

Renewable Energy Advisory Council Meeting Notes

February 10, 2016

Attending from the council:

Bruce Barney, Portland General Electric
Jason Busch, Oregon Wave Energy Trust
Kari Greer, Pacific Power
Robert Grott, Northwest Environmental
Business Council
Kendra Hubbard, Oregon Solar Energy
Industries Association
Suzanne Leta-Liou, SunPower
Elaine Prause, Oregon Public Utility
Commission
Dick Wanderscheid, Bonneville
Environmental Foundation
Peter Weisberg, The Climate Trust

Attending from Energy Trust:

Hannah Cruz
Chris Dearth
Sue Fletcher
Matt Getchell

Jeni Hall
Mia Hart
Betsy Kauffman
Dave McClelland
Debbie Menashe
Dave Moldal
Jay Ward
Peter West
Lily Xu

Others attending:

Jeff Bissonnette, Oregon Solar Energy
Industries Association
Alan Meyer, Energy Trust board
Robin Rabirot, IBEW Local 48
Rhonda Rasmussen, Pacific Power
Matt Shane, Oregonians for Renewable
Energy Progress
Sarah Smith, 3 Degrees

1. Welcome and introductions

Betsy Kauffman convened the meeting at 9:30 a.m. The agenda, notes and presentation materials are available on Energy Trust's website at: www.energytrust.org/About/public-meetings/REACouncil.aspx.

2. 2015 preliminary annual results

Betsy provided an overview of 2015 preliminary annual results for renewable energy programs, and Peter West, energy programs director, provided an overview for energy efficiency programs. Results reflect the best available data at this time, and may shift after the release of the annual report to the Oregon Public Utility Commission in April.

Betsy: In 2015, Energy Trust achieved total renewable energy generation of 3.9 average megawatts, achieving 112 percent of goal. There were 1,802 solar installations in 2015, 500 more than were completed in 2014. The Other Renewables program completed four projects: two biopower and two hydropower. Electric and gas savings achieved 102 percent and 116 percent of goals. We exceeded Energy Trust goals and Integrated Resources Plan, IRP, targets for Pacific Power, NW Natural and Cascade Natural Gas, and came close to meeting PGE Energy Trust goal and IRP target.

Robert Grott: Why was Energy Trust's savings goal for PGE less than the IRP target?

Peter: IRPs are set through a regulatory process. They often become outdated toward the end of the planning period. Further, annual circumstances can make hitting the targets variable for any one year of the 20-year plan. Energy Trust works with utilities to examine what we can

achieve each year. By the end of the 2015-2019 Strategic Plan, we need to achieve the cumulative targets for utility IRPs.

Suzanne Leta-Liou: Does Energy Trust incent smart bulbs and smart thermostats?

Peter: Energy Trust provides an incentive for the Nest Learning Thermostat for gas and electric customers. The Ecobee smart thermostat has potential, but our strategy was to test out what people are using the most. We're also working with PGE on demand response.

Bruce Barney: PGE partnered with Nest on a Nest Learning Thermostat pilot that's seeing great success. Customers are seeing a payback period of one to two years. We expect to expand the pilot in the future.

Kari Greer: Pacific Power is examining demand response options in Oregon. An irrigation load control program will be filed soon and will begin for the growing season.

3. Clean Power Plan update

Debbie Menashe, general counsel, provided a high level summary of the Clean Power Plan and an update regarding the U.S. Supreme Court's approval of a stay on enforcement of the plan on February 9. The court approved the stay after 27 states and several industries filed a lawsuit with the Environmental Protection Agency due to concerns surrounding the economic impacts of phasing out coal power plants. The ruling is still in expedited process and the next hearing is in June.

Kendra Hubbard: Are states putting their plans on hold?

Debbie: Unclear at this time.

Suzanne: The Clean Power Plan is one part of many parts of the Clean Air Act. Mercury rules are having a more near-term impact on coal plants.

4. Oregon legislative and docket update

Jay Ward, senior community relations manager, provided an update on legislation considered in Oregon's 2016 session that could impact the renewable energy market in Oregon and Energy Trust's work. Energy Trust does not lobby or take a position on potential or proposed legislation, but staff track and monitor legislation that related to our work.

Jay gave an overview of several bills and amendments related to phasing out coal generation in Oregon and increasing the Regional Portfolio Standard, RPS, to 50 percent by 2040, community solar programs, an incentive program for large solar installations and greenhouse gas emissions goals and limits. One bill will likely not move forward in 2016 session, which would change the way Energy Trust provides incentives to large customers, over 1 MW, change the structure of the public purpose charge and move Energy Trust funding under the OPUC.

Betsy: Has there been a hearing for an amendment mandating 8 percent of generation come from renewable projects less than 20 MW?

Jay: There hasn't been a hearing. It's not clear what the pathway is for that amendment.

Jason Busch: A bill related to wave generation in Newport wasn't properly introduced and did not receive a bill number.

Suzanne: What is the position of investor owned utilities on the community solar bill (SB 1572)?

Jay: They testified and suggested that there's room for improvement.

Elaine Prause provided an overview of Oregon Public Utility Commission dockets.

An order date is expected March 14 for UM 1734 docket on qualified facility projects.

UM 1716 has three parts related to solar. There will be a testimony on June 1 related to solar resource value, cost shifting is on hold and will continue in 2017, and we're awaiting next steps on reliability and resource impacts.

