwarding this topic to the Executive Committee and Board in September for additional discussion. The Committee said it's important for staff to clearly explain the value proposition and what the Board's role is in this process. The Committee also asked staff to articulate the risks to NEEA funders and the region if this project does not enter contracting by the end of 2025, or if this project does not proceed.
2. Q3 Policy Updates – NEEA staff provided updates from the 2025 Budget Reconciliation Package (One Big Beautiful Bill) and the 2026 budget. Staff said the house and senate subcommittees

allocated funding for ENERGY STAR; however, specific activities are still unknown. There were no additional questions from the Committee.

3. Board Strategic Issues Discussion – NEEA staff provided a summary of feedback from the Q2 2025 Board affordability discussion. Staff also provided details from a new NEEA study exploring the characteristics of rural, suburban, and urban residential markets. This work was conducted to better understand how the diffusion of energy efficiency benefits occurs within different customer segments across the region (with a focus on geography). Results will identify future research and Market Transformation strategies that could accelerate the benefits of energy efficiency to rural markets and the region (Strategic Goal #4) including research to advance the region’s affordability goals. The Strategic Planning Committee supported continuing the affordability conversation during the Q3 Board Meeting and sharing the NW market characterization research for additional discussion. The Committee asked to revisit the list of strategic topics during its Q4 meeting.

### **Natural Gas Committee – August 13, 2025**

Committee members present: Gilbert Archuleta, Kellye Dundon, Bonnie Rouse

Committee members absent: Mike Colgrove, Nicole Hydzik, Caleb Reimer

Key topics:

1. Legislative and Policy Update – Committee Members had an opportunity to ask questions regarding the quarterly update provided in the packet. There were no major updates from the Committee.
2. Natural Gas Portfolio Strategic Review – NEEA staff reviewed the five key investment areas for the Natural Gas strategic direction and the Committee’s role in the 2026 operations planning process. Staff said they expect to have two programs in the portfolio by the end of 2025 with four additional programs in development in 2026 and beyond. There were no questions from the Committee.
3. Dual-fuel Milestone – NEEA staff said they expect to advance the first dual-fuel program into the Natural Gas portfolio in September 2025 and reviewed NEEA’s proposed approach to dual-fuel work and planned program work. The Committee was supportive of the approach and work and said long-term, NEEA will need to consider how this work is funded and how savings are calculated. The Committee asked staff to reach out to Committee members not in attendance to see if there were any questions or concerns.
4. Natural Gas Updates – NEEA staff provided updates on extra-regional activities, dual-fuel work groups, and the Cost Effectiveness and Evaluation Advisory Committee. There were no additional questions from the Committee

### **Executive Committee – August 21, 2025**

Committee members present: Jamae Hilliard Creecy, Joe Fernandi

Committee members absent: Gilbert Archuleta, Kyle Roadman, Mike Colgrove

Key topics:

1. ENERGY STAR updates – NEEA staff said there were no major updates and they would keep the Committee advised as more is known.
6. 2024 Board Self-Assessment Actions – NEEA staff reviewed the status of Board-identified actions and agreed to present to the Board in September. Staff added that the Governance Committee asked staff to research the feasibility of a potential Board survey to address action item 3(b). NEEA staff will bring this discussion back to the Governance Committee in Q4 for additional input and consideration.
2. NEEA Board Secretary – NEEA staff reviewed the process for filling this vacated Board Officer seat. There were no questions from the Committee.
7. Public Interest Board Seat – NEEA staff said the Ad Hoc Committee to Select Public Interest Board Candidate met at the beginning of the Governance Committee Meeting to review the twelve applications received for this Board seat and aligned on two candidates to interview. Debbie DePetris, Kellye Dundon, Elizabeth Osborne, and Ruchi Sadhir will conduct the interviews. Josh Mitchell will serve as the alternate as needed. NEEA staff will schedule interviews in September,

followed by a debrief. NEEA staff will also notify the candidates that were not selected for interviews. The Committee had no additional questions.

3. Contracting Update – NEEA staff provided a Cycle 7 contracting update and said this will also be discussed during the Board Meeting Executive Session.
4. Q3 Board Strategic Discussion – NEEA staff reviewed the proposed strategic discussion for the Q3 Board Meeting. The Committee supported continuing the affordability discussion and had no additional questions.
5. End-Use Load Flex Special Project - NEEA staff provided an overview of this special project. The Committee approved forwarding this topic to the Board in September for additional discussion.
6. Q3 Board Meeting Agenda – NEEA staff reviewed the draft Q3 Board Meeting agenda and the Committee had no additional edits.
7. Board Risk Management Follow-up: NEEA staff said during the Board’s review of the 2024 Board-Self Assessment results, the Board asked the Governance Committee to determine next steps in the development of risk management understanding and how that could be applied to Board discussions and decisions. Staff reviewed the progress to date and said the Governance Committee will continue its work in Q4 and will bring recommendations to the Q4 Board Meeting for consideration.

