

Washington Conservation Working Group

Working Document as of 2/17/11

[This represents Kristi Wallis' understanding of the 2/17/11 discussion, and everyone will be given an opportunity at the 3/16/11 Working Group to agree/disagree and make appropriate modifications]

Areas of Conceptual Consensus

What should be the I-937 Target - a utility's IRP target, other program targets, or something else? What should count towards achieving that target?

- Strong preference for using the companies' IRPs to set I-937 targets
- As a general concept, the utilities should be held responsible for what they can control (responsibility should be linked to authority). I-937 targets should not be based on what conservation may naturally occur or what other programs could achieve. The Working Group wants to think further about some possible exceptions: (1) implementation of code changes mid-biennium (including where utilities have advocated for change) and (2) regional activities to increase conservation. Also, the UTC staff has a question about whether this approach is "consistent with the Council's methodology" within the meaning of the law.

Benefits: Certainty (utilities/advisory groups/WUTC know what is expected); assessing compliance is more streamlined (accounting is simplified and relies less upon guesstimates about other sources of conservation); equity (if utilities are subject to penalties, compliance should be within their control to the extent possible and be operational, not academic); *[other?]*

Remaining Work:

- (1) Get greater clarity on what is meant precisely by what the utilities can "control"
- (2) Define exceptions where conservation efforts outside of utility programs should be in the target or included in determining whether utility met target
 - a. Early adoption of building code (particularly in regulatory environment where utilities cannot recover expenses relating to policy advocacy)

- b. Participation in regional conservation efforts - can the utilities be incented/commit to participate in these efforts without having to try to account for results as credit towards I-937 target?
 - c. Other?
- (3) Resolve questions regarding consistency with the Council methodology (the Council looks to conservation across the region and does not draw a distinction between utility and non-utility sources of conservation)
 - (4) Define final work product (guidance or something more proactive?) by June 2nd Working Group Meeting

Question B: What counts towards meeting targets? *[KMW note to Working Group – the following was the trend of the conversation but I did not expressly test for consensus – let me know what you think]*

Consensus: The utilities should only be able to count what they have put in their plan, with the exception of early adoption of building codes. For example, whether savings should be counted at the site or at the bus bar would be determined by how savings were described in the plan.

Differing Perspectives Where the Working Group has not Reached Agreement

Foundational Materials/Sources

Statutory

Energy Independence Act - Chapter 12.285 RCW

Administrative Rules

Acquisition of Minimum Quantities of Conservation and Renewable Energy as Required by the Energy Independence Act - Chapter 480-109 WAC (WUTC)

Secondary Materials

Administrative Rules

Energy Independence Act – Chapter 194-37 WAC (Department of Commerce)