Meeting Notes
Q2 2026 Natural Gas Advisory Committee
June 2, 2026
9:30am-2:00pm
Virtual

Committee Attendees:

Carlos Limon – Avista
Michelle Wildie – Puget Sound Energy
Jackie Goss – Energy Trust
Jodie Albert – Cascade Natural Gas
Laney Ralph – NW Natural

NEEA Staff: Alisyn Maggiora, Becky Walker, Chuck Karras, Dave Hammond, Deborah Sunada, Emily Moore, Emily Rosenbloom, Jason Jones, Mark Rehley, Melissa Mejia, Neil Grigsby, Noe Contreras, Ryan Brown, Stephanie Quinn, Stephanie Rider

Resources

- **Agenda packet on NEEA.org**: Here
- **Master slide deck on NEEA.org:** Here

Welcome and Introductions

Housekeeping and Looking Ahead (Slides 9–17 | Packet p. 1–2)

Noe Contreras (ncontreras@neea.org) shared updates from recent Product Council sessions and pointed members to the redesigned Product Council page on neea.org, accessible under the "Collaborate" menu, where members can suggest topics and access a library of past sessions. The first highlighted session covered Heat Pump Equipment Commissioning Systems, exploring how Connected Commissioning (CCX) can digitize the installation process and generate installation reports; Trane and Daikin are the first OEMs to launch such products, and Measure Quick is a focus player on the software side. The report has potential to capture details such as a dual-fuel switchover setpoint and share them digitally with utilities. The second session covered a ResHVAC Dual-Fuel Systems Analysis presented by Ben Larson, modeling how switchover and supplemental strategies affect peak loads on the natural gas system, including a Variable Capacity Heat Pump Levelized Cost Tool showing customer-value-proposition breakeven electric COPs of 2.1 in Washington and Oregon for natural gas, 3.4 in Idaho and Montana for natural gas, and 1.3 in Idaho and Montana for propane.

Alisyn Maggiora (amaggiora@neea.org) confirmed the action items from the March 3 meeting have been satisfied and reminded the committee that the Q1 2026 Market Progress Report (packet pages 19–30) is now included at the back of the packet; it documents all programs (gas and electric), their 2026 goals, and current progress, and is shared to align with the electric portfolio committee. She reviewed upcoming 2026 NEEA committee meetings and the remaining NGAC dates, noting the September 9 interim webinar will be extended to 90 minutes (1:00–2:30pm) and that there is no standing Q3 NGAC meeting.

Discussion

Jackie Goss (Energy Trust): Some of my team have invitations and calendar appointments for Product Council, but we can't figure out how to get new staff signed up. There's not a place on the website that we've found. Do they have to sign up individually, or is there a way to sign them up?

> **Noe Contreras (NEEA):** If you send me an email or a spreadsheet with names and email addresses, we'll get your team on the distribution list. I believe there's also a way to make that more self-sufficient as new employees come on, I'll confirm with our internal staff and follow up.

Carlos Limon (Avista): On the dual-fuel systems modeling, what's NEEA's outcome out of that? Is it just to inform, or will there be a best-practices one-sheet that goes out to installers or contractors to educate them?

> **Noe Contreras (NEEA):** Right now this is for us to learn as we follow the Initiative Lifecycle process. We're trying to understand the barriers to getting to a place where there are minimal peaks. We're not there yet as a program, so once we identify those barriers we'll start thinking about team strategies. I can't tell you exactly what will happen in the future, but this is one of the interesting data points we'll keep tracking as we work to transform the market.

Annual Gas Portfolio Review: Savings & Risks (Slides 19–27 | Packet p. 3–6)

Stephanie Rider (srider@neea.org) provided the annual mid-cycle review of NEEA's natural gas portfolio, covering portfolio composition, development plans, energy savings expectations, and the risks and opportunities ahead. NEEA's goal over the past year and this year has been to build a solid, broad natural gas portfolio, moving quickly toward a more mature and stable state. There is significant leverage between the electric and gas portfolios, and NEEA is developing dual-fuel and fuel-neutral strategies to apply work from one portfolio to accelerate the other. The portfolio holds over 70 million therms of technical potential queued up and moving through development.