### **Finance and Audit Committee – August 26, 2025**

Committee members present: Gilbert Archuleta, Kyle Roadman, Quentin Nesbitt, Brittany Broyles

Committee members absent: none

Key topics:

1. Draft Form 990 and 403(b) Audit Update – the auditors from Hoffman, Stewart, & Schmidt joined the Committee Meeting to provide an overview of the draft Form 990 and give an update on the 403(b) audit. They said the Committee and Board do not need to approve the draft Form 990, though it’s good practice to review it with the Board and provide an opportunity for questions. NEEA staff said the draft form will be filed after the September Board Meeting. The auditors said the 403(b) audit is underway and they expect to file it soon. There were no questions from the Committee.
2. End-Use Load Flex Special Project – NEEA staff provided an overview of this special project and the Committee had no concerns with forwarding it to the Board in September for additional discussion.
3. Quarterly Financials – NEEA staff provided an overview of the quarterly financials and there were no concerns from the Committee.
4. Q2 Expenditure Review – NEEA staff sent the full expenditure report to the Committee in advance of the meeting so Committee members could submit questions. Staff provided answers to submitted questions and there were no additional questions from the Committee.
5. Cycle 7 Audit Firm Selection – NEEA staff said three RFPs were submitted and reviewed the audit firm RFP response matrix. After evaluating the summaries, the Committee selected two firms to invite for interviews in November. Staff also requested feedback from the Committee on the proposal scoring sheet. In response, the Committee recommended adding a pricing category and assigning equal weight to all three categories. Staff then reviewed the proposed list of interview questions and noted that the questions would be shared in advance of the interviews. Each interview will be scheduled for one hour.



## Minutes

### NEEA Board Meeting

June 24, 2025

Davenport Grand, Spokane, WA

#### Member Attendance:

**Nicole Hydzik, Chris Johnson, Jamae Hilliard Creecy, Josh Mitchell, Debbie DePetrus, Quentin Nesbitt, Michael Colgrove, Kellye Dundon, Clay Monroe, Gilbert Archuleta, Joe Fernandi, Suzanne Frew, Brittany Broyles, Bonnie Rouse, Ruchi Sadhir, Elizabeth Osborne, Kyle Roadman, Eileen Quigley**

#### Member Absence: Caleb Reimer, Danie Williams

#### NEEA Staff attendance:

Becca Yates, Jeff Harris, Kyle Burchard, Virginia Mersereau, Becky Walker, Jim Underwood, Stephanie Rider, Jane Waian

#### Guest attendance:

Tom Beierle, Ross Strategic; End-Use Load Flex attendees: Reuben Arts, Meghan Pinch, Leona Haley, Drew Thompson, Matt Babbitts, Tyler Boehringer, Shelly Carlton, Mitch Wagner, Joe Walderman, Kevin Smit, Peter Kernan, Laura James, Lisa Timmerman, Binh Lu, Kati Harper, Rick Hodges, Michelle Wildie, Emma Johnson, Tom Smith, Mitch Droz, Jennifer Finnigan, Karen Liu, Cam LeHouillier, Jennifer Snyder, Wesley Franks, Emily Gilroy; Luke Regan, Ian Gelfand, Hoffman, Stewart & Schmidt

## Welcome and Agenda Review

Jamae Hilliard Creecy, Board Chair, opened the public Board Meeting at 8:30 am PT with a quorum present. Hilliard Creecy reviewed NEEA's Mission and Purpose and Gilbert Archuleta, Board Vice Chair, reviewed NEEA's Board Norms.

## Consent Agenda

Hilliard Creecy asked if there were any changes to the consent agenda. Hearing none, she called for a motion to approve.

Minutes from the Q1 2025 Board Meeting

Minutes from the April 10, 2025 Board Webinar

*Motion: Mike Colgrove moved to approve the consent agenda: Eileen Quigley seconded. The consent agenda was unanimously approved by voice vote.*

## Executive Director Update

Becca Yates, NEEA staff, welcomed everyone to the Q2 2025 Board Meeting and welcomed new members to NEEA's Board. She provided highlights from the Cycle 6 Annual Report, expanded partnerships delivering regional value, and additional updates from the region.

Yates said that NEEA's Cycle 6 and 2024 Annual Report celebrates highlights and achievements from 2024 and commemorates the end of Cycle 6 and what the region accomplished together during the past five years. She then shared examples of how the alliance leveraged market data and research, technical expertise, and trusted supply chain relationships to transform markets for energy efficiency. Yates shared the cumulative co-created energy savings, and she reviewed several partnerships that deliver value across the region including extended motor pumps, Retail Product Portfolio, Portland State University partnership on flexibility scoring tool, and heat pump value delivery through the Northwest Heat Pump Symposium.