An analysis for UM 1758 studying solar incentive programs is due September 15.

There will be a workshop about the value of energy storage related to UM 1751, which aims to produce guidelines for utilities on energy storage.

Michael O'Brien: At a workshop on UM 1690, the OPUC asked for an example of a voluntary renewable energy tariff for non-residential customers of PGE and Pacific Power.

Suzanne: Is there a minimum program size or cap?

Elaine: There is an aMW cap for each utility.

Betsy: The resource value for solar in UM 1716 could have an impact on net metering. Energy Trust is tracking on this docket because it could change how we calculate above-market costs and our incentive structure.

Suzanne: Has Energy Trust considered providing incentives for energy storage?

Peter: This is early in the game to start talking about energy storage, and we would need to work closely with the utilities. How energy storage fits into utility IRPs presents a larger discussion, which we're starting with demand response and the customer side of the meter.

Suzanne: SunPower would be interested in that dialogue.

Betsy: There's a lot of interest surrounding energy storage, especially in regards to resiliency and disaster preparedness.

Bruce: This is a fast-moving topic with a lot of change. Utilities are still researching how to use energy storage effectively.

5. Topics for 2016 Renewable Energy Advisory Council meetings

Betsy summarized topics discussed during Renewable Energy Advisory Council meetings in 2015, and asked for input and ideas on 2016 meeting topics.

Robert: Can you provide a high level overview of why the Renewable Energy Advisory Council was created?

Betsy: Renewable Energy Advisory Council and Conservation Advisory Council were created as advisory councils to provide energy efficiency and renewable energy expertise for the board of directors. The purpose of the councils is to vet projects, provide input and expertise, and advise Energy Trust staff and board.

Alan Meyer: Renewable Energy Advisory Council topics have been weighted more toward policy and could benefit from hearing the perspective of the people installing renewable energy systems.

Bruce: Shaun Foster works with solar installers and could provide more of that perspective.

Kendra: I agree that there's more opportunity for Renewable Energy Advisory Council to gain new perspectives on the people doing the day-to-day work with renewable energy projects.

Michael: Renewable Energy Certificate, REC, discussions were great, especially having the opportunity to break out into small group discussions. REC policy is a meaty topic and has ramifications beyond Energy Trust.

Suzanne: Renewable Energy Advisory Council members have diverse backgrounds in the renewable energy industry, and this forum is a great opportunity to get into meatier topics that have value for Energy Trust and council members, such as energy storage.

Elaine: The REC discussions and brainstorming session and the presentation about challenges faced by small energy generators were great.

Robert: Budget numbers and activity scorecards are not as valuable to Renewable Energy Advisory Council. Market updates and project proposals are good topics. Discussions about RECs were worthwhile.

Bruce: Renewable Energy Advisory Council is a strategic resource in the renewable energy sector. Energy Trust's budget centers on the operational side and not as much on the strategic side.

Dick Wanderscheid: We don't need to spend as much time on budget. I think you have that under control. It would be a more valuable use of time to use meetings for strategic discussions. For example, the discussion with Jed about how to move hydroelectric power forward.

Renewable Energy Advisory Council members expressed appreciation of the budget 101 presentation at the October meeting.

Betsy: What are some specific topics members would like to see?

Kendra: Growth and change surrounding solar jobs and training and energy storage. Does Energy Trust share the five-year Strategic Plan at Renewable Energy Advisory Council?

Betsy: Renewable Energy Advisory Council discussed the 2015-2019 Strategic Plan while it was in development, and we could consider an update before the next Strategic Plan.

Matt Shane: Having the opportunity to talk about challenges other organizations face is valuable, such as obstacles associated with RECs.

Suzanne: Have we discussed what Energy Trust could do if the budget was larger?

Betsy: No, there have not been many conversations like that at Renewable Energy Advisory Council or among staff.

Elaine: Strategic Plan discussions about where we're going approached that topic, but we haven't quantified how much money it would take to get there.

Jason: Renewable Energy Advisory Council provides a good opportunity to flesh out policy topics. First, the group would benefit from having the foundational discussion of our options and limitations as an organization. Second, it could be valuable to take a project apart from beginning to end, including why it was identified as an opportunity, key decision points, benefits and outcomes. Third, identify policy decisions that could influence the renewable sector.

Suzanne: Given the intersection between energy efficiency and renewable energy in demand response, we could have a combined forum with Conservation Advisory Council and Renewable Energy Advisory Council on these types of topics.

Elaine: Solar programs, trends and outlook for 2017 and 2018.

Dick: I like a mixture of projects and policy. It would be nice to better understand the inner workings of utilities. Bonneville Environmental Foundation sees barriers all the time and Renewable Energy Advisory Council could provide better feedback on program design if we had a better understanding on the utility side.

Alan: There was a very educational utility 101 presentation to the board a couple years ago.

Michael: IRP teams could present to Renewable Energy Advisory Council and Conservation Advisory Council and allow participation for strategic comments. Both advisory councils could also have a combined discussion about the Seventh Power Council Plan.

6. Public comment

There was no additional public comment.

7. Meeting adjournment

The meeting adjourned at 11:40 a.m. The next Renewable Energy Advisory Council meeting is scheduled on March 16, 2016.