

Energy Efficiency Advisory Group (EEAG) Minutes dated February 7, 2008

Present:

Nancy Hirsh-Northwest Energy Coalition
Don Sturtevant-J.R. Simplot Company
Catherine Chertudi-City of Boise, Public Works Dept
Lynn Anderson-Idaho Public Utilities Commission
Sue Seifert-Idaho Office of Energy Resources (Alternate for Ken Eklund)
Christina Zamora-Community Action Partnership
Association of Idaho (Alternate for Ken Robinette)
Tom Eckman-Northwest Power and Conservation Council

Celeste Becia-Idaho Power
Maggie Brilz-Idaho Power
Lynn Young-AARP

Not Present:

Robin Thorngren-Healthwise
Dean Stevenson-Idaho Irrigation Pumpers Association, Irrigator
Bill McNamee-Oregon Public Utilities Commission

Guests and Presenters*:

Andrea Simmons-Idaho Power
Kathy Yi-Idaho Power
Shelby Leforgee-Idaho Power
Theresa Drake-Idaho Power
Warren Kline-Idaho Power
Chris Pollow-Idaho Power
Pete Pengilly*-Idaho Power
Cory Read-Idaho Power
Patty Best-Idaho Power
Ryan Hartnett-Idaho Power

Recording Secretary:

Shawn Lovewell-Idaho Power

Meeting Convened 9:40am

9:41-Introductions, review of minutes.

Celeste Becia called meeting to order. Attendees and guest briefly introduced themselves. Last meeting minutes were approved.

9:45-2007 Review, 2008 Preview

Celeste gave a review of program highlights from 2007. Power Point slides detailing the information presented were provided to each member.

Member Questions and Comments:

What are the lessons learned going into 2008?

It was a year of process improvement. Our department learned just how much time it takes to get a program up and running. Idaho Power has added new staff which requires extra time to get them integrated.

Celeste previewed each individual program for 2008:

A/C Cool Credit: The tariff was approved by the PUC to expand Idaho Power's territory to the counties that border Ada and Canyon. We are looking at expanding into Ontario Oregon.

Heating and Cooling Efficiency: Idaho Power has paid a few incentives since starting, but we are looking toward the spring for program growth.

Comments: Is data being collected from contractors on what they find?

What is the complimentary program to get to the houses that do not qualify?

Short of ripping out the duct system, there is not much we can do for the houses that do not qualify. Idaho Power's long term objective is to transform the market to higher standards. So we are training the HVAC companies to do it right the first time, and with the training classes we have provided, they now have the tools.

ENERGY STAR Homes: Idaho Power is trying to develop capacity in the Pocatello and Twin Falls area. The per home incentive amount decreased from \$750 to \$400 for home starts in 2008, due to an upgrade in energy efficiency codes that took effect 1/1/08.

Appliance Program: Soft Launch in April.

Comments: For the Irrigation programs, it would be nice to track how many acres are being irrigated. We have seen pressure on farmers to convert irrigated land to development. State has lost over 100,000 acres in the past year. Would farmers be as willing to invest in the equipment upgrades due to this pressure?

10:55 am A/C cool Credit Marketing Opportunities

Celeste gave a review with Power Point presentation. Three main methods for marketing were explained to the group.

1. Cause Related Marketing- This type of marketing involves the cooperative efforts of a business and a non-profit organization for mutual benefit.
2. Referral Fee- Individuals or groups could solicit sign-ups in return for a set amount of money for each customer that enrolls and participates. Could be used as a fund raiser.
3. Sign-Up Bonus- One time, flexible. Adds a sense of urgency to enroll since they would see a benefit in the immediate future, even though the bill credit is several months away.

Member Questions and Comments:

This could be an opportunity to partner with other companies to cross market programs that could ultimately reduce Idaho Power's direct cost.

A concern with options 2 and 3 is that it is a more individual effort. It was suggested that one option at a time be pursued to see how it works, rather than pursuing all of the options at once.