Yates also provided updates from the quarterly advisory committee meetings. Yates said 2026 Operations Planning is underway and said that NEEA staff will host an Operations Plan overview webinar on October 16, 2025. She provided a summary of the 2025 Efficiency Exchange Conference and said there were 602 attendees from 200+ organizations. She said the 2026 Efficiency Exchange is in Boise, Idaho on May 5<sup>th</sup> and 6<sup>th</sup>. Yates concluded her updates by sharing a video describing how the partnership with the Integrated Design Labs transformed the commercial buildings market. She said the labs are an impactful alliance partnership and they act as a bridge to local communities' workforce development.

There were no Board actions or decisions.

## Portfolio Review

Stephanie Rider, NEEA staff, joined the Board Meeting to provide the annual portfolio review.

Rider provided an overview of the process for influencing supply and demand in market transformation and the long-term market transformation lifecycle. She reviewed the key success metrics to evaluate success in market transformation (leading indicators) and the success in value creation through market transformation (lagging indicators).

Rider said staff expect to have four programs in the Natural Gas portfolio by the end of 2025 with two additional programs in development in 2026. She said staff anticipate leveraging the large, diverse electric portfolio built up over previous cycles during 2025 and beyond. She added that market trends for electric have been strong, yet environmental conditions remain a wild card. She then reviewed the natural gas portfolio development path and the natural gas portfolio therm savings expectations. She provided specifics for natural gas that included Efficient Rooftop Units, Dual-Fuel Residential HVAC, and Gas High Efficiency DOAS.

Rider provided an overview of the electric market transformation portfolio by lifecycle phase and provided market highlights for electric during Cycle 6. She said two focus areas were expanding market partnerships for lasting change and developing more efficient products to expand consumer choice. She said the majority of the electric portfolio potential is still ahead.

Looking into Cycle 7, Rider reviewed the electric market transformation portfolio by lifecycle phase. She reviewed the strategy for 2025 and 2026 and reviewed potential areas for program expansion and acceleration. She explained factors that are creating uncertainty include potential rollbacks in federal product standards, ENERGY STAR uncertainty, and tariffs and economic conditions. Rider reviewed the economic markers and electric energy savings expectations.

***Action: The Board asked NEEA staff to provide quarterly updates on economic indicators. NEEA staff will include an informational memo in future packets.***

There were no Board questions or decisions.

## Strategic Opportunity – End-Use Load Flexibility (EULF)

Archuleta welcome members from the public and asked Jeff Harris, NEEA staff, to lead this discussion.

Harris said the objectives for this discussion are to review the current EULF effort, discuss the new strategic opportunity, answer clarifying questions from the Board, and review next steps. Harris provided an overview of EULF activities and explained why load flex is important to the region. He also explained the difference between load flex and demand response. Harris described the value streams beyond peak-load demand response and the challenges and opportunities the region is facing and how this special project can help build a resource to meet the region's grid challenges.

Harris said EULF has developed a draft Strategic and Business Plan. The first draft was released in March and staff have gathered feedback from the EULF funding utilities, through interviews with utility operations staff, and from utilities and the NEEA Board. Harris said staff will integrate feedback and that staff anticipate delivering the next version in July. Harris provided an overview of the Plan highlights and proposed scope, budget, and duration for this special project.

There were no additional Board questions or decisions.

## Quarterly Financials

Roadman asked Kyle Burchard, NEEA staff, to provide an overview of the Q1 2025 financials. Burchard said the financial reports represent a streamlined approach as approved by the Board leading into Cycle 7. He said NEEA's electric YTD actuals through Q1 2025 were \$8.6M compared to a budget of \$9.0M. He said Compensation and Benefits were -\$0.2M below budget due to hiring delays and staff vacancy, General and Administrative expenditures were -\$0.1M below budget due primarily to deferred website expenditures and delayed professional development, and program expenditures were under budget by -\$0.1M. He said staff continues monthly forecast/reallocation reviews to adaptively manage budget variances. Burchard then reviewed electric expenses by workstream.

Burchard reviewed the electric forecast as of April. He said there are normal fluctuations and delays in the market and staff are confident that core electric will finish the year at or close to budget.

Burchard said the natural gas actuals through Q1 2025 were \$1.3M compared to a budget of \$1.4M. He said Compensation and Benefits were -\$190K under budget due to later than expected state dates for new hires and fewer hours needed to support program needs in the first half of the year. He said General and Administrative costs were +\$3K above budget and program expenses finished the quarter at +\$73K above budget. He then reviewed natural gas expenses by workstream.

Burchard reviewed the natural gas forecast and said staff projects that core gas will finish the year close to budget.

There were no Board decisions or actions.

## 2024 Audit

Ian Gelfand and Luke Regan from Hoffman, Stewart & Schmidt (HSS) joined the Board Meeting to review the results from the 2024 audit. Gelfand said HSS issued an unmodified (clean) opinion on financial statements, there were no internal control deficiencies or compliance findings, and the audit process was efficient with well-prepared records. Gelfand said this means that NEEA demonstrates strong financial



stewardship and transparency and reflects effective internal controls and responsible management. Regan then reviewed functional expenses and provided an overview of financial details from the audit.