Against that backdrop, the portfolio is navigating known headwinds. Reductions and delays in new building codes (both residential and commercial), lower new construction volume in Oregon and Washington, and risks and setbacks in federal product standards are bringing near-term energy savings expectations down. NEEA's late-2024 pivot away from the residential market and into the commercial space also lengthens the time to see returns, as commercial markets are higher impact but lower volume with more complex products and decision-making. As a result, NEEA now expects to land at the lower end of the Cycle 7 (2025–2029) business plan range. This is closer to 6 to 8 million therms for the cycle rather than the original high end of 14 to 16 million therms while still remaining within the range. Only one of the five programs (Efficient Rooftop Units) is currently forecastable; the other four are in development phases that will, over the next year, yield the product-performance knowledge, market dynamics, and manufacturer and distributor data access needed to forecast and report savings.

Stephanie presented three near-term expansion opportunities, noting she was presenting on behalf of Mike Smith of the Product Development team. The first is Luminaire Level Lighting Controls (LLLC) with HVAC controls, which builds on roughly a decade of electric-portfolio LLLC work; embedded occupancy sensors in each fixture can share a control signal with HVAC systems to generate gas savings, with an initial focus on buildings that have single-zone gas rooftop units. Research led by Chris Wolgamott is focused on demonstration projects, and load-flexibility opportunities are also being explored. The second is Commercial Heat Pump Water Heaters, covering both central and unitary commercial systems across gas, electric, and dual-fuel configurations (with pilots underway in both gas and electric heat pumps); a gas-focused Program Advancement milestone is on track for mid-2027, after which NEEA will explore expansion into the electric portfolio, and the large inherent thermal storage presents significant load-flexibility potential. The third is Efficient Rooftop Units; with a growing number of electric and dual-fuel RTU products entering the market, NEEA is exploring expanding the program to a broader, fuel-agnostic suite focused on system improvements to the "box" (shell insulation, low-leakage dampers, and ERVs in Tier 2) to strengthen manufacturer interest and improve access to sales data that is currently under-reported, particularly in Washington.

Discussion

Carlos Limon (Avista): Is that 70 million therms over the cycle?

Stephanie Rider (NEEA): It's total technical potential, so there's no time horizon, it's saying that if we could convert every opportunity out there, we have 70 million therms of potential, capturing the transition of all measure lives. We don't have a more specific number yet, and that's exactly what the next slide gets into.

Carlos Limon (Avista): Is there any impact to efficient rooftop from a new construction or codes perspective?

Jason Jones (NEEA): Washington is tough with the codes that are there, but we knew that going in, so it's pretty stable. What we're hoping to do, by expanding the program into more of a dual-fuel, fuel-neutral approach, is to not just focus on the gas side because of the way the market moves, and accelerate that ramp. Right now it's stable, a long, shallow ramp, but we're hoping the expansion accelerates it.

Stephanie Rider (NEEA): Efficient rooftop units is the one program we do have a forecast for in the short term, and it's pretty conservative right now. There are no additional new codes we're anticipating, but there is upside. I do want to re-emphasize that our mindset on the forecast is the lower end; we know there are savings out there, we just don't yet know how fast they'll materialize.

Carlos Limon (Avista): On LLLC with HVAC, is the engagement happening with the lighting folks or the HVAC folks? Is their language proprietary, or would they share it out for building management systems? What's the barrier there?

Jason Jones (NEEA): It would be lighting first. Where these systems are in place or being upgraded, the additional opportunity is upgrading the thermostat to control the HVAC, and the software component sits in the lighting control.

Stephanie Rider (NEEA): Chris Wolgamott is also looking at how already-installed luminaire lighting controls can be made backwards compatible and upgraded on-site through software to run some pilots with lighting that's already installed.

