



Natural Gas Advisory Committee

Q3 2024 Interim Webinar

September 19, 2024

1-2pm Pacific

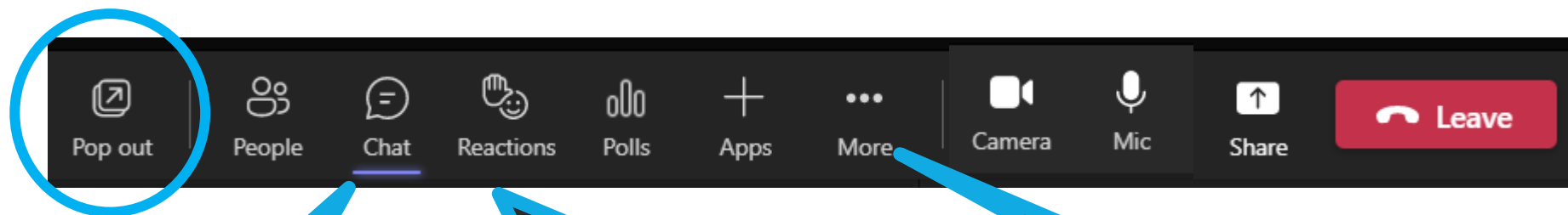
Virtual

This meeting will be recorded and transcribed





Tools for Today: Engaging on Teams



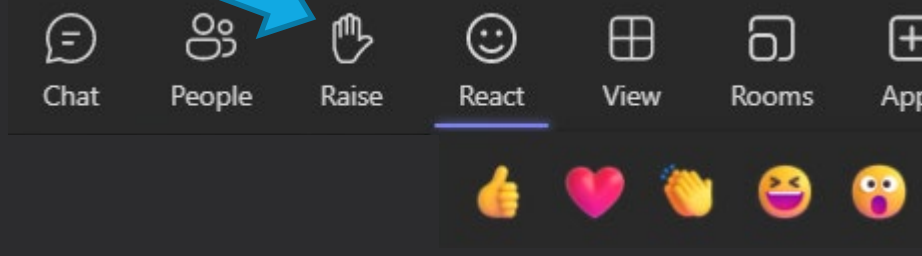
The chat is not captured in the recording.

Do you have any accessibility challenges with this technology today?



Comments/Questions?

Please raise your virtual hand or chime in
Chat & reactions also welcome



“...” More includes:

- ✓ Settings: mic & video
- ✓ Background effects



Agenda

All times Pacific

1:00-1:05	Welcome and Quick Introductions
1:05-1:50	Overview & Discussion: Gas Portfolio Evolution (pg. 2-5) <ul style="list-style-type: none">➤ Policy update➤ Recap of board-level discussions➤ Review proposed portfolio changes➤ Discussion <p>Desired Outcome: Committee members are aware of latest developments and discussions at the board level regarding the gas portfolio for NEEA's next business cycle (2025-29), ahead of the 2025 draft operations plan webinar (scheduled for Oct 16).</p>
1:50-1:55	Public comment, wrap up and adjourn



A close-up photograph of two hands shaking in a firm grip, symbolizing a business agreement or partnership. The hands are of different skin tones, and the background is blurred, showing a smiling woman and warm bokeh lights.

Quick Introductions:

- Name
- Role
- Organization

A large, faint, light blue watermark of the NEEA logo is centered in the background. The logo consists of a diamond shape formed by four interlocking chevron-like segments.

NEEA Staffing Update



REQUEST: Please email Peter any Questions about:

- *Q2 2024 Financials*
- *Progress Report Highlights (Q2'24 recap)*



A faint, light blue geometric logo is centered in the background. It consists of several interlocking chevron-like shapes that form a larger, abstract diamond or star-like pattern.

Reminder of Purpose for Today



HB 1589: Natural Gas Incentive Restrictions

Beginning 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, 2031, 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.



C7 Business Plan Goals and Focus Areas

Goals:

- Maximize near-to-medium term energy savings
- Maintain the flexibility to strategically advance products with the highest likelihood for achieving significant savings and adapt to changing environment

Focus Areas:

- Gas heat pumps, gas equipment, dual-fuel and fuel-neutral products



Summary of Board/NGC/SPC Discussions

- March – HB1589 final rule adopted
- April - June – Exploratory conversations with natural gas Board members
- July & August – Natural Gas and Strategic Planning
- September Board meeting – Board alignment on principles to go forward (draft approval)



Principles for Next Generation of NEEA's Gas Portfolio

1. The portfolio will increase market adoption of affordable energy efficiency 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 this portfolio and qualifies due to the increased end-use efficiency.



