

Washington Conservation Working Group

Description of Process

March 3, 2011

I. Goal

The goal of the Washington Conservation Working Group (“Working Group”) is to reach consensus on matters relating to appropriate acquisition of conservation in the context of I-937. Specifically, the parties will strive to increase clarity, certainty and, to the degree appropriate, consistency with respect to the requirements of I-937. Many parties have also expressed an interest in outcomes that would streamline the regulatory/compliance process and reduce the “process” workload.

II. Scope

Issues related to appropriate acquisition of conservation.

III. Assumptions

- Forward looking (process not intended to settle current, specific disputes)
- It is important to build a foundation of generally-accepted standards and information and approaches to make sure that it is commonly understood; this foundation would only be revisited to the extent it is deemed necessary
- Each utility has different circumstances that may require unique approaches
- Working Group should not be interpreting law, but should discuss framework and construct to comply with law (how the issues are framed will be critical)
- Realistic expectations for this process are needed in order to secure success
- Need balance between specificity and flexibility; some items should not be too tightly defined or locked in place; need ability to expand, refine, and evolve (not be afraid to true up)

IV. Process

Parties. The process is open to all interested parties. To date, the following parties have participated: Avista, ICNU, NEEA, NEEC, NWEC, NW Energy Coalition, NWPCC, Pacific Power, Public Counsel, PSE, The Energy Project, WUTC Staff, Department of Commerce, BPA, Staff-Consumer Protection, and State Auditors.

Working Group. A Working Group will be principally responsible for identifying, discussing and determining the process’s scope, the issues that will be addressed, consensus, and targeted work products/outcomes.

Subgroups. As appropriate, the Working Group will create and charge subgroups with assignments. Membership in subgroups will be dependent upon the nature of the charge and the

capacity of parties to take on and complete assignments. At the direction of the Working Group, subgroup members may develop draft products and make recommendations to the Working Group. A subgroup will not make decisions on behalf of the Working Group.

Commitment of Resources. Working Group members have committed to participating actively in the Working Group. Many have also expressed support for participating in subgroup activities to the extent resources allow. If questions about sufficiency of resources arise, they will be discussed and addressed by the subset of Working Group representatives who attended the February 2, 2011 “Steering Committee” meeting.

V. Issues

The short-list of issues includes:

1. What is cConservation?
2. “All Available, Cost-effective, Reliable and Feasible Conservation” within the Meaning of I-937
3. Conservation Planning and Reporting Cycle – Part of Demonstrating Prudency
4. Prudency
5. Evaluation
6. Consistency

A more detailed list of issues is contained in the Washington Conservation Working Group: Revised Issue List.

VI. Work Products/Process Outcomes

To be decided by Working Group on an issue by issue basis, at a minimum there will be a written report from the Working Group about issues that were discussed, areas of consensus and, to the extent there was not consensus, why not. Examples of possible work product include general guidance on issues; specific consensus on issues; matrix of methodologies by utility and NWPC; and annotated bibliography of foundational information.

VII. Decision-Making Model

The parties will strive for consensus. The facilitator, in consultation with the parties, will document areas of consensus as they are reached through the use of a on-going working document. The parties will be given an opportunity to ratify the language or, if it does not conform with the consensus, to modify it as appropriate. When consensus is not achieved, the individual parties will decide what action to take informed by the discussion of the parties.

VIII. Meetings

Each party commits to making its best effort to having representation at all Working Group meetings. Meeting agendas for the next meeting will be established at the end of a Working Group meeting and will clearly identify what decisions, if any, will be made at a meeting.

The Working Group will proceed with its work, including calling for consensus, even if some parties cannot attend a Working Group session. If a party must miss a meeting, its representative is responsible for informing the facilitator, and: 1) asking a fellow Working Group member to communicate its interests and positions or 2) asking the facilitator to communicate those interests. The parties may also submit written comments that will be distributed to the other parties. Whoever communicated the interests and positions of the absent party or the facilitator will contact such party to discuss what took place at the meeting.

If a Party feels that a specific decision should not be made in its absence, it can request that the decision be rescheduled. The facilitator, in consultation with the Working Group, will determine whether the timing of the decision should be rescheduled.

IX. Meeting Notes

Staff will take notes at each meeting and present a draft to the facilitator. She will circulate the draft among Working Group and edit the document as they request. She will then file the document with the Commission Records Center in Docket Number UE-110001.

X. Schedule

The Working Group schedule is:

Thursday - 2/17
Wednesday - 3/16
Thursday - 4/21
Wednesday - 5/18
Thursday - 6/2
Wednesday - 6/29

All meetings will take place at the WUTC, Room 206, from 9:30 to 5:00. The process will end on June 30, 2011.