

**Q4 2024: Tuesday, November 5**

9:00am – 11:30am Pacific

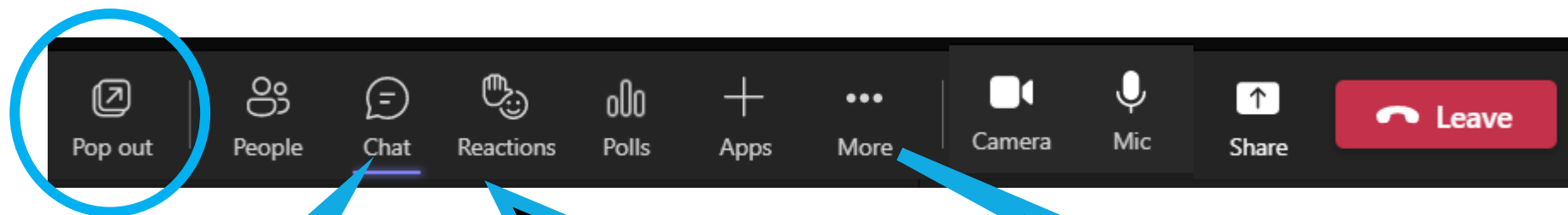
Virtual

# ***Regional Portfolio Advisory Committee***





# Tools for Today: Engaging on Teams

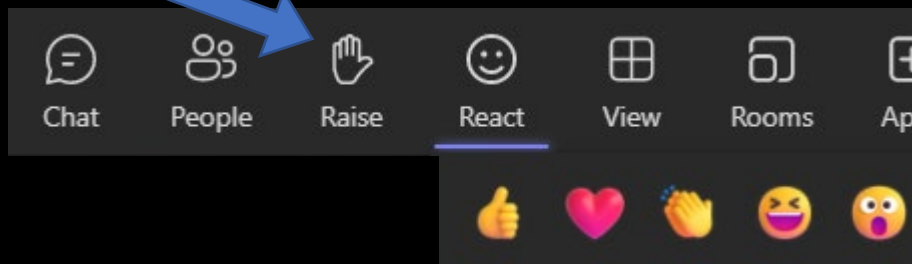


The chat is not captured in the recording.

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

*Heads up:*

*“Spotlighting” Speakers*





# *Reminder of Committee Purpose & Role*



## ***Purpose***

...to support Alliance success by **advising** on the **optimal composition of NEEA's program portfolio**, including a **formal vote for program advancement** at two key points in the Initiative Lifecycle, **consistent with the goals and objectives of NEEA's Business & Operations Plans**.



## ***Responsibilities***

- Portfolio optimization & program advancement (milestone votes)
- Coordinate downstream marketing (RPAC+)
- Oversee coordinating committees and workgroups
- Monitor outcomes of all advisory committees
- Advises NEEA's Executive Director on portfolio decisions



# Agenda

*All Times Pacific*

9:00-9:05	Welcome & Agenda / Packet Review
9:05-10:15	Introductions + RPAC Round Robin
10 min	<b><i>BREAK</i></b>
10:25-10:50	Market Transformation Highlights: HVAC Data
10:50-11:05	RPAC Charter
11:05-11:15	Federal Funding Work Group Update
11:15-11:25	Housekeeping and Looking Ahead
11:25-11:30	Wrap-Up & Adjourn



# Packet Review & Informational Updates



- Tier 1: Agenda Items

- ✓ *Market Transformation Highlight: HVAC Data* (pg. 3)
- ✓ *RPAC Charter Changes: Incorporating 3<sup>rd</sup> Milestone Vote* (pg. 4)
- ✓ *Federal Funding Work Group Update* (pg. 14)

- Tier 2: Informational Updates

- ✓ *NEEA Northwest (Online) Marketplace Update* (pg. 15)
- ✓ *Q3/Q4 Committee Updates* (pg. 16)

- Tier 3: Additional Resources (links on pg. 2)

*Market Progress Report, committee materials (charters & recent meeting resources), functional newsletters (Market Research & Eval, Emerg Tech, Codes + Standards + New Construction)*





## ***WELCOME!*** ***New Committee Members***

- Clay Monroe – Pacific Power
- Emily Gilroy – WUTC
- Bill Hibbs – Clark PUD (effective Q1)



# **Combined:** ***Introductions + Committee Roundtable***

## ***NEEA Staff & Guests***

- Introduction

## ***Committee Members***

- Introduction
- Roundtable share-out
  - Q4 Highlights on any of the following:

- |   |                                 |
|---|---------------------------------|
| • Big changes (programs/personnel)        | • Sharable tools/materials      |
| • Current challenges, lessons learned     | • Equity, hard-to-reach markets |
| • How utility activities relate to NEEA's | • Findings, filings, IRPs       |

Please aim for 3-5 min max, thanks!

- Name
- Organization
- *And...*

**XXX**



A scenic mountain landscape with a wooden table in the foreground holding a cup of coffee and a pastry. The background features a valley with yellow autumn trees and a prominent mountain peak under a blue sky with clouds.