Becky Walker (NEEA): From the manufacturer side there's a lot of excitement about developing that capability, lighting manufacturers either owning their own thermostat or partnering with thermostat manufacturers to create that connectivity. Product availability and compatibility will be one of the earlier barriers.

Carlos Limon (Avista): Is there an opportunity for NEEA to develop standards so it's not proprietary? And is there a work group for that?

Emily Moore (NEEA): The September 9 webinar is focused on this expansion. The team will come talk about the existing program and the expansion opportunity. There isn't a work group for it currently.

Carlos Limon (Avista): On commercial heat pump water heaters, was the latest market or technical characterization just for gas heat pumps right now?

Melissa Mejia (NEEA): Yes, that was done only looking at gas heat pump potential. When we officially expand to electric, we'd have more comprehensive potentials done. We recently completed a savings potential analysis for dual-fuel systems in multifamily applications and I'm happy to share more on that; in the future we're targeting a comprehensive forecast across all commercial water heating solutions.

Jackie Goss (Energy Trust): Do the efficient RTU specifications you're working on include ERVs?

Jason Jones (NEEA): Our Tier 2 right now includes ERVs, and this would continue with that. Tier 1 is the R12 insulation and low-leakage dampers, and Tier 2 is those plus energy recovery. We're tracking sales data now, and this holistic approach would help us get more whole-line sales data, which we're probably under-reporting today, particularly in Washington, where because of the codes for new construction we're not seeing a lot of gas equipment sold.

Committee Round Robin

Carlos Limon (Avista): Avista's analytics manager, Kim Boynton, retired at the end of May, with an external replacement expected around the end of June; NEEA 101 was flagged as helpful for getting the new hire up to speed. On affordability, Avista's focus is more on the commercial side, where capital investments are hard to justify without strong payback and a large incentive, within cost-effectiveness boundaries of TRC in Washington and UCT in Idaho. Avista completed an internal affordability white paper defining affordability from customer, utility, regulatory, and shareholder perspectives and identifying key metrics such as energy burden, participation in assistance programs, and the share of asset-limited, income-constrained, and employed (ALICE) customers. An affordability roadmap was finished this quarter, providing guidance on current state, metrics to improve by 2030, and new metrics to begin tracking. The overlap with energy efficiency comes through lower energy bills and the potential to target specific demographics with measures such as direct install.

Laney Ralph (NW Natural): The biggest personnel change for this group is that Kevin Duell has moved to Europe and will no longer join these calls, though he is staying on in a contractor role (available mornings PST) continuing his codes work. NW Natural's low-income efficiency program manager was promoted and now oversees all equity programs, bill discount, gas assistance, and low-income weatherization, under one department. On affordability, since rolling out the bill discount program usage of (and grant funding for) the gas assistance program has declined, indicating the bill discount has stabilized customer bills; NW Natural is also updating its energy burden assessment, originally published a couple of years ago, to refresh the data and guide low-income outreach. On reporting, the utility received IRP acknowledgement in April with energy-efficiency action items around transportation efficiency and hybrid programming and is developing a work plan with Energy Trust; an Oregon IRP data-refresh update will be filed in August, and the Washington biennial report will be filed June 15.

Michelle Wildie (Puget Sound Energy): PSE has had significant personnel changes over the past six months. Michelle's team grew from six to ten people, adding a new commercial lead (Bryan Russo, formerly of Tacoma Public Utilities), a decarbonization role, and an electrification role, and the demand response group added four people. PSE is in a rate case expected to run through year-end, and its ISP (the new term for IRP) is expected to file in the first half of next year. On affordability, equity is the primary lever: a Spanish-language "Contigo" campaign with ads created natively in Spanish rather than translated

improved engagement with hard-to-reach audiences, and bill and rate calculators help customers understand how prior efficiency measures softened bill increases following January rate increases. PSE offers enhanced incentives for low- and moderate-income customers up to roughly 120 percent of area median income. The utility is also standing up a residential pay-for-performance pilot.

