

July 14, 2010

David Danner  
Executive Director and Secretary  
Washington Utilities and Transportation Commission  
1300 S. Evergreen Pk. Dr. S.W.  
PO Box 47250  
Olympia, WA 98504-7250

**Re: PacifiCorp's Revised Compliance Report Concerning Its Ten-Year Conservation Potential and Biennial Conservation Target, Docket No. UE-100170**

Dear Mr. Danner:

The NW Energy Coalition ("Coalition") respectfully submits these comments regarding PacifiCorp's proposed 2010-2011 biennial conservation target and revised report. We plan to attend the Commission Open Meeting on July 15, via the Bridge Line.

At its March 11 Open Meeting, the Commission recommended PacifiCorp continue to meet with Staff and other interested parties to address concerns raised regarding its initial I-937 biennial conservation target filing.<sup>1</sup> Since that time, the parties have met in person and by phone on numerous occasions to discuss the Company's biennial target and revised report, and Staff's proposed Conditions List.

The Coalition supports PacifiCorp's proposed revised biennial target and the Conditions List attached to Staff's memo, and recommend the Commission approve both of those items.

RCW 19.285.030(4) defines conservation as "any reduction in electric power consumption resulting from increases in the efficiency of energy use, production, or distribution," and RCW 19.285.040(1) requires qualifying utilities to "pursue all available conservation that is cost-effective, reliable, and feasible." While the biennial target focuses on end-use savings and does not encompass distribution and production efficiency improvements,

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<sup>1</sup> UE-100170 PacifiCorp Initiative No. I-937 Report on Ten-Year Conservation Potential and 2010-2011 Biennial Target-clean, filed January 29, 2010.

the Company has a plan to incorporate distribution savings potential in its next target-setting process.<sup>2</sup> We recommend that production efficiency potential be addressed as a parallel issue to distribution efficiency, for incorporation into its 2012-2021 conservation assessment.<sup>3</sup>

We look forward to continuing our participation on the Company's conservation advisory group, and working with the Company as it achieves its biennial target.

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<sup>2</sup> Conditions List at 8(f) specifies the timeline for assessing distribution efficiency initiatives, and PacifiCorp's July 2, 2010 Revised Report (at ps. 31-32) describes the rationale for not including distribution efficiency potential in the 2010-2011 biennial target.

<sup>3</sup> For example, PacifiCorp could consider assessing its production efficiency potential in the context of its IRP process. Only efficiency potential in non-hydro generation facilities would be considered in the context of I-937's conservation standard; efficiency potential in hydropower facilities can be considered in meeting I-937's renewable standard.