*Motion: Gilbert Archuleta moved to accept the 2024 audit; Kellye Dundon seconded. The motion was unanimously approved by voice vote.*

There were no additional Board decisions or actions.

### **Public Interest Board Seat**

Yates said she was serving as interim Governance Committee Chair and asked if any Board Member would like to volunteer as Chair. Elizabeth Osborne volunteered to serve as Governance Committee Chair. Josh Mitchell volunteered to serve on the Governance Committee and Strategic and Planning Committee.

Yates said the current Public Interest Representative's three-year term ends after the December Board Meeting and that the Governance Committee created an Ad Hoc Committee to oversee the solicitation, interviews, and nomination process in advance of the Board election in December. Yates said the Public Interest Board Seat solicitation letter was provided in the Board packet for review and asked if there were any questions. There were no questions from the Board.

There were no Board decisions or actions.

### **Policies, Guidelines, Charters Review**

Jim Underwood, NEEA staff, joined the Committee Meeting to provide an overview of the policies and guidelines on the schedule for review this quarter. He said the Board reviews NEEA's Charters, Policies and Guidelines every five years during the first year of each cycle, and given the volume, rolling reviews began in 2024. He anticipates completing the reviews in Q3 2025.

Underwood said that most proposed edits are housekeeping updates and then reviewed specific edits to each of the documents. The Board asked NEEA staff to ensure the Board Group Norms had a consistent title across references and to add a note to the Board Director Appointment Policy that the Board Group Norms will be included in the Board Manual. Yates asked if there were any additional Board comments. Hearing none, she called for a motion to approve.

*Motion: Eileen moved to approve the Human Resources, Risk Management, Financial Management, Board Rules of Procedures, and Board Director Appointment Policies and the Board Officer Selection and Board Decision-Making Guidelines with one addition to the Board Director Appointment Policy to add that the Board Group Norms will be included in the Board Manual; Kellye Dundon seconded. The motion was unanimously approved by voice vote.*

There were no Board decisions or actions.

### **Conflict of Interest Policy and Form**

Yates said the Governance Committee oversees the yearly Board Member conflict of interest process, which occurs every year in June. She said staff will distribute the yearly Conflict of Interest Form via DocuSign after the Board Meeting. The Board asked if there were any changes to the Conflict-of-Interest Policy since 2024 and staff confirmed that there were no changes.

There were no Board decisions or actions.



**In Memoriam – George Pohndorf**

Yates recognized the recent passing of former Board Member George Pohndorf and provided time for Board members to honor his service.

**Public Comment**

There were no public comments.

**Board Meeting Wrap-up**

NEEA staff reviewed the actions items. There were no additional topics for discussion.

**Board Meeting Adjourn**

Hilliard Creecy adjourned the public Board Meeting at 12:45 pm PT.



## **Minutes**

### **NEEA Board Orientation**

**June 23, 2025**

Davenport Grand, Spokane, WA

#### **Member Attendance:**

**Nicole Hydzik, Chris Johnson, Jamae Hilliard Creecy, Josh Mitchell, Debbie DePetrus, Quentin Nesbitt, Michael Colgrove, Kellye Dundon, Danie Williams, Clay Monroe, Gilbert Archuleta, Joe Fernandi, Suzanne Frew, Brittany Broyles, Bonnie Rouse, Ruchi Sadhir, Elizabeth Osborne, Kyle Roadman, Eileen Quigley**

#### **Member Absence: Caleb Reimer**

#### **NEEA Staff attendance:**

Becca Yates, Jeff Harris, Kyle Burchard, Virginia Mersereau, Becky Walker, Jim Underwood, Stephanie Rider, Jane Waian

### **Welcome and Agenda Review**

Jamae Hilliard Creecy, Board Chair, opened the public Board Orientation at 12:30 pm PT with a quorum present. Gilbert Archuleta, Board Vice Chair, reviewed the Board Norms.

### **Orientation Objectives and Board Skills Assessment Survey Results**

Hilliard Creecy reviewed the Orientation objectives and asked Board Members to identify what they hope to learn. She then asked Becca Yates, NEEA staff, to share results from the Board Skills Assessment Survey. Yates reviewed the top areas of strength and top areas of opportunities. The Board discussed using this information to inform Board Committee membership and potential Board Member individual professional development.

There were no Board decisions.

### **NEEA Business Model, Approach to Market Transformation**

Yates reviewed NEEA's Mission and Purpose and provided an overview of Cycle 7 strategic goals. Jeff Harris, NEEA staff said there's a growing need for market transformation to address growing recognition that energy efficiency is still foundationally important to energy system needs, address the increasingly complex challenges of energy efficiency opportunities in utility program models, and aggregate demand to effectively engage in national and global market actors and supply chains that deliver efficient goods and services. Harris reviewed the market transformation "S" curve and provided NEEA and the region's definition of market transformation. Harris also explained NEEA's unique role in the region to create permanent change in the market that results in energy savings and provided the ductless heat pumps case study as an example.