> **Carlos Limon (Avista):** Did I hear right that you have a residential pay-for-performance pilot? Can you share more on what that entails? Is it a deep retrofit where you measure performance after the fact?
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> **Michelle Wildie (Puget Sound Energy):** We're still working out the details, but it's mostly focused on heat pump installations on the electric side. The idea is to give the customer the incentive to put it in, and then incentivize the contractor to do a really good job, making sure it's sized correctly and the set points are where they should be, with a one-year look-back and weather normalization to prove the savings. So there's a customer-side incentive and a contractor-side incentive tied to actual performance.

Jackie Goss (Energy Trust of Oregon): Energy Trust restructured its former Communities and New Initiatives team into a Program Integration Team, still led by Alex Novie, which will centrally run community partner network interactions previously distributed across the residential, multifamily, and commercial programs; staff has grown to roughly 240 people. Recent annual and supplemental reports were released, including "Economic Impacts of Energy Trust of Oregon Program Activities" and a Progress Toward Diversity, Equity & Inclusion Goals report for 2025, both on the website. Low-income qualification methods are changing to be based on area median income rather than a single threshold. Energy Trust is bringing more measure-related information to its Conservation Advisory Council (CAC) and, for the first time this year, has posted all measure approval documents online. Jackie also flagged new federal guidance issued the prior Friday on the federally funded, state-run home energy rebate programs: the program previously called HEAR (Home Electrification and Appliance Rebates) has been renamed back to its original name, HEEHR (High Efficiency Electric Home Rebates), and the most relevant change for NGAC members is that the rebates are no longer intended to promote electrification and the focus appears to shift away from low-income households and disadvantaged communities.

Jodie Albert (Cascade Natural Gas): Cascade recently sent out the draft of its biennial report, which will be filed soon, and is finalizing its CPA contract and low-income program EM&V, with a plan to file around August. The second round of the home energy report pilot is underway with a larger sample size, with reports timed toward colder months to avoid wasting them on lower-gas-use summer months. Cascade's Oregon team also has a hybrid pilot related to a low-income effort discussed in the morning Dual-Fuel Work Group; it remains in the works. The biggest challenge is the commercial/industrial program, where most therm savings come from a few very large projects, the loss of projects such as a naval base project prompted efforts to attract smaller projects to avoid over-reliance on a single project per biennium. Working with implementer TRC, Cascade has substantially increased commercial/industrial rebates and invested more in marketing, shifting from print toward digital and social media, including a successful YouTube campaign tied to a large Fred Meyer project.

Paul Koenig (Washington UTC): The UTC is in the middle of summer filing season, reviewing reports from multiple companies on past performance and future plans, with no major findings to report at this time.

Quarterly Highlights (Slides 32–39 | Packet p. 7–17)

In a revised approach, NEEA presented program highlights via slides rather than walking through the PDF report, with detailed progress against each program's 2026 goals available in the Market Progress Report at the back of the packet.

Jason Jones (jjones@neea.org) reported the Efficient Rooftop Units program (being renamed Advanced Performance RTUs) is on target across its goals. On manufacturer engagement, one code-level commercial manufacturer indicated at the AHR Expo that it is expanding its double-wall (R12+) cabinet offerings to smaller sizes in response to market demand. On distributor and manufacturer rep recruitment, the team is working with four manufacturers and reps to identify projects and set up agreements, including a planned-replacement project for an Oregon State department building in Salem (10 RTUs, two to be upgraded to efficient RTUs with a planned white paper) that has moved into procurement. Market actor awareness work continues, including a BetterBricks redesign aligning the commercial HVAC programs. The team is still seeking field study sites to validate the National RTU Energy Modeling for gas-fired (gas or hybrid heating) RTUs, as well as dual-fuel and electric units for dual-fuel utilities. The program name is changing from Efficient Rooftop Units to Advanced Performance RTUs to reduce confusion around the term "efficient" (often misread as heat pumps) and to align with the Advanced Performance DOAS program.

