Meeting Notes Q3 2024 Natural Gas Advisory Committee Interim Webinar September 19, 2024 Online Only



## **Attendees:**

Carlos Limon – Avista
Jackie Goss – Energy Trust
Jodie Albert – Cascade Natural Gas

Michelle Wildie – Puget Sound Energy Laney Ralph – NW Natural Kevin Duell – NW Natural

**NEEA Staff:** Alisyn Maggiora, Peter Christeleit, Brandon Lindquist, Becky Walker, Emily Moore, Virginia Mersereau, Stephanie Quinn, Stephanie Rider, Jonathan Belais

## Resources

- > Agenda packet on NEEA.org: Northwest Energy Efficiency Alliance (NEEA) | Q3 2024 NGAC Interim...
- Master slide deck on NEEA.org: Northwest Energy Efficiency Alliance (NEEA) | Q3 2024 NGAC Webinar...
- Meeting Recording:
- A. Welcome and Introductions
  - 1) Staffing Update: Peter Christeleit (<a href="mailto:pchristeleit@neea.org">pchristeleit@neea.org</a>) is now the Sr. Manager, Corporate Strategy and Stakeholder Relations. Emily Moore (<a href="mailto:emoore@neea.org">emoore@neea.org</a>), Director of Portfolio, and Stephanie Quinn, Sr. Manager, Program Management, will be picking up the management and work that Peter was responsible for. Emily will be responsible for the Natural Gas Portfolio and Stephanie Quinn will now be managing the Natural Gas Program Managers.

## Gas Portfolio Evolution (Slides 7-16 | Packet p. 2-5)

Jonathan Belais (jbelais@neea.org) discussed Washington House Bill 1859, also known as HB 1859. HB 1859 says that on January 1, 2025, no large combination utility may offer any form of rebate, incentive, or other inducement to residential gas customers to purchase any natural gas appliance or equipment. Until January 1, 20231, rebates and incentives for commercial and industrial gas customers are not included in this requirement. Rebates and incentives for electric heat pumps that include natural gas backups may be offered until January 1, 2031. Virginia Mersereau (vmersereau@neea.org), Vice President of Corporate Strategy, Relationships and Communication, went through the Cycle 7 Business Plan Goals and Focus Areas for the Natural Gas Portfolio. Becky Walker (bwalker@neea.org), Vice President of Market Development and Transformation, discussed the guiding principles for the next generation of NEEA's Gas Portfolio. Those principles are 1. The portfolio will increase market adoption of affordable energy solutions that result in reportable gas energy savings 2. All activities and programs will be designed to align with state policies and/or other decarbonization efforts 3. The focus of the portfolio will shift towards commercial, dual fuel, and fuel-neutral products, systems, and practices 4. Dual fuel equipment is included in the portfolio and qualifies due to the increased end-use efficiency. Peter Christeleit (pchristeleit@neea.org), Sr. Manager of Corporate Strategy and Stakeholder Relations, then walked through a series of recommended strategic portfolio shifts including scaling back residential gas products, ramping up residential dual-fuel HVAC, and increasing investment in commercial space and water heating.

## Discussion

**Kevin Duell, NW Natural:** On January 2, 2031, will rebates and incentives for commercial and industrial gas customers be included in the requirement?

Jonathan Belais, NEEA: That is unknown at this point.

**Carlos Limon, Avista**: Will this affect savings and reporting for Washington utilities that are not prescribed within HB 1859?

Becky Walker, NEEA: This should not affect what NEEA reports out or savings.

**Stephanie Rider, NEEA**: We'll be able to track what's happening in the market and report savings. On the backend, at the utility-level, is where adjustments may need to be made. NEEA will not make any adjustments but will address the needs of each utility independently.

**Carlos Limon, Avista**: Thank you. We want to make sure the savings that could go to the rest of the utilities not be excluded.

**Jackie Goss, Energy Trust:** For the future of the Natural Gas Portfolio, are weatherization measures being moved from the Electric Portfolio?

**Becky Walker, NEEA**: None of these are intended to affect the Electric Portfolio.

**Carlos Limon, Avista:** For the first Principle of the next generation of NEEA's Gas Portfolio ("The portfolio will increase market adoption of affordable energy efficiency solutions that result in reportable gas savings"), will this limit what we are looking at for Emerging Technology?

Becky Walker, NEEA: It is not intended to limit what we are looking at for Emerging Technology.

Laney Ralph, NW Natural: Can you explain the reasoning of winding down on residential water heaters?

**Peter Christeleit, NEEA**: On one hand, from a legislative standpoint, it is a difficult area to work in. The other factor is where the technology is currently at from a manufacturing standpoint.

Feedback, Wrap-Up, & Adjourn