**Let's take a break!**

# Agenda

*All Times Pacific*

9:00-9:05

**Welcome & Agenda / Packet Review**

9:05-10:15

**Introductions + RPAC Round Robin**

10 min

***BREAK***

10:25-10:50

**Market Transformation Highlights: HVAC Data**

10:50-11:05

**RPAC Charter**

11:05-11:15

**Federal Funding Work Group Update**

11:15-11:25

**Housekeeping and Looking Ahead**

11:25-11:30

**Wrap-Up & Adjourn**





# ***Market Transformation Highlight: HVAC Data***

---

**Jackie Ostroff**

Manager, Data Strategy and Planning

**Debbie Driscoll**

Sr. Market Transformation Manager

Nov 5, 2024

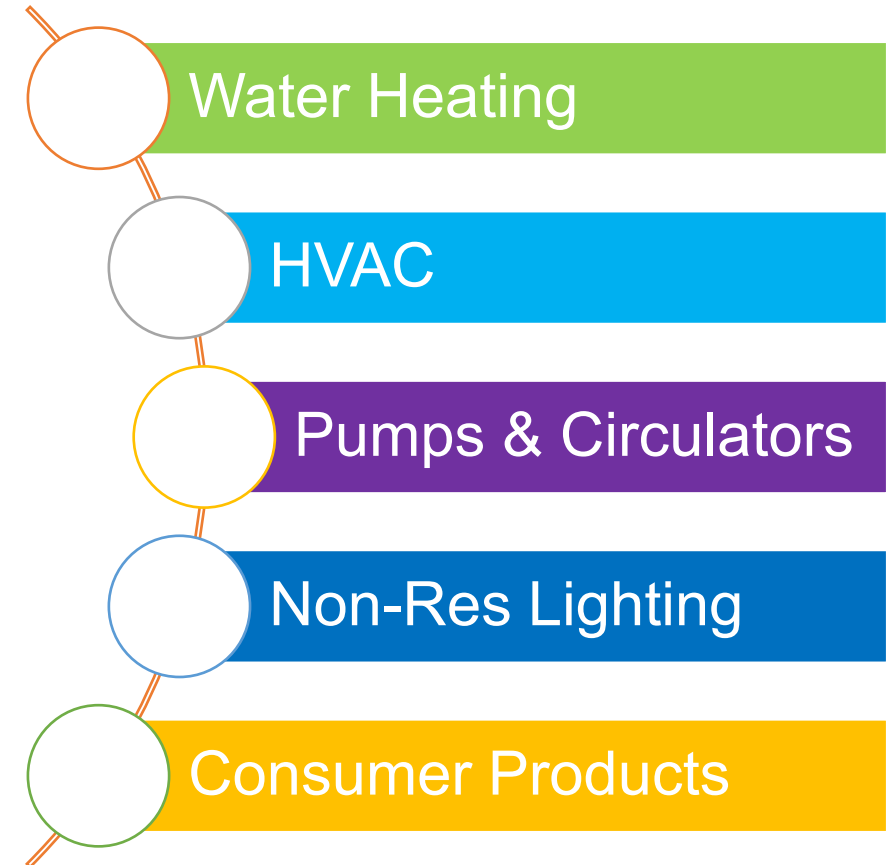


# *Data Driving Market Transformation*



# NEEA Full Category Sales Data

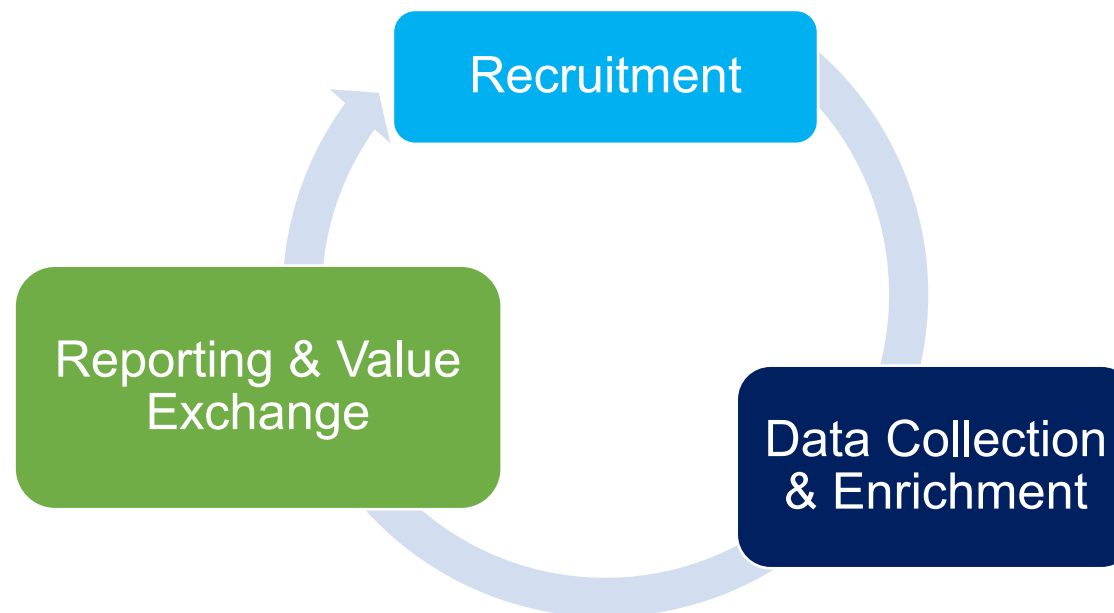
- ✓ More than efficient sales, all products sold
- ✓ Regional Representation
- ✓ Robust data that include key efficiency metrics and product attributes





# *Successful Market Data Collection*

- Relationships are key!
- Building a quality dataset is complex
- Drives Value for Internal & External Stakeholders



# ***Market Data Value Products***

*“The data NEEA has is unique in the nation. Nobody outside of manufacturers has sales data that differentiates product performance.”*

MT Program  
Strategic  
Support

Tracking Market  
Adoption and  
Energy Savings

Personalized  
Market Actor  
Reporting

Market  
Snapshots

# Success Story: HVAC Sales Data

- 2017: 5 DHP suppliers provided data
- 2023: 17 suppliers provided full category residential and commercial HVAC equipment data
- 40-70% of the market depending on technology
- Expanded tracking from basic efficiency information to future-looking metric like Cold Climate Capable and Low Load Efficient





## MARKET INTELLIGENCE

# Northwest HVAC Supplier Survey of 2022 Sales

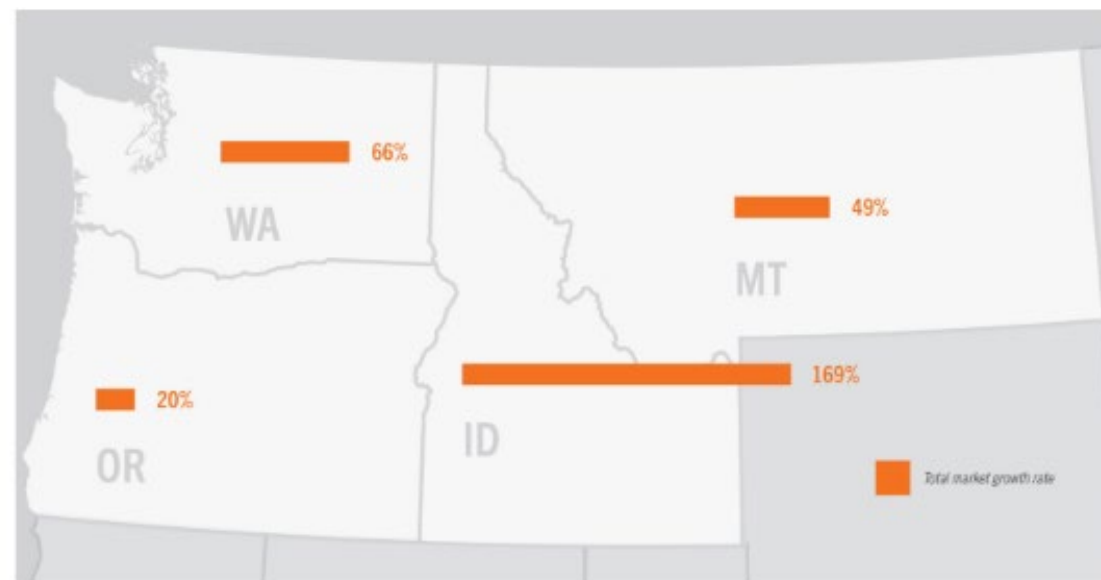
NOVEMBER 2023

PREPARED BY:  
Northwest Energy  
Efficiency Alliance



## STATE HEAT PUMP GROWTH RATE

Thanks to increased supplier participation in the survey in recent years, we can provide subregional growth rate information for heat pump sales. This chart shows the net growth rate of all heat pump sales (ducted ASHPs, DHPs, and VSHPs combined) of the total market. Heat pump sales growth rates are calculated as the percent change of total heat pump sales from 2018 to 2022.



## RESIDENTIAL HVAC SAVINGS

HVAC efficiency has significant regional energy savings potential with substantial impacts for individual residences. Replacing zonal heat with a DHP typically saves about 1,700 kilowatt-hours (kWh) and \$190 annually, enough to power the average home for nearly two months. Similarly, replacing an electric furnace with an ASHP can save over 3,500 kWh and \$380 a year, shrinking the average home's energy consumption by a third.