Harris said NEEA and utility energy efficiency programs can do more in a coordinated and collaborative effort and he reviewed market interventions NEEA uses to address barriers and exploit opportunities.

There were no Board actions or decisions.

### **Bylaws, Governance, and Stakeholder Committee Structure**

Yates explained NEEA's status as a 501(c)3 nonprofit entity. Hilliard Creecy then reviewed the current Board Membership, Board Leadership roles, and Board Committee Chairs and staff liaisons. She explained the standing Board Committees and members of each Committee and said the Board Committees is where the real engagement happens.

Hilliard Creecy asked if Board Members were interested in switching committees and if new Board Members were interested in joining a committee. She also explained the role of the Ad Hoc Leadership in Energy Efficient Awards (LEEA) Committee and asked for this year's volunteers. Chris Johnson, Clay Monroe, Gilbert Archuleta, Kellye Dundon, Quentin Nesbitt, and Debbie DePetrus volunteered to serve on this year's LEEA Committee. Hilliard Creecy said that additional ad hoc committees may be formed throughout the year to help advance the work of the Board.

Archuleta said that during the Q1 2025 Board Meeting, the Board reviewed the proposed actions identified during the 2024 Board Self-Assessment. One action was to clarify Board Member roles and responsibilities, time commitments, and expected contributions. He said to address this action, NEEA staff drafted a Board Member Roles & Responsibilities document and that Jim Underwood, NEEA staff, will speak about several of these roles and responsibilities.

Underwood reviewed the roles of nonprofit Board and Board Members and the duties of loyalty, obedience, and care. He then reviewed fiduciary duties and compliance tips. Underwood provided a summary of Board Member liability risks and related protections.

Yates reviewed the roles of Board Members and the Executive Director. She said the Board previously aligned on best practices for structuring Board conversations and discussions and she reviewed the best practices and agreements on Board decision-making.

Kyle Roadman, Board Member, led the discussion on navigating conflict and disagreements and best practices for how to show up in these conversations. Yates then provided an overview of NEEA staff and NEEA's governance and advisory structure.

***Action: The Governance Committee, in collaboration with NEEA staff, will review NEEA's risk categories that NEEA's Board and Executive Committee track and discuss if there should be more touch points with the Board.***

There were no additional Board questions or decisions.

### **Business Processes and Financials**

Virginia Mersereau and Becky Walker, NEEA staff, reviewed NEEA's key management processes, five-year business plans, annual operations planning, portfolio management and Initiative Lifecycle. Walker reviewed NEEA's market transformation portfolio by Lifecycle phase and said NEEA staff will provide more details on NEEA's portfolio during the Board Meeting the following day. Harris reviewed the special projects process and the Board's role in overseeing special projects.

There were no Board decisions or actions.

### **NEEA Financial Management**

Roadman provided an overview of the Finance and Audit Committee's key responsibilities. He explained that the Committee conducts quarterly reviews and oversight of NEEA's financials, oversees the annual Operations Plan, and ensures proper oversight of the annual audit and Form 990 preparation. Each quarter, the Board reviews actuals compared to the budget and the revised annual forecast for core work, evaluates detailed expenditures across all work areas, examines special project financial statements and contributions to financial reserves, and advises on extra-regional and other ad hoc financial matters.

Kyle Burchard, NEEA staff, then provided an overview of the annual Operations Plan and reviewed examples of key financial reports that are provided in Board Meeting packets.

There were no additional Board decisions or actions.

### **Questions, Discussion, and Wrap Up**

Hilliard Creecy reviewed the objectives identified by Board Members at the beginning of the Orientation. There were no gaps identified for future Board discussion.

### **Orientation Adjourn**

Hilliard Creecy adjourned the public Board Orientation at 4:30 pm PT.

# FYI Memorandum

September 2, 2025



TO: NEEA Board  
FROM: NEEA staff  
SUBJECT: Proposed 2027 Board Meeting dates and locations and proposed 2026 Board Committee Meeting dates

**Our Ask:** In December, the Board will approve the 2027 Board Meeting dates and locations. Please review the proposed meeting dates and let Jane Waian know if you foresee any conflicts.

## Background:

NEEA staff are sharing the proposed 2026 Committee Meeting schedule for your awareness. Most meetings will be held from 1:00–3:00 pm PT and are planned early in the quarter to allow Board packets to be distributed roughly two weeks before each Board Meeting.

While the 2026 Committee Meeting schedule doesn't require formal approval, we want to make sure there are no major conflicts with Committee Members' calendars. Calendar invitations will be sent out during the second week of December.

