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League of Women Voters of Idaho ♦ League of Women Voters of Washington  
Montana Environmental Information Center ♦ Natural Resources Defense Council  
NW Energy Coalition ♦ Oregonians for Renewable Energy Progress ♦ Power Consulting Inc.  
Puget Sound Cooperative Credit Union ♦ Save Our *wild* Salmon ♦ Sierra Club  
South Central Community Action Partnership ♦ Washington Environmental Council

May 27, 2014

Board of Directors  
Northwest Energy Efficiency Alliance

Dear Board Members,

We appreciate the opportunity to comment on the Northwest Energy Efficiency Alliance's draft strategic and business plans. Our joint comments focus on the proposed cuts to the core budget and on the optional programs.

NEEA was founded in 1996 to transform markets for electricity services and products. The job description for its first executive director says NEEA's goal "is to find ways to reduce the costs of efficient products and services for both utilities and customers."

The mission and goal are as critical today as they were 18 years ago. Central to NEEA's success has been its ability to reach across territorial and temporal boundaries to capture large savings opportunities and to reset manufacturing baselines to benefit both the environment and consumers.

We commend NEEA's board and staff for examining the alliance's organizational efficiency and processes to ensure that regional and local efficiency efforts work hand-in-hand. Finding operational efficiencies and avoiding overlapping initiatives are necessary endeavors. We must clearly distinguish regional transformation efforts from utility program delivery to avoid consumer and trade ally confusion.

That said, we see the proposed \$145 million core budget as insufficient to advance NEEA's long-term market transformation success. Downsizing this critically important and wildly successful organization will likely leave significant market transformation opportunities untapped. We recommend the board restore the budget to at least the \$185 million proposed by staff and the board in the Nov. 1 draft business plan.

We have serious concerns, as well, that the breadth of optional programs (both opt-out and opt-in) will reduce program effectiveness. We encourage the board to reconsider both the number of optional programs and the structure of optional activities within initiatives. We recommend selecting one optional program and one set of optional activities within an initiative as a pilot to assess the effectiveness of an opt-out/opt-in approach.

Earlier versions of NEEA's budget and business plan were more consistent with the mission and goals of the organization and did not undercut the organization's integrity.

Thank you,

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**AirWorks Inc.**

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