Melissa Mejia (mmejia@neea.org) reported the Advanced Commercial Water Heating program is on target. On performance validation, two field pilots are underway, one dual-fuel and one gas heat pump pilot being installed (a crane was scheduled the following Tuesday to set the Robur unit), and an RFP for lab testing in hotel applications was completed, with that work kicking off in Q2. The market characterization was completed in partnership with the North American Gas Heat Pump Collaborative, and learnings are being integrated into the logic model ahead of the program's planned advancement to Market Development next year. The engagement support RFP process was completed, and manufacturer and key stakeholder engagement plans will be developed and facilitated, targeting Q4. The program also completed a feasibility study on dual-fuel commercial water heating systems, covering market sizing, multifamily savings potential, technical analysis, and standardized dual-fuel system designs developed with four manufacturers, which NEEA is looking to publish in Q3. The program is seeking leads to test gas heat pumps in a full-service restaurant application, its third target building type alongside multifamily and lodging.

Deborah Sunada (dsunada@neea.org) reported on the Dual-Fuel Residential HVAC program. The Market Characterization study is ongoing with a final report expected in Q4 2026, and the Clark PUD / NW Natural demonstration data collection is complete, with analysis and reporting ongoing and a final report expected around Q3 2026. A literature scan was conducted to understand Dual-Fuel research themes and gaps across the US and Canada (and international where applicable) and the report will be available for funders in early Q3 2026. The program is contracting for a switchover-temperature customer-experience field study and is seeking sites and partners with existing dual-fuel systems; as flagged in the Market Progress Report, that study will collect data across the 2026–27 heating season and be completed in 2027.

Chuck Karras (ckarras@neea.org) provided a scanning highlight on the Navien NXW700 residential dual-fuel water heater, first introduced to NEEA in November of last year. The product is a 50-gallon drop-in dual-fuel water heater with a 120-volt plug-in electric heat pump (requiring no electrical infrastructure upgrade), available in 40k and 60k Btu condensing gas burner configurations with multiple out-of-the-box operating modes. GTI preliminary lab results validate Navien's earlier CSA testing claims, with gas efficiencies in the 92 to 93 percent range and an E-Saver mode COP over 4 (reported figures included a First Hour Rating of 98.2 gallons versus 99.7 from CSA, gas-only mode UEF of 0.928 versus 0.929, and E-Saver mode UEF of 4.18 versus 4.15). Two in-home field tests are confirmed in PSE and Clark County territories using a boundary metering method, and will run about a year into

2027. ETL safety certification is expected in late July, potentially early August, with market launch anticipated around September 2026.

Neil Grigsby (ngrigsby@neea.org) provided updates from the North American Gas Heat Pump (GHP) Collaborative. The Commercial Water Heating Market Characterization report is complete, a webinar was held in May, and NEEA is seeking publication approval from all commercial committee members. A commercial water heating savings assessment is nearing completion, with a webinar set for June 11 (the June 11 webinar is being rescheduled. NEEA will forward the new invite once its available). On manufacturer outreach, three manufacturers show potential to enter the Northwest market, though none near-term: SMTI is pausing business within a 40–60 day window, with an announcement expected soon; Robur, established in the Midwest, is visiting Chicago in late July to discuss North American expansion, including the Northwest; and Vicot (China), with manufacturer rep Homy, is pursuing North American certification, which the Collaborative is helping co-fund through agreements with the Natural Gas Innovation Fund (NGIF).

Mark Rehley (mrehley@neea.org) highlighted codes and national standards as they relate to gas. Washington and Oregon continue code development; Oregon is essentially finished with its residential code and will not start its commercial code until ASHRAE 90.1 is released. Idaho's code, which had builder support, did not receive legislative approval and will be brought back next session. Montana is reviewing the 2024 IECC, and the 2027 IECC is nearing completion with work started on 2030. On national standards, AGA and others have requested the U.S. Supreme Court hear a case on whether gas equipment venting styles can be treated as a protected "feature" (relevant to the roughly 64 percent of residential gas water heaters using natural-draft venting), with a decision on whether the Court will hear it expected soon; in parallel, manufacturers have requested delays to federal standards for residential furnaces and commercial water heaters, and DOE has a rulemaking out seeking feedback on whether to delay. Work also continues with the Regional Technical Forum on the New Homes Protocol.