Recommended Strategic Portfolio Shifts

- 1. Scale back, leverage extra-regional collaboration** for residential gas products (with minimal NEEA investment) to meet funder needs while keeping savings pipeline
- 2. Ramp up residential dual-fuel HVAC**
- 3. Increase investment in commercial** space and water heating, which could result in:
 - Two fuel-neutral HVAC programs
 - One central water heating program



Portfolio Components - Commercial

Program/Activity	CYCLE 7 Business Plan (original)	CYCLE 7 Business Plan: Proposed Updates
COMMERCIAL PROGRAMS		
Efficient RTU (fuel-neutral / dual-fuel)	Continue	EXPAND: Explore expanding program to include electric RTUs (dual fuel).
High Efficiency Dedicated Outdoor Air Systems (fuel-neutral)	N/A	ADD: Explore adding High Efficiency Dedicated Outdoor Air System for gas systems (would likely be an expansion of the current electric program, thereby becoming a fuel-neutral program).
Advanced Commercial Gas Water Heating (gas efficiency or fuel-neutral)	Continue and advance	CONTINUE / ADVANCE: Continue working on advancing to market development phase, plus potentially EXPAND dual-fuel component.
Efficient Commercial Laundry (gas efficiency or fuel-neutral)	Scanning and advance	ADD: Explore adding as a new fuel-neutral program (technology has both gas and electric applications).



Portfolio Components - Residential

Program/Activity	CYCLE 7 Business Plan (original)	CYCLE 7 Business Plan: Proposed Updates
RESIDENTIAL PROGRAMS		
Residential Dual-fuel HVAC (dual-fuel)	ADD: Residential Dual-Fuel HVAC	ADD: Residential Dual-Fuel HVAC
Efficient Residential Gas Water Heating (gas efficiency)	Continue	STOP: Wind down activities due to policy directives in Washington and market headwinds; continue engagement with North American Gas Heat Pump Collaborative and other utilities and industry groups as a part of scanning and codes and standards.
High Performance Windows (fuel-neutral)	Continue	STOP: Wind down activities due to not meeting program advancement criteria; window and envelope activities will continue in scanning and codes and standards.



Portfolio Components – Additional Activities

Program/Activity	CYCLE 7 Business Plan (original)	CYCLE 7 Business Plan: Proposed Updates
ADDITIONAL PORTFOLIO ACTIVITIES		
Regional Stock Assessments	CONTINUE	CONTINUE
Codes & Standards	CONTINUE	CONTINUE
Analytics, Market Research and Evaluation	CONTINUE	CONTINUE
Emerging Technology Scanning	CONTINUE	CONTINUE
Convene and Collaborate	CONTINUE	CONTINUE



Recap & Discussion

Guiding Principles

1. The portfolio will increase market adoption of affordable energy efficiency solutions that result in reportable gas energy savings.
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A piece of brown paper with a string tied in a bow. The string is a light brown, twisted cord. It is tied in a bow that is centered on the right side of the paper. The bow has two loops, one pointing upwards and one pointing downwards. The string extends horizontally across the paper, passing through the center of the bow. The background is a solid, textured brown color.

Let's wrap it up!



Remaining 2024 Meetings

Date	Event	Notes
Sept 19	NGAC Dual Fuel Product Work Group	<i>Today! (2-4pm)</i>
Oct 22	Q4 NGAC Meeting	<i>Hybrid @ Cedarbrook Lodge</i>
Dec 9	Q4 Interim Webinar	1-2pm hold

2025 Proposed Dates

NGAC (all day hold)

- Q1 – Tuesday, Feb 4
- Q2 – Wednesday, April 16
- Q3 – NONE
- Q4 – Tuesday, Oct 28

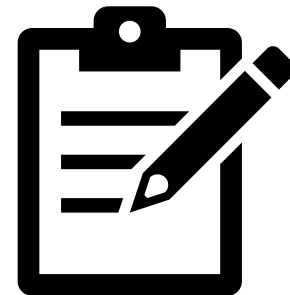
Interim Webinars (1-2pm hold)

- Q1 – Wednesday, March 12
- Q2 – Thursday, June 5
- Q3 – Wednesday, Sept 10
- Q4 – Wednesday, Dec 10

Request: Notify Alisyn of major conflicts by Sept 26



Action Items | Any Final Qs?



NGAC Member Action Items

1. xx

NEEA Action Items

1. xx

Feedback

What was helpful? What could be improved?

Public Comment

Closing Remarks

» Until we meet again...

- Q4 NGAC: Tuesday, October 22 -- Hybrid @ Cedarbrook Lodge – SeaTac
- Q4 Interim Webinar: Thursday, December 9, 1pm (TBD)