# Northwest HVAC Market Snapshot 2022



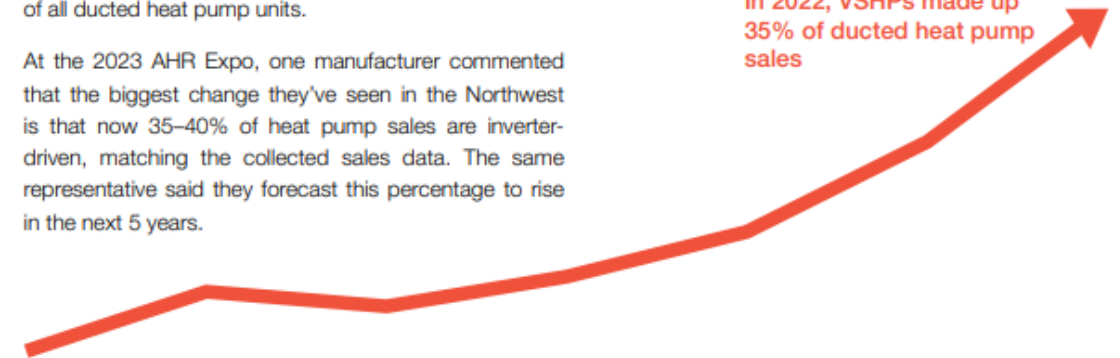
JANUARY 2024

## ASHPs and VSHPs

All centrally ducted heat pumps, both ASHPs and VSHPs, have continued to grow in market share. They now represent over a quarter of heating equipment sales (with similar representation in cooling equipment sales). As a reminder, ASHPs are defined in this report as including only single- and two-stage ducted split system units, whereas VSHPs are defined as ducted split-system units with variable-speed compressors. VSHPs have seen enormous growth over the past few years and now account for 35% of all ducted heat pump units.

At the 2023 AHR Expo, one manufacturer commented that the biggest change they've seen in the Northwest is that now 35–40% of heat pump sales are inverter-driven, matching the collected sales data. The same representative said they forecast this percentage to rise in the next 5 years.

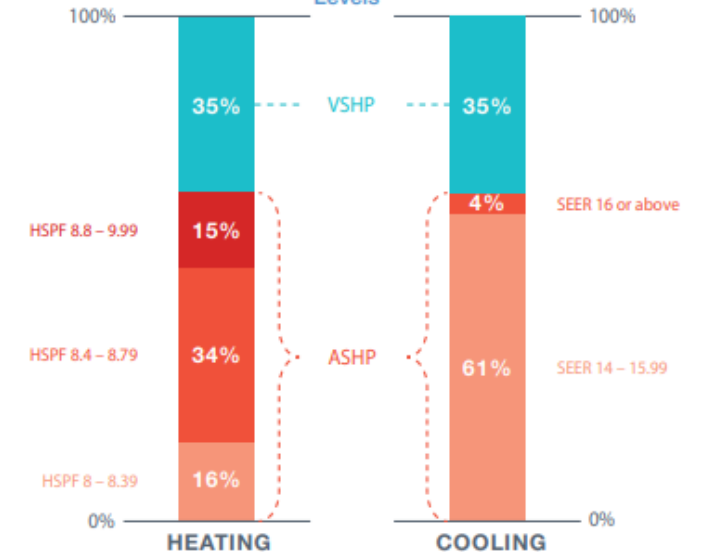
**In 2022, VSHPs made up 35% of ducted heat pump sales**



In 2022, federal regulations required split-system heat pumps to have a minimum heating efficiency of HSPF 8.2 and a minimum cooling efficiency of SEER 14.<sup>8</sup> The majority of ducted heat pumps sold in 2022 were more efficient than the existing mandatory requirements.

As seen in Figure 5, only 16% were in the lowest efficiency tier that just met the federal minimum. Nearly half (49%) were a mid-tier ASHP with an HSPF between 8.4 and 9.99, and 35% were VSHP. Within the VSHP category are ranges of efficiency ratings—a majority of VSHP have HSPF values between 8.8 and 9.99 while some units have HSPF above 10. On the cooling side, 61% of ducted heat pumps were in the lowest tier, 4% of ducted heat pumps have a SEER rating of 16 or above, and 35% were VSHP. While there are many factors that affect energy use,<sup>9</sup> modeling shows that an average VSHP consumes less energy than the highest HSPF tier of ASHPs (which are single- and two-stage).<sup>10</sup>

**FIGURE 5 Ducted Heat Pump Heating and Cooling Efficiency Levels**



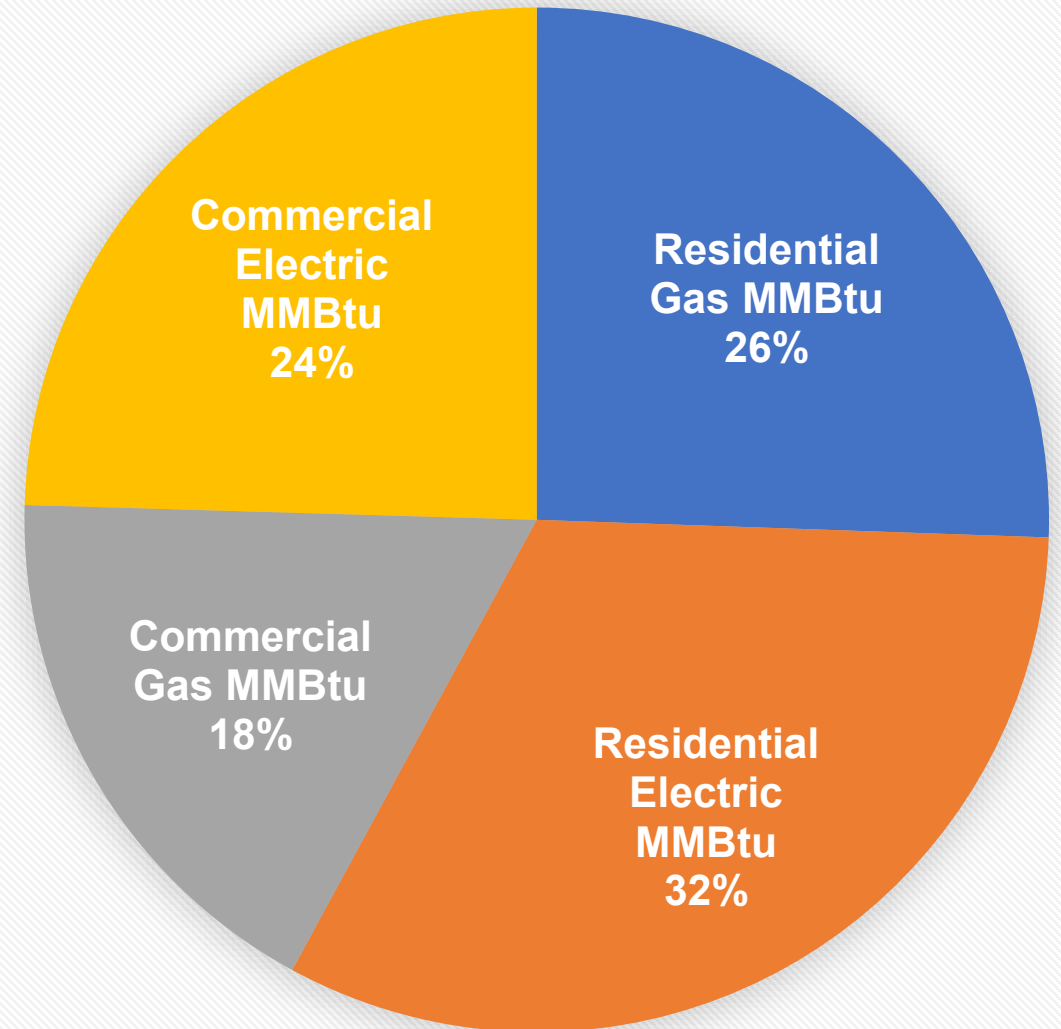
# *Ecosystem of HVAC data informs strategy*





