

Commercial Advisory Committee (CAC)
Tuesday, November 5, 2019
NEEA Office, Portland, OR



Committee Attendees:

In Person:

Michelle Lichtenfels – Bonneville Power Administration
Mark Lensen – Puget Sound Energy
Sinh Tran – Snohomish PUD
Jay Olson – Energy Trust of Oregon
Ted Brown – Seattle City Light

On Phone:

Nancy Goddard – Pacific Power
Lorri Kirstein – Avista Utilities
Shelley Martin – Idaho Power
Deb Martin Young – Northwestern Energy
Katie Pegan – Idaho Office of Energy & Mineral Rsrcs.

Guest Presenters: Chris Meek, UW Integrated Design Lab; Nicole Ballinger, City of Seattle

NEEA Staff: Emily Moore, Alisyn Maggiora, Maria Alexandra Ramirez, Anne Curran, Debbie Driscoll, Elaine Miller

Guests (public): Chad Gilles, Stillwater Energy

Resources

- **Packet link on neea.org:** <https://neea.org/advisory-committee-documents/q4-2019-cac-agenda-packet>
- **Slides link on neea.org:** <https://neea.org/advisory-committee-documents/q4-2019-cac-meeting-slides>
- **Meeting Recording:** <http://neea.adobeconnect.com/pefeilo4bmlh/>

Welcome, Introductions, and Housekeeping Items

Maria Alexandra Ramirez (NEEA) introduced the meeting and provided the overview. *Refer to [slides 2-5](#) and [pages 2](#) in the [packet](#) for greater detail. If you have questions about the meeting, logistics, or general thoughts, please contact Maria Alexandra (MARamirez@neea.org).*

- A. Welcome
- B. Meeting [packet](#) review; see page 2 for links to newsletters and past meeting notes
 - 1) Integrated Design Lab Capabilities
 - a) Reminder to make sure committee members are aware of the lab network and consider partnership opportunities with their local labs on pilots and testing, etc. See the memo on p.12 for more information or contact Debbie Driscoll (NEEA) for more information (DDriscoll@neea.org).
 - b) NEEA holds 2 contracts with each lab: one for base funding, primarily for administrative and equipment support; and one for service funding for labs to provide direct support to NEEA initiatives or emerging technology work. In Cycle 6, base funding is calculated in a way that is similar to NEEA's funding formula and is based on the number of customers an individual lab serves. In Cycle 6, per the NEEA Business Plan, total base funding to distribute among the labs is 80% of the level of Cycle 5 funding. Annually, the base funding range is from \$30k (WSU) to \$100k+ for the larger labs.
 - 2) C+I Lighting Regional Strategic Market Plan Update p.13
 - 3) CAC Conference Coordination p.14
 - a) If funders would like to learn more about any conference NEEA staff attends, they can submit a request for an update or report.

- b) BPA noted that several staff will attend the AHR expo; would like to hold a coordination call. **ACTION ITEM: Michelle (BPA) to connect the appropriate BPA contact with Debbie (NEEA) to coordinate a prep conversation on the AHR expo.**
- c) Leadership in Energy Efficiency Awards on 12/4, 5:30pm at Vestas Bldg; please RSVP as soon as possible. You can learn more about the award winners here.

Portfolio Overview Updates

Emily Moore (NEEA) provided the overview, which included brief highlights on the commercial portfolio. *The desired outcome is for committee members to be aware of program progress in the commercial portfolio since last quarter. Refer to [slides 6-13](#) and [pages 3-5](#) in the [packet](#) for greater detail. If you have questions about this presentation please contact Emily (EMoore@neea.org).*

Overview Topics w/ Key Discussion Points, Action Items & Decisions:

- A. 2020 Operations Planning
 - 1) Board currently reviewing plan, will approve at December 4/5 board meeting after other board committees review.
- B. Portfolio Overview
 - 1) Cycle 6 changes
 - a) Reminder the Commercial Real Estate program will retire into the BetterBricks Platform
 - b) The Lighting Resources program will also retire and key aspects of that program will be folded into existing active programs, such as Top Tier Trade Ally (TTTA).
 - c) SEM is a specially funded project in Cycle 6; the SEM collaborative and SEM Hub will still remain publicly available resources.
 - 2) New Programs on the Horizon
 - a) Thin Triple Paned Windows – how this will be approached is TBD, stay tuned!
 - b) Fans (likely to be added to Extended Motor Products program next year; will go through RPAC for review)
 - 3) Top 5 Commercial Program Highlights
 - a) Continued momentum on lighting training via LLLC and TTTA; opportunities were made available across the region this year, including webinar options.
 - b) Pumps distributor engagement is yielding full category data collection
 - i.) **ACTION ITEM: Warren to follow up with Mark (PSE) on the mix of types of distributors engaged**
 - ii.) NEEA is working to ensure that a diversity of distributors are engaged
 - c) 1st agreement with window attachments manufacturer to access full category sales data; helping to pave the way for more manufacturer engagement when commercial product certification launches in Q1 2020
 - d) Continued outreach to HRV manufacturers to encourage more qualifying product lines for the VHE DOAS specification
 - e) Expanding reach of lighting distributor engagement and full category data, via the Commodity LED midstream pilots with Seattle City Light and Snohomish PUD
 - 4) Key focus areas for 2020
 - a) LLLC market development
 - b) Completion of mid-stream lighting pilots; a key takeaway is that it's harder to get distributors to manage incentives administration now that the per lamp incentive is going away. Also learning that there are a certain percentage of lamps sales that don't meet either Energy Star or DLC QPL. NEEA is analyzing this on a monthly basis through the full category data submissions and will share results with lighting managers in January 2020.

- i.) BPA interested in seeing an overarching (regional) data comparison to help inform program strategies; could be a topic for a working group in 2020.
 - c) VHE DOAS system requirements revision and recruitment for additional HRV product lines; good progress this year on working with actors in supply chain
 - i.) **ACTION ITEM: PSE noted they would like the region to look at utility pilot incentives as an option in 2020. BPA and Seattle City Light agreed. NEEA to help coordinate initiating this.**
 - d) AERC commercial certification program on track to launch Q1
 - i.) Designing and planning field test in NW; **could be good use of a work group in 2020 to bring together funder input.**
 - e) Collecting and analyzing data on pumps and circulators and refining XMP program strategy
 - f) Looking to build/enhance BetterBricks marketing outreach to target audiences
 - i.) See Aug 5 [notes](#) for greater detail on planned activities
- 5) Key areas for funder collaboration
 - a) LLLC marketing case studies
 - b) Continued training coordination
 - c) Technical assistance for VHE DOAS
 - d) Field tests for Windows

Luminaire Level Lighting Controls (LLLC) Update

Anne Curran (NEEA) provided the overview. *The desired outcome is for Committee members to be aware of program progress and current activities. Refer to [slides 15-30](#) and page 6 in the [packet](#) for greater detail. If you have questions about this presentation please contact Anne (ACurran@neea.org).*

Overview Topics w/ Key Discussion Points, Action Items & Decisions:

- A. Overview of LLLC Program: reminder of recent scale-up to market development phase and associated activities
 - 1) Education Trainings
 - a) Rollout of 1 day controls class has been a success. Thanks to funders for hosting these sessions. Regional exposure and coverage is strong! Thanks to Lighting Design Lab for their close collaboration on training.
 - b) In addition to 1 day in person class, an online, self-paced option developed by Design Lights Consortium is available to alliance members at no cost (Pacific Power and BPA Trade Ally Network Northwest is utilizing this option, Idaho Power plans to). These trainings are tailored for both the design and install communities.
 - c) There was discussion about value engineering and its impact on LLLC
 - a. PSE noted there might be opportunity for targeted new construction incentives
 - d) Informational video produced to promote the trainings that funders can use on their websites and newsletters, etc; the video be available by end of November.
 - e) A set of Technical Handouts will also be available soon as an educational reference
 - f) **ACTION ITEM: Anne will email details on training and new educational resources to Lighting Workgroup and will copy CAC members**
 - g) Planning for 2020
 - i.) Plans in development. Partnering closely with LDL.
 - ii.) Lighting work group will provide feedback in January
 - iii.) BPA, Energy Trust and Pacific Power would like info about training opportunities for 2020 in advance of Lighting Workgroup;. **ACTION ITEM:**

Anne to follow up with BPA, Pacific Power and Energy Trust to share draft LLC plans so they can plan for their training plans and budget.

