

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of

PACIFIC POWER & LIGHT  
COMPANY'S

2014-2015 Biennial Conservation Target  
Under RCW 19.285.040

DOCKET UE-132047

ORDER 03

ORDER REGARDING  
CONSERVATION ACHIEVEMENT  
FOR THE 2014-2015 BIENNIUM

**BACKGROUND**

- 1 The Energy Independence Act (EIA), requires electric utilities with 25,000 or more customers to set and meet energy conservation targets. Under RCW 19.285.040(1)(b), each utility must establish a biennial acquisition target for cost-effective conservation, and must meet that target during the subsequent two-year period. Pacific Power & Light Company (Pacific Power or Company) set a 2014-2015 biennial conservation target of 74,703 megawatt-hours. The Washington Utilities and Transportation Commission (Commission) approved that target in Order 01.
- 2 On June 1, 2016, as required by Order 01, RCW 19.285.070(1), and WAC 480-109-040(1)(a), Pacific Power filed its 2014-2015 Biennial Conservation Report (Report). Pacific Power reported that it had achieved 98,881 megawatt-hours of electric conservation during the 2014-2015 biennium, exceeding its maximum biennial target of 74,703 megawatt-hours.<sup>1</sup> Pacific Power also reported that it had met all of the requirements of Order 01 over the course of the biennium.
- 3 Beginning January 1, 2014, conservation achieved above a utility's conservation target can be claimed as excess savings to meet shortfalls in subsequent biennia.<sup>2</sup> Pacific Power

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<sup>1</sup> In its initial Report, Pacific Power failed to provide a summary of the steps taken to adaptively manage conservation programs during the biennium. Once Commission staff (Staff) notified the Company of this deficit, Pacific Power filed a revised report on July 27, 2016, containing the adaptive management summary.

<sup>2</sup> RCW 19.285.040(1)(c)(i) and WAC 480-109-100(3)(c).

achieved excess savings during the 2014-2015 biennium. Staff finds Pacific Power is entitled to claim 24,178 megawatt-hours of excess savings.

4 On June 3, 2016, the Commission issued a Notice in accordance with WAC 480-109-040(2) inviting interested persons to file written comments on Pacific Power's Biennial Conservation Report. During the comment period, the Commission received written comments from Staff and the NW Energy Coalition (Coalition). The Coalition recommended that, in light of the fact that the Company has easily exceeded its targets for the last three biennia, Pacific Power should pursue goals that are more in line with its actual achievement going forward.

5 At the recessed Open Meeting on August 12, 2016, the Commission heard oral comments from Staff and the Coalition.

6 Staff recommends the Commission issue an order finding that: (1) Pacific Power has complied with reporting requirements pursuant to WAC 480-109-120 and RCW 19.285.070; (2) Pacific Power has complied with Order 01; (3) Pacific Power has achieved 98,881 megawatt-hours of conservation during the 2014-2015 biennium; and (4) Pacific Power has achieved 22,144 megawatt-hours of excess conservation during the 2014-2015 biennium.

### **DISCUSSION**

7 The Commission agrees with Staff that Pacific Power has complied with its reporting and other obligations under RCW 19.285.040(1)(b), RCW 19.285.070, WAC 480-109-040(1), and Order 01 in this docket.

### **FINDINGS AND CONCLUSIONS**

8 (1) The Commission is an agency of the state of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, and accounts of public service companies, including electric companies.

9 (2) Pacific Power is an electric company and a public service company subject to Commission jurisdiction.

10 (3) Pacific Power serves more than 25,000 customers within the state of Washington, and is a "qualifying utility" within the meaning of RCW 19.285.030(16).

- 11 (4) Pacific Power has achieved 98,881 megawatt-hours of conservation during the 2012-2013 biennium, exceeding its maximum target of 74,703 megawatt-hours. Pacific Power has complied with RCW 19.285.040(1)(b).
- 12 (5) Pacific Power has met the reporting requirements of RCW 19.285.070 and WAC 480-109-040(1).
- 13 (6) Pacific Power has complied with Order 01 in this docket.

**ORDER**

**THE COMMISSION ORDERS:**

- 14 (1) Pacific Power & Light Company has complied with reporting requirements pursuant to WAC 480-109-120 and RCW 19.285.070.
- 15 (2) Pacific Power & Light Company has complied with the requirements in Order 01.
- 16 (3) Pacific Power & Light Company achieved 98,881 megawatt-hours of conservation during the 2014-2014 biennium.
- 17 (4) Pacific Power & Light Company achieved 24,178 megawatt-hours of excess conservation during the 2014-2014 biennium.

DATED at Olympia, Washington, and effective August 15, 2016.

DAVID W. DANNER, Chairman

ANN E. RENDAHL, Commissioner