***Regional HVAC  
Snapshot: Fairly equal  
distribution across  
major market  
segments***

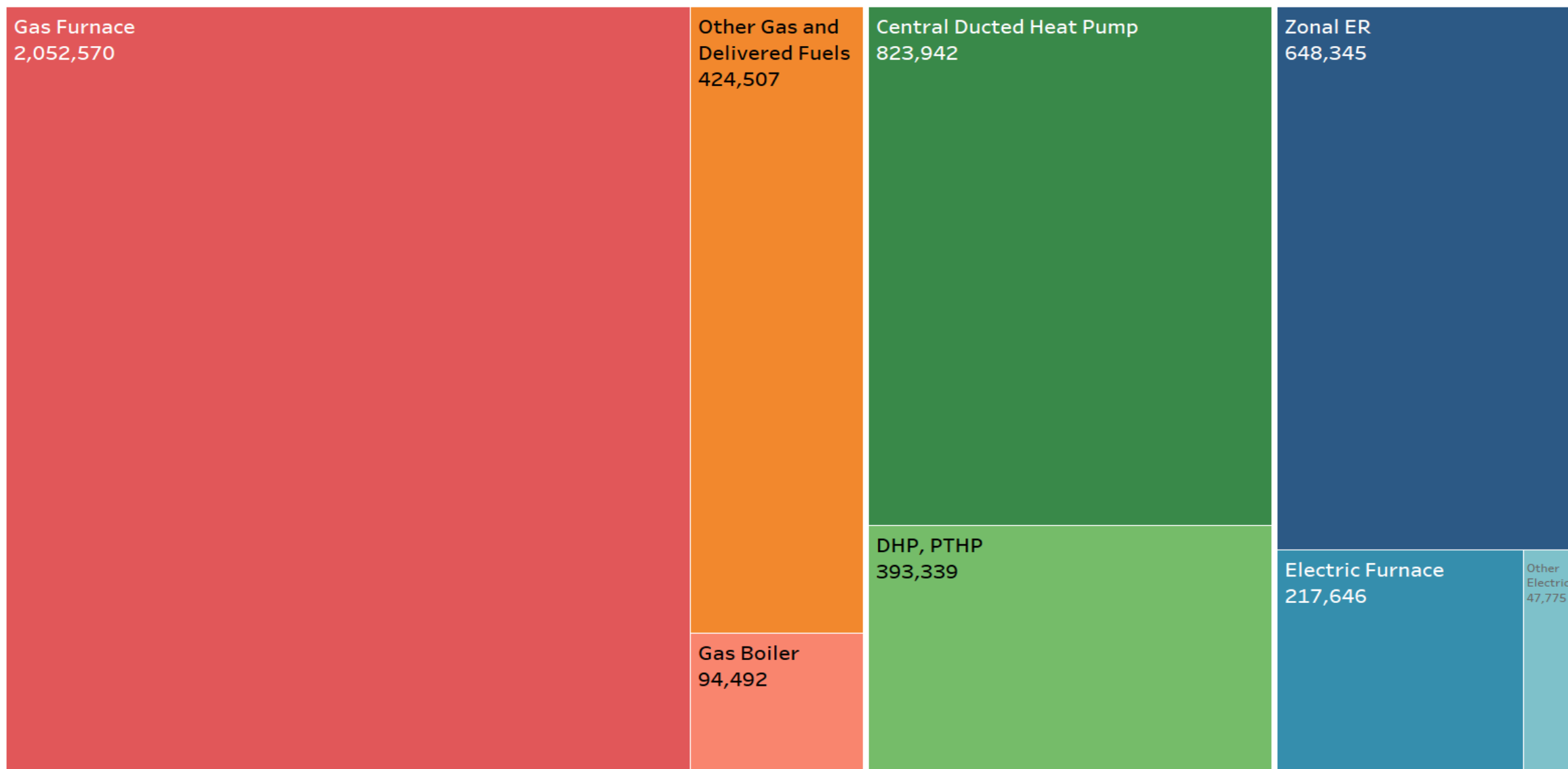
**Total MMBtu: Res vs. Com**



Source: CBSA 2019 and RBSA 2017

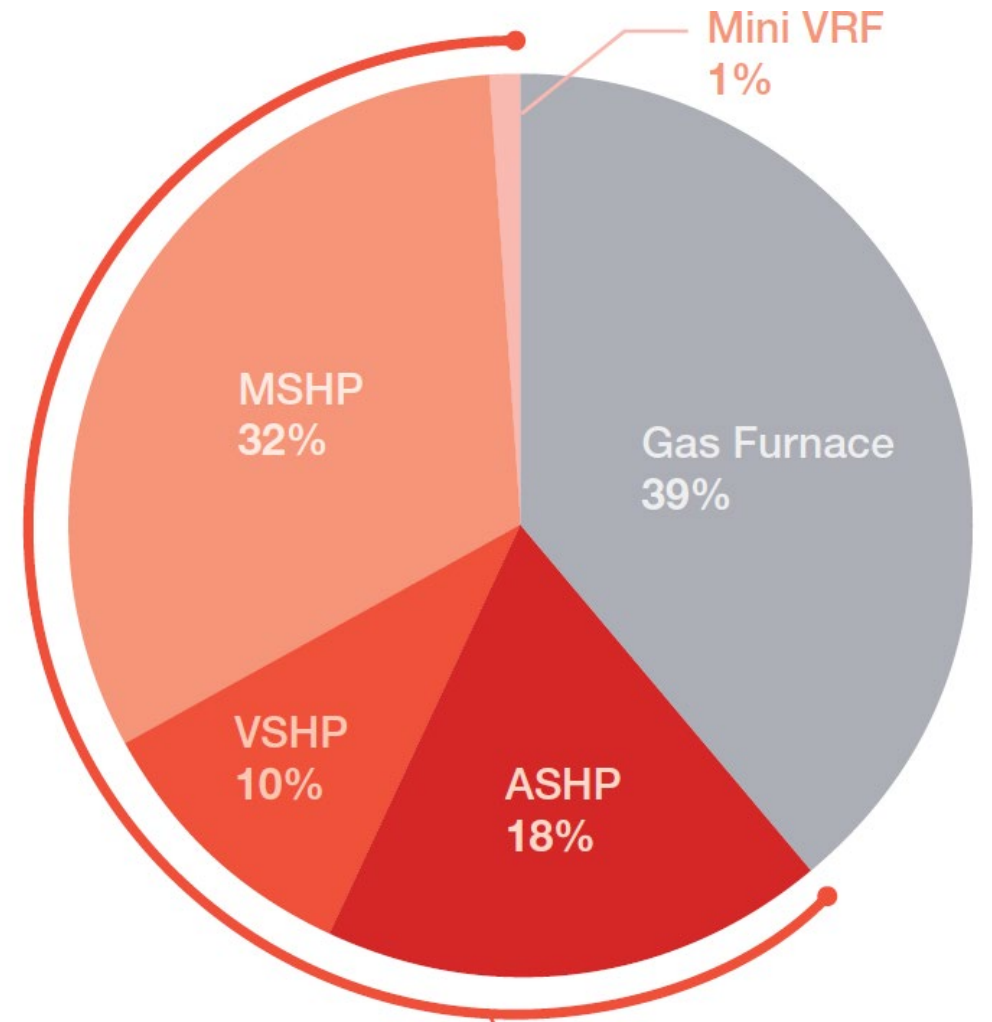


## *Residential HVAC stock: nearly 50% gas, HPs growing*





*Combined heat pump sales outnumbered gas furnace sales for the first time in 2022*

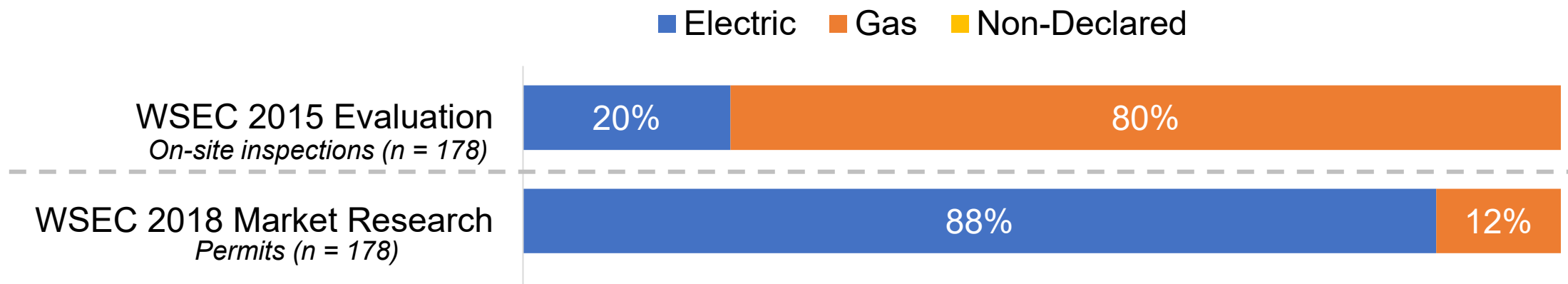


Combined heat pump sales (61%) outnumbered gas furnace sales for the first time in 2022.