- 2) Awareness Building
 - a) Two marketing case studies underway, thanks to support from Seattle City Light:
 - i.) **Reminder to committee members to advise NEEA staff if you have ideas for other case studies.**
 - b) Savings study on school retrofit in Beaverton – **a memo update on this will be provided before year end**
 - c) LLC Toolkit – utility brandable marketing materials available
 - d) BPA noted their website updates are slightly delayed, but underway.
 - e) Leveraging influencers (earned media (incl 90-sec spot interviews), interviews with industry experts, leveraging BetterBricks partners, planning for 2020).
 - 3) Supply Chain & Sales Engagement
 - a) Learning about sales and decision-making process; very competitive environment with a lot of sales rep turnover.
 - b) Rolling out engagement plan
 - c) Activating the sales chain: identified nine priority manufacturers, already starting to meet with them; seeking to have at least four with action plans in place and rolled out in 2020.
 - d) Collaborative Action Plan framework – see slide 27
- B. Asks of manufacturers to send clear direction to sales chain through commissions, SPIFs and sales targets and to increase support of projects. . Opportunities to partner
- 1) Hosting trainings
 - 2) Leverage marketing toolkit
 - 3) Sharing is critical to awareness
 - 4) 2020 will be first year NEEA's Planners will make formal ask on savings estimates

Utility Share-outs/Round Robin

Committee members shared out current activities within their organizations since last meeting.

- A. **BPA:** Recently combined commercial and industrial sectors. Trade ally network side focusing on strategic planning and marketing support to utilities and business customers. Started new rate period Oct 1, with new implementation manual, incentives. Looking to grow uptake on HVAC and shrink lighting to balance portfolio. Dave Murphy still in lighting, but Ryan LeBaron will take on lead for all things lighting.
- B. **Energy Trust:** Moving forward on a network lighting controls pilot (commercial & industrial), expect to roll out in February. Just launched a TLED give away given they are becoming more difficult to incentivize: one in Eastern Oregon, along with one in Southern Oregon as part of DEI efforts seeking to reach underserved communities; successful thus far via collaboration with trade allies. Planning modest lighting incentive increase for 2020; were 40mmKWH in the hole for goal, finding miscellaneous ways to bring the savings back in on lighting – back to about 90% to goal overall as a result. Significant rebid going out next year to combine existing buildings program and a new C+I lighting program; looking to integrate new midstream opportunities depending on how bids come out – expect to have a decision by end of 2020.
- C. **Seattle City Light:** In process of launching a demand side tracking system, to go live in April; will digitize all aspects of program administration. Joe Fernandi now shifting over to Program Implementation side. Focusing on midstream lighting pilot, and midstream HVAC. Adopting PSE branding/framework on existing building commission program to help streamline the process for participants. Building performance standard rulemaking underway in WA; working on incentives on performance standards for existing buildings – will be funded by state but managed by utilities, so lots to sort out there.