## 2027 Proposed Board Meeting dates and locations – **Board will vote on these in December**

2027 Board Meetings	Location	Day	Date
Q1 Board Orientation (Noon - 5 pm)	Seattle, WA	Thursday	Mar 11, 2027
Q1 Board Meeting - (8 am - Noon)	Seattle, WA	Friday	Mar 12, 2027
Q2 Board Meeting - Day 1 (Noon - 5 pm)	Spokane, WA	Monday	Jun 21, 2027
Q2 Board Meeting - Day 2 (8 am - Noon)	Spokane, WA	Tuesday	Jun 22, 2027
Q3 Board Meeting - Day 1 (Noon - 5 pm)	Idaho	Monday	Sep 13, 2027
Q3 Board Meeting - Day 2 (8 am - Noon)	Idaho	Tuesday	Sep 14, 2027
Q4 Board Meeting - Day 1 (Noon - 5 pm)	Portland	Monday	Dec 6, 2027
Q4 Board Meeting - Day 2 (8 am - Noon)	Portland	Tuesday	Dec 7, 2027

## 2026 Board-approved Meeting dates and locations

2026 Board Meetings	Location	Day	Date
Q1 Board Orientation (Noon - 5 pm)	Seattle	Thursday	Mar 12, 2026
Q1 Board Meeting - (8 am - Noon)	Seattle	Friday	Mar 13, 2026
Q2 Board Meeting - Day 1 (Noon - 5 pm)	Montana	Monday	Jun 22, 2026
Q2 Board Meeting - Day 2 (8 am - Noon)	Montana	Tuesday	Jun 23, 2026
Q3 Board Meeting - Day 1 (Noon - 5 pm)	Idaho	Monday	Sep 14, 2026
Q3 Board Meeting - Day 2 (8 am - Noon)	Idaho	Tuesday	Sep 15, 2026
Q4 Board Meeting - Day 1 (Noon - 5 pm)	Portland	Thursday	Dec 03, 2026
Q4 Board Meeting - Day 2 (8 am - Noon)	Portland	Friday	Dec 04, 2026

**2026 Proposed Board Committee Meeting Dates**

Meeting	Location	Day	Date
Natural Gas Advisory Committee - Webinar	webinar	Wednesday	January 28, 2026
Governance Committee	webinar	Tuesday	February 3, 2026
Natural Gas Committee	webinar	Wednesday	February 4, 2026
Strategic Planning Committee	webinar	Thursday	February 5, 2026
Regional Portfolio Advisory Committee	hybrid	Tuesday	February 10, 2026
Finance & Audit Committee	webinar	Tuesday	February 17, 2026
Cost Effectiveness Advisory Committee	virtual	Wednesday	February 18, 2026
Executive Committee	webinar	Thursday	February 19, 2026
Commercial Industrial Coordinating Committee (formerly ISCC)	hybrid	Wednesday	February 25, 2026
Commercial Industrial Coordinating Committee (formerly ISCC)	hybrid	Thursday	February 26, 2026
Natural Gas Advisory Committee	hybrid	Tuesday	March 3, 2026
Regional Emerging Technology Advisory Committee	hybrid	Wednesday	March 11, 2026
Board Orientation (Noon - 5 pm)	Seattle, WA	Thursday	March 12, 2026
Q1 Board Meeting - (8 am - Noon)	Seattle, WA	Friday	March 13, 2026
Residential Coordinating Committee (formerly PCC)	hybrid	Monday	March 17, 2026
Residential Coordinating Committee (formerly PCC)	hybrid	Tuesday	March 18, 2026
Natural Gas Advisory Committee - Webinar	webinar	Thursday	April 16, 2026
Cost Effectiveness Advisory Committee	hybrid	Wednesday	April 23, 2026
Governance Committee	webinar	Tuesday	April 28, 2026
Natural Gas Committee	webinar	Wednesday	April 29, 2026
Strategic Planning Committee	webinar	Thursday	April 30, 2026
Regional Portfolio Advisory Committee	hybrid	Tuesday	May 19, 2026
Finance & Audit Committee	webinar	Thursday	May 26, 2026
Commercial Industrial Coordinating Committee (formerly ISCC)	hybrid	Wednesday	May 27, 2026
Executive Committee	webinar	Thursday	May 28, 2026
Natural Gas Advisory Committee	hybrid	Tuesday	June 2, 2026
Residential Coordinating Committee (formerly PCC)	hybrid	Tuesday	June 16, 2026
Regional Emerging Technology Advisory Committee	hybrid	Wednesday	June 17, 2026
Q2 Board Meeting - Day 1 (Noon - 5 pm)	Spokane, WA	Monday	June 22, 2026
Q2 Board Meeting - Day 2 (8 am - Noon)	Spokane, WA	Tuesday	June 23, 2026
Governance Committee	webinar	Tuesday	August 4, 2026
Natural Gas Committee	webinar	Wednesday	August 5, 2026
Strategic Planning Committee	webinar	Thursday	August 6, 2026
Finance & Audit Committee	webinar	Tuesday	August 18, 2026
Executive Committee	webinar	Thursday	August 20, 2026
Cost Effectiveness Advisory Committee	hybrid	Wednesday	August 26, 2026
Regional Portfolio Advisory Committee	hybrid	Tuesday	September 1, 2026
Natural Gas Advisory Committee - Webinar	webinar	Wednesday	September 9, 2026