Source: BPA NW HVAC Market Snapshot 2022, published January 2024



## *Washington code rapidly shifted primary space heating from gas to electric in new construction*

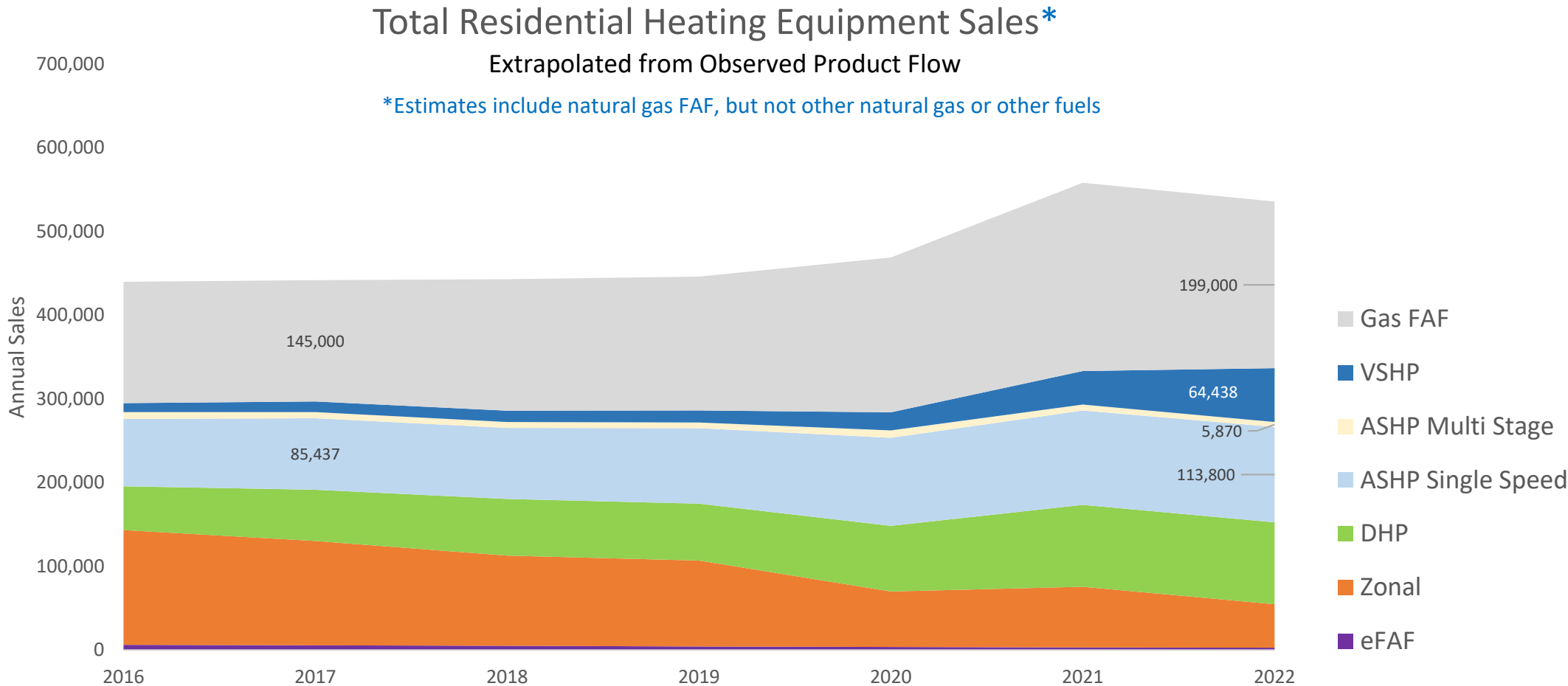


*WSEC 2018 market research and evaluation studies used different samples*

Source: Washington Residential Code Evaluations, 2015 and 2018



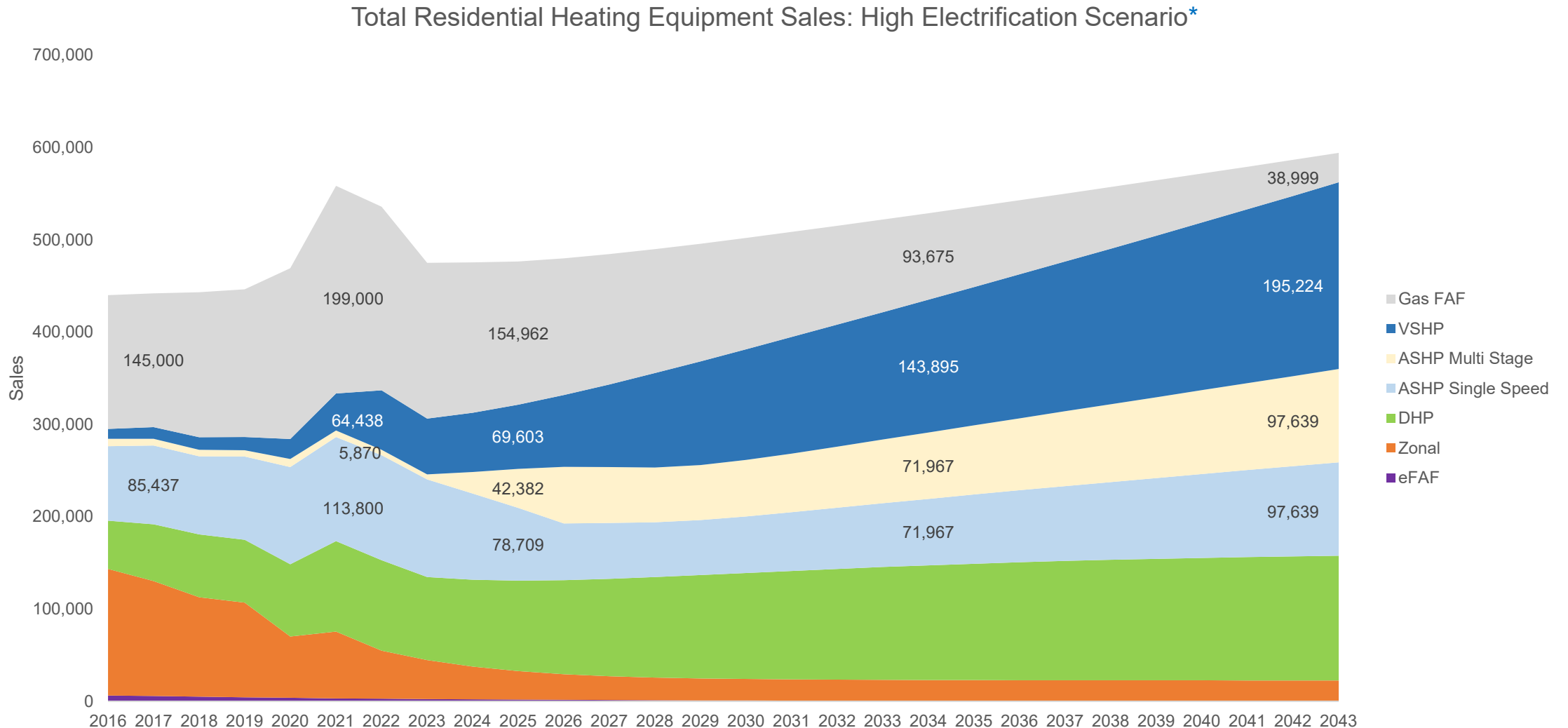
# Residential HVAC Sales: Heat pumps growing at expense of zonal electric resistance and gas systems



Source: BPA's 2022 Northwest HVAC Market Snapshot (published January 2024)