Discussion

Carlos Limon (Avista): For all these field sites, what does participating entail? Is it just providing potential candidate sites, or does it involve a financial commitment from the customer or the utility?

Jason Jones (NEEA): For RTUs we're basically looking for leads, particularly planned replacements where we have time to look at the options. We work with the supply chain to bring costs down and apply any available utility incentives. The incremental cost isn't fully covered for RTUs, but it's bought down, and the real value to the customer, part of what we're trying to figure out, is in newer equipment, quieter operation, and less maintenance.

Becky Walker (NEEA): Depending on where a program is in the Initiative Lifecycle, the cost can be more fully covered. For something like commercial water heating, where we're still proving out savings, customers may get the equipment with more of the cost covered.

Melissa Mejia (NEEA): On my program, the building owners we've worked with are really interested in the opportunity to replace aging equipment with more efficient technology and save on operating costs over the long term. We could build on that by providing a short write-up for each collaboration opportunity, the building types and roughly how much would be covered, to help account executives have those conversations proactively.

Carlos Limon (Avista): Did I see something where something was paused on the refrigerant side of HVAC? How does that impact ongoing work, does it delay everything?

Mark Rehley (NEEA): There's been a steady move toward lower-GWP refrigerants, but that's mostly a trade-off among toxicity, flammability, and other environmental impacts rather than efficiency. We've largely stayed out of that discussion, and I don't think it's going to be a big impact from an efficiency perspective.

Carlos Limon (Avista): Will this product be available in the market, and how do you expect it to be operated in the field, do customers pick the mode?

Chuck Karras (NEEA): They're anticipating launching shortly after certification, around the September timeframe. The E-Saver mode is the default setting, and customers can change it, electric-only, gas-only, or different efficient dual-fuel modes. For the pilot we'll likely set the criteria and then switch modes through the year to validate each one. The metering uses a boundary method, measuring all the energy in and out, and both field-test units are in garages.

Carlos Limon (Avista): This is commercial, right? Is SMTI on there because they may pause their residential products and focus on the commercial market?

Neil Grigsby (NEEA): Yes, this is primarily from the commercial committee, though these manufacturer opportunities can cover commercial or residential. SMTI had been bringing a residential product to market, and there are rumors they may pivot to focus on commercial, but I can't personally substantiate that and nothing official has been released.

Program Expansions Overview and Update (Slides 42–62 | Packet p. 18)

Emily Moore (emoore@neea.org) and Dave Hammond (dhammond@neea.org) provided context on how NEEA defines and approaches program expansions as part of the leveraged growth strategy. A program expansion is the advancement of a technology or solution closely aligned with an existing program that can be effectively delivered by adapting that program's scope, intervention strategies, and market approach, a streamlined pathway that leverages established market knowledge, relationships, and infrastructure to reduce duplication, lower incremental risk, and accelerate entry into Market Development. The work sits within NEEA's Initiative Lifecycle (ILC), the stage-gate process with three formal committee milestone votes: Concept Advancement, Program Advancement, and the recently added Transition to Monitoring.

Emily distinguished between two expansion scenarios. The first is a program change within a single portfolio, a pivot in strategy or revised product definition that remains electric- or gas-funded only, handled through normal portfolio updates and, for significant changes, a program change document; the prior shift from Condensing RTUs to Efficient RTUs is an example. The second is an advancement into a new portfolio, where an existing program's scope expands to include another fuel type, crossing portfolios and funding sources; these are treated as full Program Advancement milestones requiring the same stakeholder engagement and committee vote as any new program. NEEA identified five criteria that, when most or all are met, indicate an expansion is preferable to a new program: strong alignment with an existing program; high existing market knowledge; high programmatic synergy across delivery channels, market actors, messaging, and measurement; lower incremental risk and resourcing needs than a standalone program; and high value of speed and agility in delivering regional benefit. For cross-portfolio expansions, NEEA will follow an expedited but complete ILC process, including cost-effectiveness review at the Cost-Effectiveness & Evaluation Advisory Committee (CEAC) before the relevant committee vote, alongside a savings forecast and market baseline.