Meeting	Location	Day	Date
Q3 Board Meeting - Day 1 (Noon - 5 pm)	Idaho	Monday	September 14, 2026
Q3 Board Meeting - Day 2 - (8 am - Noon)	Idaho	Tuesday	September 15, 2026
Regional Emerging Technology Advisory Committee	hybrid	Wednesday	September 16, 2026
Natural Gas Advisory Committee	hybrid	Thursday	October 22, 2026
Governance Committee	webinar	Tuesday	October 27, 2026
Cost Effectiveness Advisory Committee	hybrid	Tuesday	October 28, 2026
Natural Gas Committee	webinar	Wednesday	October 28, 2026
Strategic Planning Committee	webinar	Thursday	October 29, 2026
Regional Portfolio Advisory Committee	hybrid	Tuesday	November 3, 2026
Commercial Industrial Coordinating Committee (formerly ISCC)	hybrid	Wednesday	November 4, 2026
Commercial Industrial Coordinating Committee (formerly ISCC)	hybrid	Thursday	November 5, 2026
Finance & Audit Committee	webinar	Tuesday	November 10, 2026
Executive Committee	webinar	Thursday	November 12, 2026
Residential Coordinating Committee (formerly PCC)	hybrid	Tuesday	December 1, 2026
Residential Coordinating Committee (formerly PCC)	hybrid	Wednesday	December 2, 2026
Q4 Board Meeting - Day 1 (Noon - 5 pm)	Portland, OR	Thursday	December 3, 2026
Q4 Board Meeting - Day 2 (8 am - Noon)	Portland, OR	Friday	December 4, 2026
Regional Emerging Technology Advisory Committee	hybrid	Tuesday	December 8, 2026
Natural Gas Advisory Committee - Webinar	webinar	Wednesday	December 9, 2026

# Memorandum



Date: September 2, 2025  
 To: NEEA Board of Directors  
 From: Stephanie Rider, NEEA Staff  
 Subject: Economic Intel Update as of August 2025

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**Our ask:** For information and discussion as needed.

**Background:** NEEA staff shared key economic indicator and market intel data with the Board in the June 2025 Board meeting as part of the annual portfolio deep dive topic. The board requested that NEEA staff provide this information on a quarterly basis. This memo summarizes updates based on data available as of mid-August 2025.

Note that the national economic data covered here generally lags by 1-2 months in publicly available reports. In addition to published national data, this memo includes insights from NEEA's data collection and work with market partners (aggregated to protect confidentiality). This data is helpful to provide guidance for NEEA staff as we forecast market adoption and related value metrics such as energy savings for our Cycle 7 expectations.

## Economic Markers

### ***Inflation Indicators:***

- The [Consumer Price Index](#) has slowed a bit more, now at 2.7% on a monthly year-over-year basis through June 2025.
- Low (but some) concern of the U.S. entering into a period of economic recession. Recession risk has dropped from April according to many economists, [including J.P. Morgan](#) and [economists from the Wall Street Journal](#).

### ***New Orders for Manufactured Goods:***

- New orders for manufactured goods were down 4.8% in May, the second month of decline. However, year-to-date (YTD) overall has a lot of swings in order levels.
- Categories specific to the NEEA portfolio:
  - HVAC/Refrigeration category is up 1.6% in June and relatively flat across 2025
  - Household appliance category is up 1.4% in June, and relatively flat across Q2
  - Computers and Electronic category is up 0.6%, and seeing very slight increases each month throughout Q2
- **Caveat:** Given the high market uncertainty of tariffs and overall economic outlook, this metric may need more attention, and longer time horizon, to see the true signal. Wholesale



inventories began to creep up ever so slightly in May and June, a potential signal that manufacturing orders are a bit bullish and the market is not turning the inventory as fast as planned. Many businesses had been pre-purchasing inventory ahead of tariffs as well, so a counterbalance of contraction may be looming.

### ***New Housing Starts:***

- Up 4.6% nationally in June 2025.
- NEEA has access to regional data and will be looking at local trends once the Q2 data is available (expect September).

### ***Consumer Spending Trends:***

- Consumer spending rose a modest 0.1% in June after adjusting for inflation.
- The overall trend is changing, with a drop in spending on big-ticket durable goods that was barely offset by increases in spending on nondurable goods and services.
- This is a reversal of the prior quarter trend where spending contraction was in discretionary food purchases (grocery and dining out).
- Delinquencies in monthly car loan payments have risen recently, particularly in the low/moderate income population. This is one signal of where the economic pressure is having impact.