# Residential HVAC sales forecast

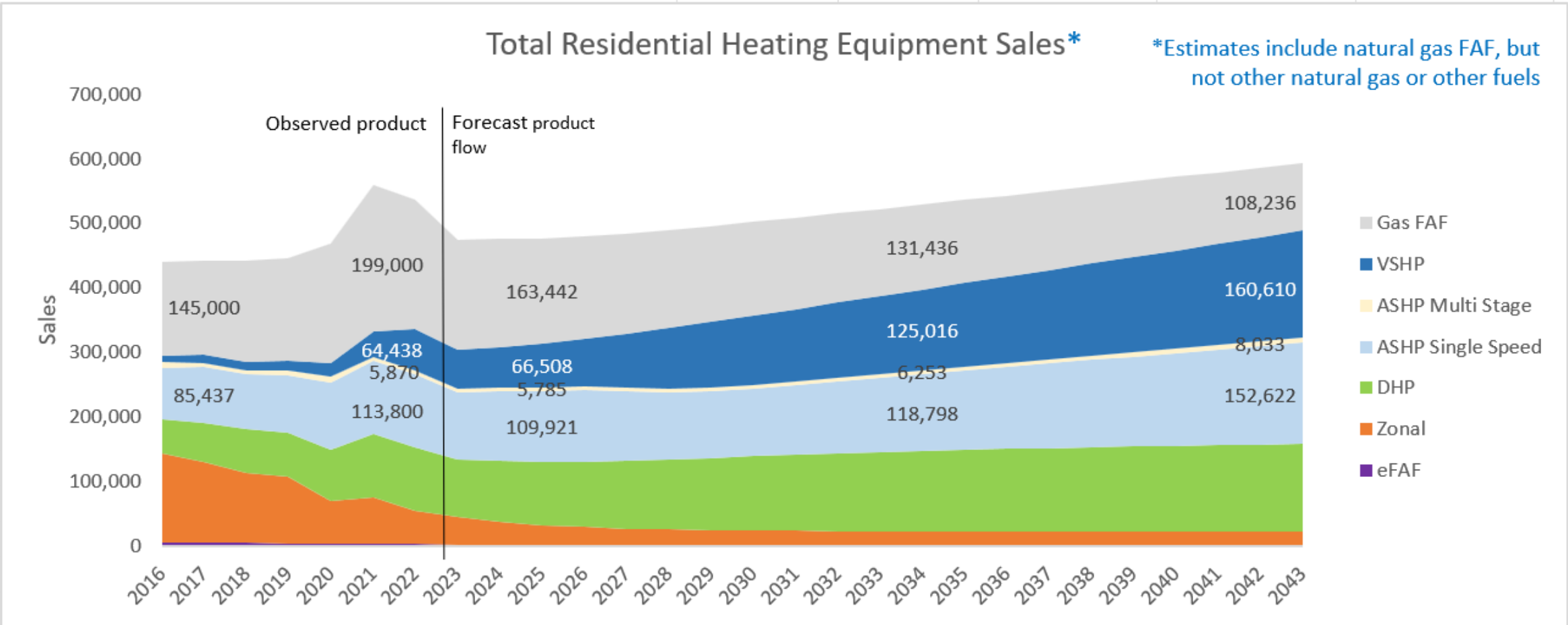


\*Estimates include natural gas FAF, but not other natural gas or other fuels

Source: BPA's 2022 Northwest HVAC Market Snapshot (published January 2024)



SCENARIO CONTROLS		REFERENCE SCENARIOS		
Scenario Control	Current Settings	Mid Case	Most Single Speed ASHPs	Fewest Single Speed ASHPs
Fed Standard eliminates all ASHP but VSHP starting in 2035	No	No	No	Yes
Tax Credit Revives 2 Speed ASHPs	No	Yes	No	Yes
VSHP Natural Saturation %	50%	50%	40%	75%
Electrification Scenario	Medium	Medium	High	Low
FORECAST				
Chart updates per Scenario Controls above				

