Meeting Notes

NEET Work Group #2 - Emerging Solutions and Technologies

September 25, 2008

Agenda Items:
- Introductions & Agenda Review
- RD&D Inventory Matrix Framework Straw Man and Survey
- Evaluation Criteria Subgroup
- Institutional Needs Subgroup
- Prep for Oct. 3rd Executive Committee Meeting
- Wrap-up and Next Steps/Meeting Evaluation

Meeting Participants:

Name	Organization
Carl A. Patenode	City of Drain
Chris Helmers	PacifiCorp
Fred Gordon	Energy Trust of Oregon
Gary Curtis	Ecos Consulting
Gary Nystedt	City of Ellensburg, Wash.
Greg Nelson (for Jim Cox)	PGE
Jack Callahan	BPA
Jack Zeiger	Washington State University
Jared J. Pitts	Comcast Arena
Jorge Marques	BC Hydro
Joshua Binus	Bonneville Power Administration
Kathy L. Moore	Umatilla Electric Cooperative
Larry Blaufus	Clark County PUD
Randy Thorn	Idaho Power
Rob Penney	WSU Energy Program
Steve Weiss	Northwest Energy Coalition
Susan Hermenet -- Chair	Northwest Energy Efficiency Alliance (NEEA)
Suzanne Frew, P.E.	Snohomish PUD

RD&D Inventory Matrix Framework Straw Man and Survey
- Call for questions and editing suggestions to be sent to Susan Hermenet asap
- Workgroup co-chairs would like to integrate at least a portion of the matrix into the Oct. 3 NEET Executive Committee meeting

Evaluation Criteria Subgroup

- Subgroup worked to establish criteria to identify which emerging technologies were the most promising and selected two groups of criteria (*see handout: "NEET Work Group #2— Emerging Technology Selection Criteria, Second Draft 9/17/2008"*)
  - Basic Selection Criteria
    - Definition derived, in part, from the NW Power and Conservation Act
    - Focus is on the customer-side of the meter (not utilities)
    - Need to continue fleshing out the definition of "production and distribution"
    - Group still undecided upon whether or not demand, water, distributed generation, and direct application renewables should be considered as additional benefits
    - Three basic selection criteria
      - Technical Promise
        - Regarding Bullet #3 (of 9/17 draft): Recognition that inclusion of a cost-effectiveness test in basic selection criteria might create a significant barrier to the adoption of viable solutions or technologies that have steep costs up front
          - Language changed to read: "Eventual regional-scale implementation could provide reliable, cost effective energy savings."
      - Regional RD&D Program Promise
      - Market Promise
        - Workgroup agreed that Regulatory Promise should be added as a fourth bullet within Market Promise, with language akin to: "Might become market acceptable when implemented through regulations, standards, or codes"
  - Additional Prioritizing Criteria
    - Subgroup gathered selection criteria used by NEEA, BPA, and other sources and then vetted the list for the workgroup to consider (*see handout*)
    - Full discussion put off until the next general meeting of the workgroup
  - Sample Innovation Selection Matrix
    - Crafted by subgroup to demonstrate usefulness of criteria
    - Request made to workgroup that members run some examples through the matrix
- Question: How should we address technologies from other regions that are "new" to the PNW but net necessarily emerging?

- **Action**: Continue fine-tuning Evaluation Criteria
- **Action**: Identify what is needed to pitch evaluation criteria to Executive Committee
- **Action**: Identify any other selection criteria that should be added to list
- **Action**: Add examples of emerging technology to Sample Innovation Selection Matrix

Institutional Needs Subgroup
- Handout reviewed (*see "NEET WG#2—'Institution' subgroup"*)
  - Scope
    - Insert new purpose/task as #2 with following language: "Synthesize information from markets and end-users to indicate where energy efficient technology is needed."

    - Questions/Comments:
      - Should the institution be a national one?
      - Should the institution be charged with the task of "constant scanning" of regional end-users to identify gaps?
      - Should the institution be checking the pulse across the country or in other regions?

- Who is already doing these tasks in the PNW?
  - Suggestion made to create a matrix that would break down the tasks by organization
- Suggestion made to organize purposes/tasks into subheadings below
  - Identification
  - Selection
    - New risk mitigation task suggested with the following language: "Manage a portfolio of technologies and innovations to manage between long and short-term benefits and risks."
  - Oversight and Coordination
  - Evaluation of Overall Portfolio Strategy and Administrative Approach
  - Reporting
- Institutional Needs
  - A predictable budget is necessary (must avoid "passing of the hat" to launch/maintain operations)
    - Cap and trade auction revenue might provide a funding source
  - Reviewed pros and cons for consideration of NEEA and RTF to fill role (summarized in handout)
    - Language change to point #3, modified to read: "A volunteer technical marketing and new project development board (not all funders) including utility staff and outside experts to provide technical advice on project selection and coordination with utilities for demonstrations. A budget for consulting experts is recommended."
  - Questions/Comments:
    - What role could/should the BPA could/should play? Point raised that the BPA "has the worst contracting process in the region…it's fatal…getting folks to contract with BPA would be a nightmare." No dissenting opinion from group members on this assessment.
    - Could WSU do the identification and tracking?
    - Who should be responsible for getting everything done?
    - Can NEEA absorb all of the responsibilities being floated through NEET?
    - If NEEA became *the* entity, would we have to modify its mission?
      - Note: NEEA distributed a draft strategic plan for public review on Sept. 26, 2008. Feedback is requested, particularly on NEEA's decision to become fuel-neutral.
    - Regarding wider scope add-ons:
      - Concerns exist over incompatibility of policy formation and advocacy being added to the mission of an RD&D group
        - Problems exist regarding public funding and advocacy/policy formation
        - Recommendation made that policy formation and advocacy scope of emerging technology issues be peeled off from Workgroup 2

- **Action**: Continue fine-tuning range of tasks and purposes needing coverage
- **Action**: Add BPA and new organization as entities considered, with pros and cons for each
- **Action**: Make request to peel off advocacy/policy formation issue to another workgroup

Prep for Oct. 3rd Executive Committee Meeting
- Review of planned presentation for Oct. 3
- **Action**: Prepare 1-2 page document for Executive Committee briefing package and deliver it to Darby Collins by COB Friday, Sept. 26.

- **Action**: Co-chairs to present Workgroup #2's preliminary findings and field questions by Executive Committee on Oct. 3

Next Steps
- Next teleconference October 30, 2008 at 9:00 am pacific