- D. **Snohomish PUD:** Expecting to hit 100% savings target, 85% of budget target. Lighting programs going well. ESI strong this year as well. Custom programs falling short. Pilots: winter peaking load shaping, will include Fridays now (using M&V, net metering, time of day rates); kicking off compressed air leak detection pilot in about a month, working with trade allies on this. ReOrg: combining residential and commercial; working to streamline the process; no one identified yet to serve in portfolio management role. Engaged in network lighting controls. Offering bonus on motors and heat pumps through advanced rooftop controls (ARC) measure since it's proven.
- E. **Puget Sound Energy:** Expect to get approval for next 2 year cycle in November. Software project impending to support ENERGYSTAR platform data uploads. Working through impacts of clean energy legislation, social cost of carbon also needs to be incorporated in avoided cost calculations; lots to figure out as these combine. Expect to hit savings goals for both electric and gas for the year. ***Anyone providing on-bill financing feature, and has it helped with program participation?***
 - 1) PSE trying to ferret out just how beneficial this is
 - 2) Seattle City Light promoted, not much uptake
 - a) NorthWestern curious if there is a limit, Seattle City Light unsure.
 - b) **ACTION ITEM: Ted to follow up with Deb on results of on-bill financing**
 - 3) Pacific Power working with Craft 3 for residential; working with NEIS on commercial and industrial – not on-bill, but connects project vendors with access to financing if needed. In WA, see many quotes but haven't seen many projects (loan draws). "On-bill" feature doesn't seem to be the critical aspect.
- F. **Avista** – no updates to share
- G. **Pacific Power:** Just wrapped up 2020-2021 planning. Used social cost of carbon proxy portfolio as base for biennial target – is about 25% higher than 2018-2019 target. All delivery is outsourced – as a result asked those firms to increase their targets as well. WA: planning to run pilots for lighting controls. Continuing small business outreach through vetted vendors to offer lighting incentives (vendors are using co-branded materials and attire, seems to help with close rate). New in 2020 – only incenting controls, not LEDs for new construction exterior lighting.
- H. **NorthWestern:** Fully staffed now with new engineer joining team this week. Updated potential assessment (includes capacity values for electric commercial measures), hope to have early next year. Rate review in MT has been ongoing – anticipate a stakeholder group will form on DSM design and marketing for 2020-2021 program, along with another to look at green products offerings. As part of rate review, requesting to have DSM investments go back to being capitalized (as opposed to operationally expensed). Network lighting controls training in Helena next week; waiving tuition for customers to incentivize attendance.
- I. **Idaho Power:** Launching new business direct install measures (mostly LED lighting) next week in eastern Idaho; using targeted, soft-launch approach city by city. Making incentive adjustments to traditional programs in 2020. Network Lighting Controls class will be Dec 5, may want to do another next quarter. **ACTION ITEM: Shelley to follow up with Jay at Energy Trust to discuss a midstream approach.** PSE noted they are using this approach for a few commercial products (via instant markdown, no rebate).

Coordinating Committees – Check In

Maria Alexandra Ramirez (NEEA) provided the overview. *The desired outcome is to gather feedback/input from Committee members on the proposed process. Refer to [slides 32-44](#) and [pages 7-10](#) in the [packet](#) for greater detail. If you have questions about the meeting, logistics, or general thoughts, please contact Maria Alexandra (MARamirez@neea.org).*

Overview Topics w/ Key Discussion Points, Action Items & Decisions:

- A. AC Streamlining update
- B. Proposed structure has gone forward to the board, which will be approved at their Dec 4 meeting.