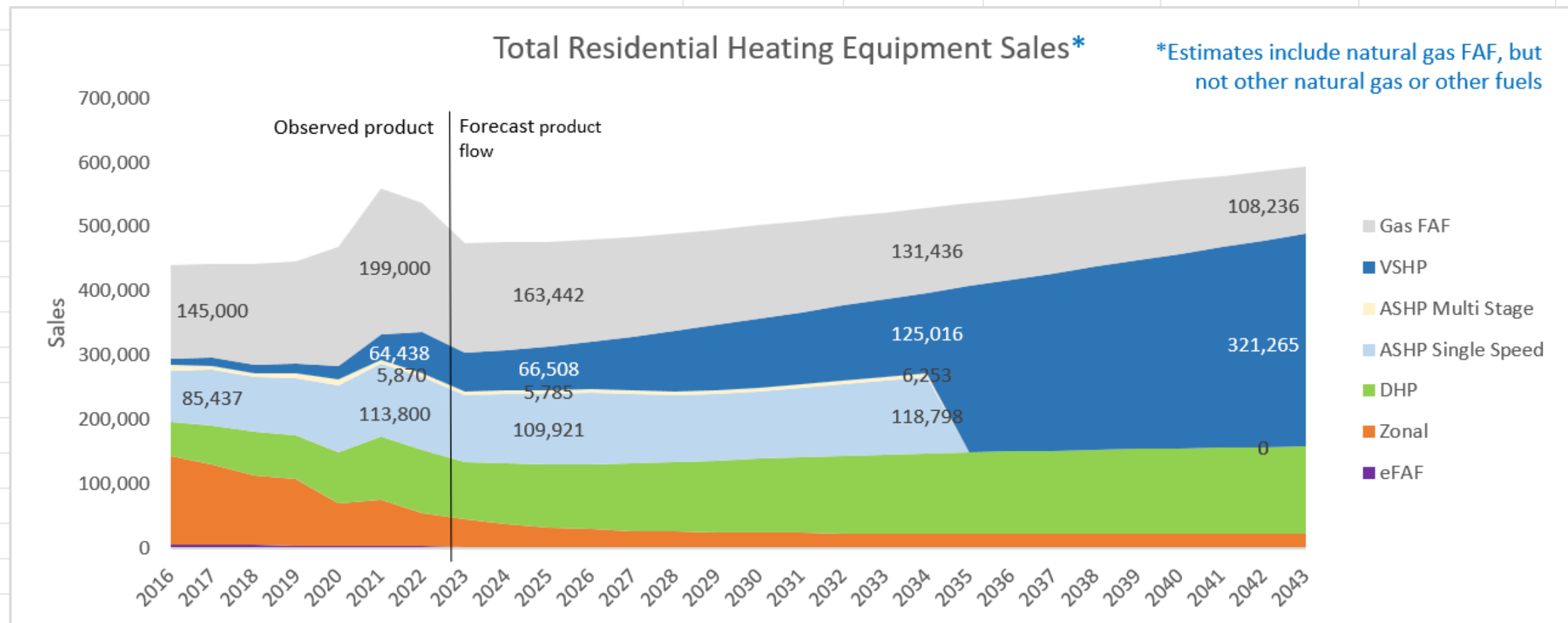


## SCENARIO CONTROLS

Scenario Control	Current Settings	REFERENCE SCENARIOS		
		Mid Case	Most Single Speed ASHPs	Fewest Single Speed ASHPs
Fed Standard eliminates all ASHP but VSHP starting in 2035	Yes <input type="button" value="v"/>	No	No	Yes
Tax Credit Revives 2 Speed ASHPs	No	Yes	No	Yes
VSHP Natural Saturation %	50%	50%	40%	75%
Electrification Scenario	Medium	Medium	High	Low

## FORECAST

Chart updates per Scenario Controls above



# *Thank You!*

## **Jackie Ostroff**

Manager, Data Strategy and Planning

[jostroff@neea.org](mailto:jostroff@neea.org)

## **Debbie Driscoll**

Sr. Market Transformation Manager

[ddriscoll@neea.org](mailto:ddriscoll@neea.org)

**RESOURCE:** [2022 BPA Market Snapshot](#)

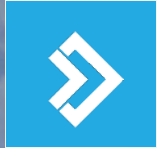


# Agenda

*All Times Pacific*

9:00-9:05	Welcome & Agenda / Packet Review
9:05-10:15	Introductions + RPAC Round Robin
10 min	<b><i>BREAK</i></b>
10:25-10:50	Market Transformation Highlights: HVAC Data
10:50-11:05	<b>RPAC Charter</b>
11:05-11:15	Federal Funding Work Group Update
11:15-11:25	Housekeeping and Looking Ahead
11:25-11:30	Wrap-Up & Adjourn





# **RPAC Charter:** ***Proposed Changes & Work Group Refresher***

**Alisyn Maggiora**

*Sr. Stakeholder Relations Manager*

*November 5, 2024*





# Reminder: Proposed 3<sup>rd</sup> Vote @ Long-Term Monitoring & Tracking

Existing process  
/ no change  
proposed

## Milestone Documentation

- T-MPER\* (in place of milestone doc) + memo

## Feedback process

- Open call for feedback (in lieu of dedicated call-down/huddle process unless requested)

NEW

## Vote

- Unanimous consent, like the other 2 milestone votes





## *Context: Why now?*

- C7 Goal: Supports equitable delivery of MT efforts
- Increased transparency w/ 1-off requests to stay in a local market
- Formalize RPAC voice in LTMT

# RPAC Charter Review

## Proposed Changes:

1. *Pg. 5: Noted “three” key points where formal vote is taken with committee (previously two)*
2. *Pg. 6: Added “Transition to Monitoring” language (name of new 3<sup>rd</sup> milestone)*
3. *Pg. 9: Addendum A – Added related timing for vote, and description of documentation to be provided at milestone.*
4. *Pg. 12: RPAC+ (Marketing) – Updated timing of NEEA marketing updates to “as needed” – correction to align with updates made in 2025-29 Business*



Memo: pg. 4

Packet Charter:  
pg. 5-13



## *Next Steps: Timing for charter changes*



Q3/Q4

- Input from staff
- Tee-up w/ NGAC & RPAC



Q4


- RPAC & NGAC  
\*recommend\*  
charter  
changes to  
Board



Q1'25

- Board reviews/  
approves  
charter  
changes





# ***RPAC Charter Changes Q&A***



# Work Groups Refresher

Packet Charter:  
pg. 7

- Formed / staffed as-needed
- Limited term
- Specific purpose (distinct from other committees/forums or roles)



RPAC:  
Federal  
Funding



NGAC:  
Dual Fuel  
Product



CEAC:  
Dual Fuel  
Measurement

# Thank You!



**Alisyn Maggiora**

[amaggiora@neea.org](mailto:amaggiora@neea.org)

Sr. Stakeholder Relations Manager



NW Natural®

PACIFIC POWER.