Emily noted that the program being renamed from High-Performance HVAC to Advanced Performance DOAS is used throughout the presentation to help the committee become accustomed to the new name, signaled in Q1

2026. The Advanced Performance DOAS gas expansion is the current working example of a cross-portfolio program advancement. Because it represents a new program investment in the gas portfolio, it will go to NGAC for a Program Advancement vote expected in December 2026 (Q4), following a Q2 "tee up" at this meeting and a Q3 "launch." RPAC will be kept informed in parallel on what is changing about the program and the dual-fuel co-funding approach; the reverse committee roles would apply when the gas Efficient RTU program expands to include electric.

Dave provided a walk-through of the existing Advanced Performance DOAS program and the proposed gas High-Efficiency DOAS expansion. The program's market transformation goal is for advanced performance DOAS or equivalent efficiency to be required by code throughout the Northwest. The electric version requires four things: ventilation fully decoupled from heating and cooling; a high-efficiency ERV/HRV achieving 82 percent or greater sensible effectiveness; a high-performance electric heat pump system; and right-sized heating and cooling equipment, with primary savings coming from reduced fan energy. The gas version mirrors these requirements, substituting a right-sized condensing boiler with efficient pump control and efficient terminal equipment for the heat pump, differing in only one of the four key components. Since launch, the program has grown from one manufacturer with a few models to nine manufacturers with 183 compliant models meeting the 82 percent metric; delivered ongoing trainings for engineers, architects, owners, facility staff, and ESCOs; contributed to a partial adoption of the AP DOAS system design in the 2021 Washington State Energy Code; built five active manufacturer-rep partnerships across the Northwest; and secured a new ERV/HRV testing procedure through the Canadian Standards Association (CSA) Group that is now moving toward ASHRAE adoption. Looking ahead, the program is increasingly focused on hydronic (air-to-water heat pump) systems and on broadening its audience to building owners and facility and property management.

Gas and electric advanced DOAS share three of four key system components, the same market actors, ERV/HRV manufacturers and reps, and ERV/HRV-focused codes and standards activities; gas is better suited to medium-to-large buildings and cold climates, while electric is more broadly applicable across building sizes. Framing the program as electric-only creates an artificial constraint, and expanding to gas broadens appeal to specifiers who work across fuels while bringing additional gas funding that lowers per-portfolio costs. Pre-work completed to support the expansion includes an energy modeling study, a specifier market research study, a codes impact assessment, a market potential and savings analysis (the Gas High-Efficiency DOAS Energy Savings Analysis was recently posted and shared in the chat), an ongoing cost-effectiveness analysis using regional entities for base-case and treated-system pricing, and an active M&V monitoring project (with Ecotope) at the Oregon Department of Administrative Services building in Salem, which operates a fully compliant gas advanced DOAS system. Next steps are completing the incremental cost study, analyzing the field study M&V results, determining the electric and gas funding allocation, and finalizing Program Advancement documentation ahead of the NGAC vote.

Emily closed by previewing what to expect next at a September 9 webinar focused largely on the LLLC + HVAC expansion, a Q3 loop-back with additional information, milestone documentation in mid-to-late October, and a planned advancement vote at the December 9 meeting and asked whether the committee generally supported the approach and process. Committee members gave thumbs-up responses and raised no objections.

Discussion

> **Carlos Limon (Avista):** Is the standard that, whatever fuel it's in, the program has to be in Market Development before an expansion can happen?
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> > **Emily Moore (NEEA):** Not necessarily. The scenario I was describing is more relevant to a program that's in Market Development and expanding its scope. If a program is still in Program

Development, there are some go/no-go type criteria we'd apply, but those things: savings, cost-effectiveness, baseline, would get developed naturally through the rest of the program development phase.

