WA Conservation Working Group: Revised Issue List
March 3, 2011

1. What is Conservation?
    a. Definitions
    b. Conservation
    c. Cost-Effective
    d. Other

2. "All Available, Cost-effective, Reliable and Feasible Conservation" within the Meaning of I-937 - What is the definition? In other words, what would support or prove compliance with I-937 conservation requirements?
    a. Methods
        i. Avoided Costs (current methodologies/are they consistent with Council?) What do we do with 10% credit and risk adder?
        ii. Total Resource Cost (current calculation of Council version (including non-energy benefits)), can test/terms be defined and agreement reached on how they will be used?
        iii. Treatment of measure life (any minimum restrictions?)/re-adoption assumptions (applicable period, if any)?
        iv. Savings counted at the site or the bus bar? *[resolved 2.17]*
        v. Other
    b. Metrics
        i. Currently relying on kwh savings estimates for setting targets and measuring achievement.
        ii. What other metrics may exist for demonstrating success in pursuing all available conservation? Reduced energy intensity? Reduced use per customer?
    c. Setting 10-Year Projections
        i. Current approaches
        ii. What should be the effect of external factors on content of plan?
        iii. Complications of rolling 10-year projections/interplay with 2-year targets
        iv. Consistency with Council methodology
        v. Lost opportunity conservation
    d. Establishing 2-Year Targets
        i. Timing and cost considerations – how to balance risk/customer rewards, rate at which conservation is acquired
        ii. How do companies currently establish targets?
        iii. Should targets specifically address lost-opportunity conservation?
        iv. Guidance on setting targets and what companies should do
        v. Should EM&V results fit back into current biennium targets or just future targets? How does Council's RTF fit in?
        vi. Consistency with Council methodology
    e. Achieving 2-Year Targets
        i. Resource-specific guidance: What kind of conservation counts? Do specific resource types require different treatment? Should there be a uniform set of protocols and

methods to ensure like treatment for similar resources? *[deal with subissues up front, but come back to the general issue at the end of the process]*

a. DSM
b. Demand response
c. Fuel switching
d. Base case for thermal generation efficiency?
e. Jointly-owned resources with co-owners outside of WA
f. Resources outside of service territory/WA
g. Power purchases
h. Eligible forms of distribution efficiency?
    a. Preferred methodology, if any, for calculating distribution savings
i. Behavioral programs
    a. How would behavioral savings obtained through RCM-type or O-Power-type programs be measured? Can they be counted?

ii. Does who pays or is responsible for the conservation matter? *[resolved, in part, on 2.17]*
    a. Naturally-occurring conservation that happens outside of utility programs?
    b. Conservation that is incented/facilitated by the utility but occurs outside of service territory count?
    c. Building codes
    d. How would utility-sponsored efforts/investments to improve code-compliance (e.g., training, home inspections) be treated?
    e. How would utility efforts to support adoption of more stringent codes be treated? (For purposes of cost recovery as well as credit towards achieving target)
    f. Non- programmatic adoption of cost-effective efficiency measures (NEEA?)

iii. Impact of Changed Circumstances During the Biennium
    a. When conservation measure savings estimates change mid-year or mid-biennium, how are the new savings estimates applied to claimed conservation resource acquisition in that year or biennium? (How should revisions in estimated energy savings for individual measures within a two-year compliance period be treated?)
    b. How would earlier-than–expected or later-than-expected adoption of energy codes (especially unanticipated) or federal manufacturing standards be treated?
    c. What if a significant shift in economic conditions affects conservation acquisition and prevents a utility from meeting its targets?
    d. Timing of adjustments from externalities/information from EM&V
        a. Adjustments to savings
        b. Adjustments to targets (is this legal?)
        c. Relationship to penalties

iv. Effect of Overachieving

3. Conservation Planning and Reporting Cycle – Part of Demonstrating Prudency
    a. How do utilities currently plan for conservation acquisition? What is in the utilities' current conservation plans?
    b. What is the relationship between this process and utility-specific advisory groups?

c. What is the framework within which incentives should be set and adjusted?[1]
    i. Should there be changes to the current approach?
    ii. Is there a point of diminishing returns?
d. Is there value in requiring some amount of consistency in basic information to be provided in required reports? (for example, should semi-annual reports contain savings estimates, spending, and participant counts)
e. Are the dates properly stated or, actually, milestones properly defined (or is this utility-specific)?

4. Prudency
    a. What is prudency (avoidance of penalties/right dollars spent)?
    b. When is it determined?
    c. Example of Wind Protocol – can one be developed for conservation?

5. Evaluation
    a. Can the Working Group develop further detail/guidance regarding expectations for evaluation/EM&V?
        i. Savings estimates, basis, cost-effectiveness test, EM&V spending, billing analysis
    b. EM&V Cycle Period – What is it and should it be consistent?

6. Consistency
    a. Is it appropriate in all cases? Different base conditions/service territories?
    b. Where should there be consistency? What sort of consistencies can the Working Group endorse?
    c. Consistency of definitions and protocols with I-937 energy efficiency reporting by public utilities under the oversight of the Department of Commerce (can some guidance be gained, especially with respect to how they prorate the 10-year goals into a 2-year target)?

[1] There is a sensitivity about maintaining a line between the role of the local advisory groups and this process – should discussions be kept fairly general rather than focusing on specific program design?