The Northwest Energy Efficiency Alliance: A Regional Experiment in Collaboration

SWEEP Workshop, Las Vegas

October 28, 2004
In 1997, the alliance set out to improve the efficiency of electricity use in the Northwest:

1. Implement cost-effective projects using “market transformation” approach
2. Develop a balanced portfolio of projects
3. Conduct ongoing evaluations
4. Become and effective and efficient organization
Catalyze the Northwest marketplace to embrace energy-efficiency products and services
The Alliance Is

- A **regional organization** serving the four Northwest states (Oregon, Washington, Idaho, Montana).

- Devoted only to increasing **energy efficiency**

- An organization that uses a strategic tool called **market transformation** to leverage longer term, sustainable change.
Alliance Stakeholders

- Northwest electric utilities
- Bonneville Power Administration
- State and local governments
- Utility regulators
- Consumer interest groups
- Efficiency industry representatives
Alliance Stakeholder Accountability

• Private corporation acting in public interest
  – open Board meetings
  – public access to information
• Specific criteria for project selection
• Yearly financial audits
• Strong, frequent evaluation of projects for use in adaptive management
Alliance Board of Directors

**Non-Utility**
- Oregon Office of Energy
- WA Office of Trade and Economic Development
- NW Power Planning Council, Montana
- NW Power Planning Council, Idaho
- Consumer Representative I
- Consumer Representative II
- NW Energy Coalition (NWECC)
- NW Energy Efficiency Council (NEEC)

**IOUs/Administrators**
- Avista Utilities
- Puget Sound Energy
- PacifiCorp
- Idaho Power
- NorthWestern Energy
- Energy Trust of Oregon

**Utility Commissions**
- WA Utilities and Transportation Commission
- Montana Public Service Commission
- Oregon Public Utility Commission
- Idaho Public Utilities Commission

**Public Power**
- Bonneville Power Administration
- Tacoma Power
- Snohomish County PUD
- Kootenai Electric Cooperative
- Salem Electric
- Seattle City Light
- Eugene Water & Electric Board
- Clark Public Utilities
- Cowlitz County PUD
- Grant County PUD
Benefits of Energy Efficiency

• Lowers electric bills, which is an economic benefit to Northwest businesses and consumers.
• Enhances the reliability of generation supplies in the region.
• Lowers market volatility by keeping the rate of demand and its growth manageable.
• It’s easier on the environment.
Market Transformation

- Acquisition—one energy customer at a time

- Market Transformation – work with existing market environments to accelerate acceptance of energy-saving products and services

- Currently serve residential, commercial, industrial and agricultural markets
Project Portfolio

Alliance projects focus on three sectors:

- Residential
- Commercial
- Industrial/Agriculture

Also includes projects that support energy efficiency efforts such as information and training resources.
Project Allocation $137 million
(all potential Board allocations thru Oct 03., Ops thru 2005)

- Agriculture: 41%
- Commercial: 36%
- Industrial: 19%
- Residential: 3%
- Other: 1%

Total Allocation $159.5 million
(all potential Board allocations thru Oct 03., Ops thru 2005)

- 5%: Operations (thru 2005)
- 7%: Market Research
- 2%: Projects
- 86%: Information Resources
Northwest Market Transformation Efforts

Northwest Energy Efficiency Alliance

Money Isn't All You're Saving

BETTERBRICKS

CLIMATE CRAFTERS

COMPRESSED AIR CHALLENGE

MELODRIVE CORPORATION

HANSEN

Con. Web

Pacific Northwest Energy Conservation & Renewable Energy Newsletter
The First Six Years

• 134 aMW saved to date in the region
  – Cost is about 1 penny per kilowatt hour

• Alliance and related efforts will save over 550 aMW by 2010
  – Enough to offset the need for two new power plans in the region

• NW region leads the nation in adoption of energy-efficient technologies:
  • sales of CFLs
  • sales of energy efficiency windows
  • Market share of ENERGY STAR clothes washers
  • building operators certified
Utility and Alliance Annual Budgets

- 1994: $350,000,000
- 2000: $50,000,000
- 2005: $250,000,000

Legend:
- Alliance
- Region
Regional Cooperation Approach Works

The Northwest Power Planning Council estimates:

• Alliance’s contributions to regional energy savings in 2002 was about one-quarter of all savings

• Cost of Alliance program was about 15% of all energy efficiency expenditures in the region in 2002
For more information about the Alliance or its programs, visit www.nwalliance.org.