Carlos Limon (Avista): From a funding perspective, what does that ratio look like, and how often does it get evaluated?

Emily Moore (NEEA): When something is still in development and we believe there are benefits for both electric and gas, the split starts at 50-50. As we get more certainty around the savings forecast, there's a formula that looks at total delivered value and assigns an electric/gas value, maybe a 70-30 or 80-20. We'd evaluate that at the stage gate, and unless there were to be a significant shift in strategy or savings, we'd keep the same ratio.

Stephanie Rider (NEEA): There are two components: a 20-year program potential that gets refined through program development, and an avoided-cost benefit. Both are monetized to a level basis so we can see the gas versus electric benefit and align funding to mirror the weight of the benefits for each lender. That takes a lot of knowledge-building over the program development phase to dial in, which is why 50-50 is an appropriate way to start.

Carlos Limon (Avista): You could theoretically have different measure lives for one fuel versus the other, and I'd want to make sure that's taken into account, partly to avoid potential issues with one regulatory entity versus another, since we operate in different ones. Could you document the assumptions and bring them up specifically at the cost, effectiveness committee so they can say on record they're comfortable?

Emily Moore (NEEA): Really good point. This will be our first time applying this dual-fuel funding policy to something in Market Development, so it'll be a bit of learning and testing. We can bring the assumptions and implications to the Cost, Effectiveness & Evaluation Advisory Committee to be really pointed about the decision, making criteria, and we can also provide documentation directly to you to support your engagement with your regulator.

Stephanie Rider (NEEA): We review key assumptions with that committee on a regular basis, so the funding, split assumption could be one that gets checked on a defined trigger or schedule and brought back to the committee. The regulators are in the room at the Cost Effectiveness committee, so they'll have a chance to provide feedback.

Carlos Limon (Avista): Were there any key learnings from the prior dual-fuel effort, the advanced performance windows?

Emily Moore (NEEA): That one ended up roughly two thirds / one third split between gas and electric respectively when we entered program development, and we brought it into both portfolios at the same time. It's going to be different for every measure, in the windows case it was the same measure for gas and electric with different savings, whereas for advanced performance DOAS and the RTUs the equipment and measure lives vary slightly, so there will have to be some generalization of our expected impact across scenarios, which we'll check back on.

Carlos Limon (Avista): How is the technology, awareness outreach to owners and designers happening, through what channels?

Dave Hammond (NEEA): We're still refining the pathways. Some of it is through partnerships with local and regional utility programs so we can plug into where those conversations are already happening; we also reach those audiences through groups like IFMA and BOMA and the K, 12 ownership groups, and we're planning building tours across the four states that our utility programs can help promote.

Carlos Limon (Avista): When you presented this at RPAC, what questions or concerns did they have?

Dave Hammond (NEEA): It resonated overall. The main question, from Billie McWinn, was about teasing out where savings are truly fuel, agnostic versus dependent on the heating system. The honest answer is that the savings come from the combined system, the decoupled ventilation, the high, effectiveness ERV/HRV, and a high, performing heating and cooling system, and when you isolate the components the savings drop dramatically. I'll follow up with our engineer to give a more complete answer.

Carlos Limon (Avista): With the DOAS energy recovery, you get some cooling savings too. From a gas perspective, how will the incremental cost analysis break down so that a utility claiming only gas avoided costs isn't assigned the whole system cost? In Washington that matters for the TRC test.

Dave Hammond (NEEA): The majority of the savings tied to this program have been on the heating side rather than the cooling side, but there are implications on the cooling side too, so we'll have to consider that as we work through the incremental cost analysis. It's a good thing to flag for the documentation.

Feedback, Wrap, Up, & Adjourn

A. Action Items and Feedback
    1) None
B. Next Meeting
    1) September 9, 2026 – Q3 Interim Webinar (Virtual, 1:00–2:30pm Pacific) – this is confirmed