Working with one entity makes it easier for the program mechanics.

PG&E planted a tree on behalf of those that signed up for programs.

It was suggested, in regards to option 1 and 3, to put out a challenge to a large company to encourage its employees to sign up. Reward those that sign up.

11:30 ENERGY STAR Appliances

Celeste gave a slide presentation. The program targets to achieve a 10% change in consumer purchases from regular appliances to ENERGY STAR. The soft launch date is April 1 after which appliance purchases will be eligible for incentives. The advertising campaign launch will be mid-2008. Initially three appliances were looked at, but only clothes washers met the cost effectiveness tests at this time. Due to the difficulty in letting the general public know about the difference in the tier levels of washers, Idaho Power is thinking of a general incentive amount regardless of what is purchased. Is the group comfortable with an incentive of \$40 or \$50? At this time IPCO would like feedback from group regarding incentive amounts.

Questions and Comments

There was general consensus that due to the difficulty of letting customers know what they are buying, an incentive amount of \$50 would work for either tier 1 or 2 washers. It was suggested that we look into joining with water suppliers or waste water companies for an education piece added to the incentive.

There was much discussion surrounding refrigerators. At this time we are unable to incent the purchase for new refrigerators. We would like to investigate providing an incentive for the removal of old or second refrigerators that are being used. There would have to be a tracking mechanism in place to show the energy savings we are getting by taking these out of operation. Three different incentive options were discussed:

1. Third Party Recycler
2. Utilize Existing Waste Management System
3. Retail Bounty Events

Questions and Comments

- The City of Boise provides collection for refrigerators, Clean Harbors, at no charge. Allied Waste provides collection for Nampa and Caldwell. Currently the working condition of the units is not tracked.

- Regarding option 1, if you went with a private party hauler, they are going to want the whole market. We should be utilizing what the City of Boise offers to help cut costs.
- For the next meeting, could we get the data from the City on the recycling program? It would be interesting to know if the units that are recycled were working or not.

12:10 Meeting adjourned for lunch.

1:00 Residential Retrofit Program

Celeste gave a slide presentation. The different programs that have been considered for a pilot program were explained. It was decided that out of all of the programs that were looked at, Idaho Power would go forward with the Attic Insulation Pilot. Incentive levels and timelines were discussed. Data measurement feedback was solicited from the group.

Questions and Comments

- Spot measures could be taken from the air handler.
- Attic temperatures could be measured.
- Air handler run time or compressor run time for the air conditioner could be tracked. Data loggers for compressors are relatively inexpensive. The pilot should have an adequate sample size to gather this data.
- Before the attic gets buried with insulation, will the duct work be checked?

1:47 Research Update-Pete Pengilly

The Customer Relationship Index of 83.3% was highlighted to the group. A slide presentation was given of the Research and Analysis update. The group was informed that a DSM Potential study will be conducted by Nexant this year. The information gathered will help make up our next IRP. The study will be available on our website. There was a data request for customer characteristics survey from the group.

2:10 2007 Preliminary Financial Report

Pete passed a handout to the group, Preliminary Expenses by Funding Source and Funding Balances spreadsheet. These were explained to the group. An update of the rider balances was given. These will show up as appendix 1 and 2 in the DSM Report. Pete introduced our new analyst, Cory Read to the group.

2:25 Schedule Next Meeting.

Various dates for next meeting were discussed with the group. We are looking at holding the next meeting in May. We will be presenting a few options via email and confirm the next meeting date in the near future.

3:10 Adjourn

This Email is being included as an appendix to the minutes. It was sent April 1, 2008 in response to a few questions that were raised during the EEAG Meeting.

