**UTC Comment form for Energy Independence Act Rulemaking, WAC 480-109, Docket UE-131723**

Submit this form by 5 PM Monday, Dec. 2, 2013 via the Commission’s Web portal at [www.utc.wa.gov/e-filing](http://www.utc.wa.gov/e-filing) or by e-mail to **records@utc.wa.gov****.**

Comments on behalf of: Public Counsel Commenter: Mary Kimball, Lea Fisher, Stefanie Johnson E-mail: Maryk2@atg.wa.gov

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In the first column, fill in the section or subsection of interest in the rule. In the next columns provide the specific text, proposal for change, and rationale.

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| Comment 1 | Current Text | Proposed Text | Rationale for proposed change |
| Regarding WAC 480-109-010 (1)(b)  | (b) This projection must be derived from and reasonably consistent with one of two sources:(i) The utility's most recent IRP, including any information learned in its subsequent resource acquisition process, or the utility must document the reasons for any differences. When developing this projection, utilities must use methodologies that are consistent with those used by the conservation council in its most recent regional power plan. A utility may, with full documentation on the rationale for any modification, alter the conservation council's methodologies to better fit the attributes and characteristics of its service territory.(ii) The utility's proportionate share, developed as a percentage of its retail sales, of the conservation council's current power plan targets for the state of Washington. | (b) This projection must be derived from and reasonably consistent with ~~one of two sources:~~~~(i) T t~~he utility's most recent IRP, including any information learned in its subsequent resource acquisition process, or the utility must document the reasons for any differences. When developing this projection, utilities must use methodologies that are consistent with those used by the conservation council in its most recent regional power plan. A utility may, with full documentation on the rationale for any modification, alter the conservation council's methodologies to better fit the attributes and characteristics of its service territory.~~(ii) The utility's proportionate share, developed as a percentage of its retail sales, of the conservation council's current power plan targets for the state of Washington.~~ | Public Counsel believes the Commission should eliminate, in rule, the option for utilities to use the Council Calculator. Instead, all IOUs should use the conservation potential assessment (CPA) from the most recent electric IRP to develop a projection of cumulative ten-year conservation potential. This change is appropriate because (1) the IRP provides “fresher” projections as it is updated more frequently than the Council’s power plan, (2) the IRP is tailored to fit each utility’s service territory, (3) this is the current standard practice. The CPA can be conducted consistent with the Council's methodology, as required by statute, and will generate a much more accurate conservation potential for the IOUs than the Council calculator.  |
| Comment 2  | Current Text | Proposed Text | Rationale for proposed change |
| Regarding WAC 480-109-010 (2)(a) | (2)(a) The biennial conservation target must identify all achievable conservation opportunities. | (2)(a) The biennial conservation target must identify all achievable conservation opportunities. | At this time, Public Counsel does not have any proposed changes to this section of the rule. Several of the issues raised in item A2 of the Commission’s October 4, 2013 Notice are being explored further in the current review of the companies’ 2014-2015 Biennial Conservation Targets, as discussed below.First, on the issue of incorporating regional market transformation savings (NEEA) in the biennial target, in October 2012, the IOUs filed a joint proposal to remove NEEA savings from the biennial target. The recently filed 2014-2015 biennial targets represent the first opportunity for parties to review how each IOU has implemented the joint proposal. The specific methodologies used by each utility are still under review. At this time we are not proposing or recommending any specific methodology. Second, there here is variability in the way the three IOUs incorporated for behavioral savings in development of the biennial conservation targets for 2014-2015. While we see value in striving for consistency in approaches to incorporating savings from behavior programs in the biennial targets, at this time this is more appropriately addressed in consultation with the advisory groups as a part of the biennial conservation planning and target setting process. This process allows for flexibility and changes going forward as we learn more about behavioral programs. Two other topics that have emerged during the biennial conservation plan reviews are whether: (1) unit energy savings values should be updated mid-biennium, and (2) the IOUs are using consistent baseline assumptions in the CPA and in development of the biennial target. We do not have any proposed rule language at this time and will continue to consider this issue during the current BCP review and this rulemaking proceeding. |
| Comment 3 | Current Text | Proposed Text | Rationale for proposed change |
| Regarding WAC 480-109-040 (1)(a) | (1)(a) The report must include the conservation target for that year, the expected and actual electricity savings from conservation, and all expenditures made to acquire conservation. | (1)(a) The report must include the conservation target for that year, the expected and actual electricity savings from conservation by program, and all forecasted expenditures and actual expenditures for the biennium, by program, made to acquire conservation. In addition, the following supporting documents should be included as attachments to the report: (1) Utility’s annual conservation reports filed by the utility during the biennium; (2) All conservation program evaluations completed during the biennium; (3) Matrix demonstrating biennial conservation plan condition requirements and utility compliance. | Public Counsel believes more explicit standards for reporting conservation achievement would be beneficial. Our additions and revisions to rule reflect, to a great extent, what most of the utilities already include in their biennial conservation reports. However, for consistency sake and to ensure these documents continue to be filed, we see value in adding these requirements to rule. |

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| Comment 4  | Current Text | Proposed Text | Rationale for proposed change |
| Regarding WAC 480-109-010 (2)(b) | (2)(b) The biennial conservation target must be no lower than a pro rata share of the utility's ten-year cumulative achievable conservation potential. Each utility must fully document how it prorated its ten-year cumulative conservation potential to determine the minimum level for its biennial conservation target. |  | Public Counsel does not have proposed language at this time, but we believe this rule would benefit from stakeholder discussion as to whether it should be eliminated or modified. A biennial target may be lower than the pro-rata share of the ten year potential, for example, due to ramp rates that expect accelerated acquisition in later years. |

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| Comment 5 | Current Text | Proposed Text | Rationale for proposed change |
| Regarding WAC 480-109-010 (2)(c) | (2)(c) The biennial conservation target may be a range rather than a point target. |  | Public Counsel does not have specific proposed language at this time, but we recommend stakeholder discussion on the issue of whether the range option should be retained in rule. |

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| Comment 6  | Current Text | Proposed Text | Rationale for proposed change |
| Regarding WAC 480-109-010 (3)  | (3) On or before January 31, 2010, and every two years thereafter, each utility must file with the commission a report identifying its ten-year achievable conservation potential and its biennial conservation target. | Proposed new subsection (3)(d):(d) This report must include: (i) projected conservation savings for the biennium, by program; (ii) projected expenditures for conservation programs for the biennium; (iii) a list of measures, unit energy savings values, and sources used for development of the proposed biennial conservation target. In addition, the following supporting documents should be included as attachments to the report: (iv) DSM business plan for the upcoming biennium; (v) the utility’s most recently updated EM&V framework. | Public Counsel recommends consideration of minimum reporting requirements for the biennial conservation plan. For the most part the IOUs already provide the information included here. It may be useful to discuss whether the Commission should adopt a standard format for reporting all savings and expenses in a single worksheet, so that it is possible to see in one place how the program savings and expenses add together to the total numbers. |