### **Tariff Status**

- Estimates show the effective tariff increase was 9-10% in May and likely moved up in June. The expected average incremental tariff rate is 15%.
- Current (as of 8/11/2025) tariffs range from 10-55%. The tariff impacts depend on country of origin as well as product. The highest average tariff increases are on China (30-70%), Mexico (30-50%), Canada (35%), India (50%), Brazil (55%). Steel and aluminum, from China and Mexico in particular, are the highest. We expect to see some impact to our portfolio related to the costs of appliances, including heat pump water heaters.
- Tariffs can take 6-18 months to show up in the economy in the form of price and profit margin impacts.
- Market is currently responding through a number of strategies: stockpiling ahead of tariffs, reshuffling supply chains, reducing SKU counts, leveraging bonded warehouses in Free Trade Zones, spreading the cost across the supply chain so each player absorbs a portion of the increase, taking small, proactive price increases, and spreading the costs into ancillary expenses, such as increasing financing and warranty costs.
- Small businesses continue to be significantly strained under the immediate costs (monetary and operational) of tariffs.

- Food and energy prices both picked up during June. More increases in grocery bills are likely in the months to come as tariffs work their way through the system.

### NEEA Market Intelligence

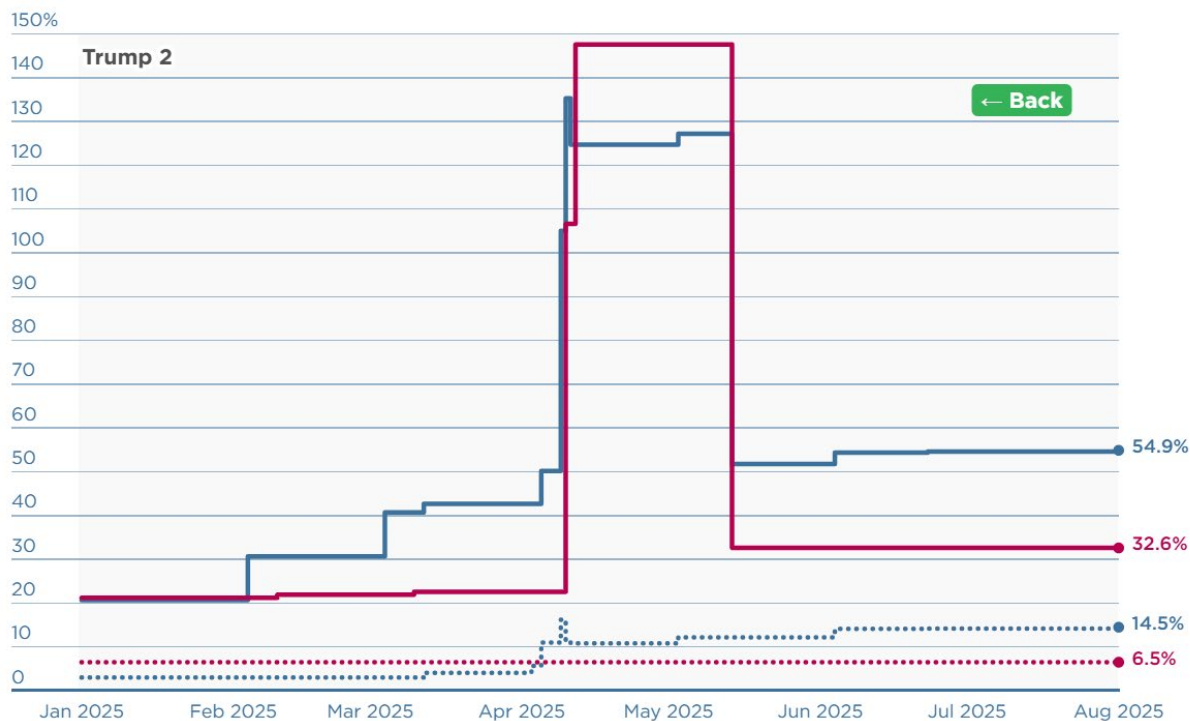
- Heat pump water heater replacement unit sales are up 15% YTD.
- Efficient appliance sales are not as robust, with YTD sales down 3-15%, depending on category. More analysis is in the works to see if there is any behavior difference between overall category trends and efficient products within each category.
- The following table presents the projected change in construction activity in 2025 compared to 2024 by state, based on data through Q2 2025. The increase in commercial building starts is growth due to contraction/project delays in prior years.

New Construction	ID	MT	OR	WA	REGION
SF Homes (completion)	4.8%	18.5%	-3.9%	-2.1%	0.8%
MF Low-Rise Buildings (completion)	-38.7%	-14.4%	-29.6%	-13.9%	-22.8%
COM Buildings (starts)	-19.2%	-27.4%	11.9%	28.6%	11.6%

Last updated August 1, 2025

a. US-China tariff rates toward each other and rest of world (ROW)

— Chinese tariffs on US exports — US tariffs on Chinese exports ... Chinese tariffs on ROW exports ... US tariffs on ROW exports



## Sources for Economic Intel

KMPG Economics

Bloomberg News

U.S. Census Bureau Economic Indicators

U.S. Bureau of Labor Statistics

Peterson Institute for International Economics

Dodge Construction Network

Housing and Urban Development Permit Data