From: Becia, Celeste
Sent: Tuesday, April 01, 2008 6:00 PM
To: 'Bill McNamee'; 'Catherine Chertudi'; 'Dean Stevenson'; 'Don Sturtevant'; 'Ken Eklund'; 'Ken Robinette'; 'Lynn Anderson'; 'Lynn Young'; Brilz, Maggie; 'Nancy Hirsh'; 'Robin Thorngren'; 'Tom Eckman'
Cc: Drake, Theresa; Pengilly, Pete; Hartnett, Ryan; Nesbitt, Quentin; Merrick, Dennis
Subject: FW: Follow-Up to Feb 5 Meeting Comments

Hello Members;

At our last meeting on February 7, a couple of questions were posed that I'd like to follow up on. These are as follows:

Irrigation Efficiency/Irrigation Peak Rewards:

How many acres are being irrigated under these programs? We have seen pressure on farmers to convert irrigated land to development. (Response from Quentin Nesbitt)

On the irrigation efficiency program we do ask for acres under both the Menu and Custom options. For the Menu program it is just side information but we ask for acres of that particular system (sometimes data is not given and also there can easily be overlap between projects). For the Custom projects acres are very important and needed by us in working with the farmer on options for his project. As far as land development affecting our program ...I would say it is a fairly minor issue. Most of the development is in the Treasure Valley where most of the developed land was not irrigated with sprinklers prior to being developed. Even in the Twin Falls area this is similar. I do know of one case in Mountain Home where we worked extensively with a customer on a potential project that has lots of savings that he decided not to do because he thinks he will be selling to development within 3 years.

Data on Irrigation Peak Program: (2007 - however each year has been fairly close to these same numbers)

Eligible service points 4,852, Participating 947, 19.5 % penetration

Eligible customers 1360, Participating 257, 19% penetration

Eligible kW 805,189, Participating kW 182,499, 22.6% penetration

Eligible kW 805,189, Participating kW 182,499, 22.6% penetration

Data on Irrigation Efficiency Projects:

2,872 Efficiency projects (since 2004)

Approximately 17,000 total irrigation service points, 16.4 %---These projects represent 531,954 acres.

Efficiency projects happened on irrigation systems representing 311,402 kW (approximately 388,000 HP)

Total irrigation kW demand in July 2007 was 1,033,021 kW on a total of 1,374,438 HP in irrigation systems.

Therefore our participants represent about 30% of the total.

Rebate Advantage:

*What's the number of ENERGY STAR manufactured homes sold in the IPC service territory?
(Response from Ryan Hartnett)*

I received some factual 2007 manufacturing data from Tim O'Leary at the Office of Energy Resources:

Ryan, here's our state's numbers by manufacturer. Columns indicate total manufactured, Energy Star manufactured, and % of total.

Fleetwood Homes of ID	546	126	23%
Kit Homebuilders West	416	163	39%
Nashua Homes of Idaho, Inc	215	116	54%
Champion of Idaho	423	276	65%
Idaho Total	1600	681	43%

- 43% of the homes "manufactured" in Idaho were Energy Star certified.
- Not all homes manufactured in Idaho were sold in Idaho, and
- Not all that are sold at Idaho dealerships come from Idaho manufacturers (United Family Homes in Nampa probably gets their stock from Palm Harbor manufacturer in Washington).
- If we assume that demand is driving production,
- Then we assume approx. 40% - 45% of manufactured homes sold in Idaho are Energy Star. (See Idaho total above)
- Or at least 40% - 45% sold in the Northwest are Energy Star, which may be as close as we can come.

To extrapolate sales figures for IPC service territory:

- **Fact: 123 Energy Star incentive payments to all-electric homes in 2007 by Idaho Power**
- **Estimate: ~31 E Star homes were gas-heated, therefore no incentive payment - 20% of all E Star manufactured homes are estimated to be gas heated**
- **Estimate: ~154 total Energy Star manufactured homes sold in Idaho , and ~40% of all manufactured homes are estimated to be Energy Star**
- **Then 60% of all manufactured homes sold were not Energy Star, equals ~231 manufactured homes**
- for 154 + 231 = **385 total manufactured homes sold** in our service territory in 2007.

I look forward to seeing all of you at our next meeting on May 13--

Celeste