

Natural Resources Defense Council  
71 Stevenson Place #1825  
San Francisco, CA 94105

May 13, 1997

Steve McLellan, Secretary  
Washington Utilities and Transportation Commission  
1300 Evergreen Park Drive SW  
PO Box 47250  
Olympia, WA 98504-7250

**RE: Joint comments on Puget Sound Energy's Electric Conservation Tariff, Docket  
No. UE-970685, UE-970686**

Dear Mr. McLellan:

These comments respond to Puget Sound Energy's (PSE) Electric Conservation Tariff filed with the Commission; they are submitted on behalf of the Natural Resources Defense Council, Northwest Conservation Act Coalition, Public Counsel, Washington Department of Community, Trade and Economic Development, and the Washington State Association of Community Action Agencies Energy Program (the "Parties"). These organizations represent a substantial body of experience in energy efficiency and have long been active participants before the Commission in these matters. The Parties included here may also be submitting individual comments to the Commission in addition to this joint statement.

We support the proposed PSE Electric Conservation Tariff as an interim portfolio of programs that maintains a conservation infrastructure during the State's transition to a new era of more comprehensive energy efficiency activities as recommended by the Regional Comprehensive Review. We reiterate our commitment to continue working with PSE and others on these and related matters. This commitment specifically includes near-term efforts necessary to further develop the interim filing, as well as PSE's resource planning process. We expect a new filing to occur by June, 1998.

As indicated by PSE in its filing, the Parties have been meeting as part of the PSE Collaborative to develop a portfolio of cost-effective energy efficiency programs. Although the collaborative has been meeting since last Fall, the merger and the resulting structural

RECEIVED  
MAY 13 11:12:33  
STATE UTIL. AND TR. COM.  
COMM. DIV.

**Joint Comments**

May 13, 1997

p. 2

transition within PSE had caused a lack of focus on this effort until the last few weeks. During that time the Parties were sufficiently encouraged by the progress made in the direction of PSE's proposed programs to support the filing.

While the final programs included in the filing show movement in the right direction, the portfolio as a whole only scratches the surface of cost-effective investment opportunities that exist for PSE, either in scope or in scale. PSE's proposed savings target represents only a fraction of the cost-effective resources available, while the total budget accounts for less than 0.6% of PSE's 1996 electricity revenues. PSE should be encouraged to take greater advantage of the clear opportunities for cost-effective energy efficiency, investments that the Commission has itself supported on numerous occasions. We urge the Commission to give PSE the clear signal to continue moving forward by:

- approving the PSE Electric Conservation Tariff as an interim portfolio, recognizing that not all cost-effective opportunities are being captured; and
- requiring PSE to return to the Commission within 90 days of approval with a supplementary filing, developed in conjunction with the established collaborative members, which identifies additional opportunities for near-term, cost-effective investments. As per the collaborative's discussions, additional opportunities should include a program and budget for weatherizing 1,000 high-bill duplexes in PSE's territory and an analysis of the potential for implementing an energy efficient refrigerator program.

If you have any questions regarding the above comments, please contact me at (415) 777-0220. We appreciate your consideration of these comments.

Sincerely,



Sheryl Carter, Natural Resources Defense Council  
on behalf of:

Northwest Conservation Act Coalition  
Public Counsel  
Washington Department of Community, Trade and Economic Development  
Washington State Association of Community Action Agencies Energy Program

cc: Wes Hoppler, Deborah Stephens