Seattle City Light



# Agenda

*All Times Pacific*

9:00-9:05	Welcome & Agenda / Packet Review
9:05-10:15	Introductions + RPAC Round Robin
10 min	<b><i>BREAK</i></b>
10:25-10:50	Market Transformation Highlights: HVAC Data
10:50-11:05	RPAC Charter
11:05-11:15	<b>Federal Funding Work Group Update</b>
11:15-11:25	Housekeeping and Looking Ahead
11:25-11:30	Wrap-Up & Adjourn





# ***Update: Federal Funding Work Group***

---

**Jonathan Belais**

Policy Manager

Nov 5, 2024



# Recap

## Work Group Engagements

2/26/24 – General updates from state energy offices and work group discussion/share-out

9/25/23 – Home rebate programs – DOE presentation and work group share-out

8/23/23 – Workforce barriers and opportunities – DOE presentation and work group share-out

5/4/23 – Overview from US DOE, update and priority sharing from state energy offices and work group members



## What's next



Home Energy Rebate Program  
Implementation

OR/WA applications approved  
ID/MT applications in progress



Stakeholder focus on direct coordination with state energy offices



Continued coordination with/between states energy offices,  
manufacturers, and other stakeholders



Possibility to reconvene as regional barriers/opportunities arise during  
implementation

# Thank You!



**Jonathan Belais**

Policy Manager

[jbelais@neea.org](mailto:jbelais@neea.org)



**NW Natural**



**PACIFIC POWER**



**Seattle  
City Light**



# Agenda

*All Times Pacific*

9:00-9:05	Welcome & Agenda / Packet Review
9:05-10:15	Introductions + RPAC Round Robin
10 min	<b><i>BREAK</i></b>
10:25-10:50	Market Transformation Highlights: HVAC Data
10:50-11:05	RPAC Charter
11:05-11:15	Federal Funding Work Group Update
11:15-11:25	Housekeeping and Looking Ahead
11:25-11:30	Wrap-Up & Adjourn





## Housekeeping & Looking Ahead

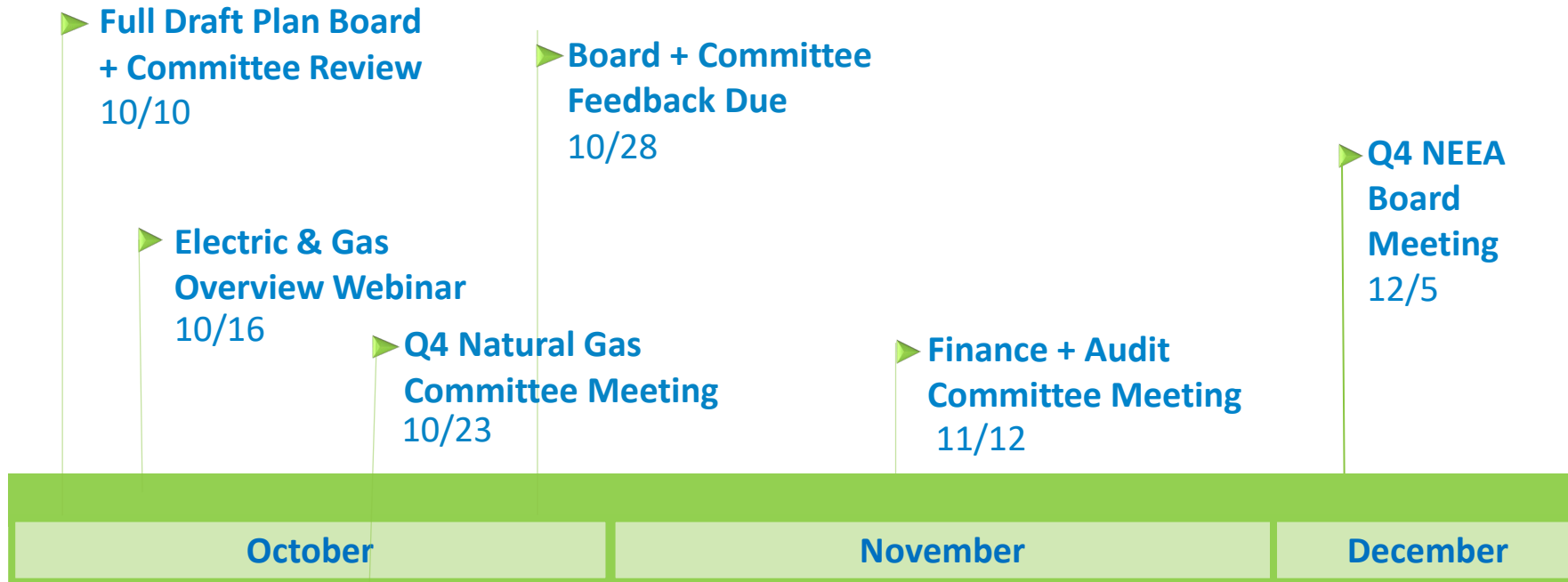
- Northwest (Online) Marketplace Update
- 2025 Operations Planning Update
- Looking Ahead
  - Leadership in Energy Efficiency Awards (Dec 5)
  - Upcoming Meetings & Events

# *Northwest Online Marketplace*

- Testing/scanning project (now through 2025)
  - Goal: collect data, understand consumer purchasing behavior
- Engagements to-date
  - Products Coordinating Committee & 1-on-1s
- Regional site to go live by end of year
- Next steps
  - Updates via packets (for now)
  - Follow-ups with utilities as requested (to discuss/demo/participate)



# 2025 Operations Plan Timeline



**Oct. 10:** Full draft plan sent to Board, RPAC & NGAC

**Oct. 10 – Oct. 28:**  
Feedback period for Board and committee members

**December 5:**  
Board vote on final Operations Plan



# 10 YEARS LEADERSHIP IN ENERGY EFFICIENCY AWARDS

***Join us for the hybrid ceremony!***

NEEA's Board and staff will recognize individuals and teams for their exemplary dedication and performance in energy efficiency during the NEEA Board Annual Meeting on **December 5.**

To RSVP\* go to: [neea.org/leadershipawards](https://neea.org/leadershipawards)

*\*in-person attendees must RSVP by Nov. 20*



# 2025 “Final” RPAC Meeting Dates

Quarter	Day(s)	Date(s)	TIME	LOCATION
Q1	Tues	Feb 11	9-4	Virtual
 Q2	Thurs	May 22	9-4	NEEA / Hybrid (day after EFX) 
Q3	Wed**	Aug 20	9-4	Virtual
Q4	Mon	Nov 3	9-4	Virtual

**\*\* NEW: Date change from Aug 19 to Aug 20**

 = Proposed Hybrid / In-person Option

***Other regional /  
industry events or  
announcements?***



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 horizontally and slightly above the vertical center. The bow has two loops on the right side and two tails extending to the left and right. The background is a solid, textured brown paper.

***Let's wrap it up!***



## *Action Items / Recap / Final Qs?*



# Meeting Feedback

- ❖ One thing you learned / appreciated?
- ❖ Opportunities for improvement?
- ❖ Would you like us to follow up with you on anything?



# ***Public Comments?***

# Thank You!

## That's a wrap RPAC! Until we meet again...

- Q1 2025 (pending board approval): Tues Feb 11 (virtual)



NW Natural®



Seattle  
City Light