- 1) Upon board approval, RPAC members will identify who in their organizations will serve on these coordinating committees.
 - 2) RPAC will be approving body
 - 3) The RETAC and CEAC committees will be addressed down the road
- C. Next steps
- 1) NEEA staff hashing out operational details of coordinating committees, to include:
 - a) Adhere to RPAC's intent and guiding principles
 - b) Address Alliance members' concerns, wherever possible
 - c) Design meetings to be efficient, productive and engaging
 - 2) Introductory coordinating committee meetings in January
 - 3) Work groups will sunset this year; new work groups will be established on a case-by-case, project basis via RPAC approval. The Lighting PM workgroup will meet in January to discuss next steps given their history and significant collaboration on regional lighting strategy.
- D. Feedback/discussion
- 1) ***What have you found most valuable about advisory committee meetings in general? What has been least valuable?***
 - a) Valuable: member share out and relative discussion x3 (cross-collaboration); Program-to-program exchange/coordination: context of discussions helps inform program management x2; program activity updates x2; lessons learned; group engagement
 - b) Least valuable: redundancy (over-communication leads to lack of interest); when folks don't speak up/engage
 - 2) ***What communication channels have you found most helpful / effective? What has been least helpful / effective? E.g. topic specific memos, portfolio updates, slides, notes, recordings, newsletters, reports, etc..***
 - a) Most: roadshows - more funders engaged; internal (funder) share-outs; specific, clear info; portfolio updates, more content in memos desired, clear slides;
 - b) Least: Too much info; meeting recordings
 - 3) ***What meeting structure have you found most productive? What has been least productive? Eg.1:1 meetings, calls, webinars, timing, cadence, discussion, presentations, etc..***
 - a) Most productive: Well defined meetings (agenda, expectation setting x2), facilitator stays on topic, meetings are informative; 1:1s great x2 (specific to roadshows and quarterly 1:1s), webinars okay too when in-person not feasible; good cadence (quarterly)
 - b) Least productive: nothing shared

Special Topic: City of Seattle Tune-Up Accelerator Program Overview and Learnings

Guests Chris Meek (UW Integrated Design Lab), Nicole Ballinger (City of Seattle), and Ted Brown (Seattle City Light) provided the overview. *The desired outcome is for Committee members to be aware of program overview and key learnings. Refer to [slides 46-113](#) and [page 11](#) in the [packet](#) for greater detail.*

Overview Topics w/ Key Discussion Points, Action Items & Decisions:

- A. Seattle Office of Sustainability & Environment (Nicole)
 - 1) Seattle Climate Action background
 - 2) Tune Accelerator Approach
 - 3) Program status, early outcomes & learning
- B. UW Integrated Design Lab (Chris)
 - 1) Deep energy retrofit project path & Spark engagements

- 2) Project highlights
- 3) Key learnings & takeaways
- C. Seattle City Light (Ted)
 - 1) SCL's goals
 - 2) Programmatic approach for TUA - logistics and mechanics of incentives for tune-ups
 - 3) Utility benefits; e.g., leads to other opportunities
 - 4) Key learnings/takeaways
- D. Looking Forward (Nicole & All)
 - 1) What's next for City of Seattle
 - 2) Opportunities to build on this work to address array of policy and market drivers
 - 3) Planning for a 'retrofit accelerator' pilot
- E. Discussion
 - 1) *Incentives on natural gas equipment?* IDL worked with PSE staff on both recommissioning work and proposed capital measures; a few projects had natural gas. Investigated pay-per-performance path on both fuels for every project, found custom incentives were better in both regards every time.
 - 2) *How significant was the tune-up process as a precursor to the building renewal process?* It seemed to happen in parallel; didn't change anything in terms of recommendations.
 - 3) *Seems ripe for SEM; did you find any buildings were already engaged in SEM?* This creates a moment of engagement for a variety of things; all of the buildings had a capital plan, some you could call SEM. This was more a coalescing thing that brought folks and resources together. Reminder also that this was voluntary, so participants were engaged, early adopters, but there was a steep learning curve as well as they tried to figure out what the City was asking for.
 - 4) *How broadly do you think the learnings apply across all the buildings?* Hard to say; we picked projects that were representative. A lot of it is in the structural and motivational aspects. Time availability and use of the spark report was likely a blind spot, we didn't get info on how it was used/beneficial.
 - 5) Next year, may be able to streamline the process.
 - 6) *Role for service providers with this level of building retrofits?* Reports were shared with service providers already engaged. With the exception of the public schools, the service providers were also the mechanical contractors and this was seen as a benefit in terms of speeding up the work cycle.
 - 7) Incentives will disappear once compliance deadline passes

Wrap up/Feedback on Meeting

- A. Public Comments: Appreciate it being open to the public, the regional information is helpful.
- B. Committee Feedback: None.
- C. Next meeting: Introductory coordinating committee webinar planned for January; meeting invite to come.