

Attachment A: Hypothetical 2016-2017 Electric Portfolio Results

Illustrating the application of eligible excess to potential decoupling commitment shortfall.

Puget Sound Energy 2016-2017 Electric Portfolio Savings						
	Description	MWh Target	MWh Actuals	Achieved Tests	Comment <i>(Commission Staff comments on 2014-2015 BCR, UE-132043, in blue italics.)</i>	Calculation Unless otherwise noted, references indicate target-setting sources. Calculations used for savings results are noted in <i>green italicized text</i> .
(1)	Add			These are specific elements that comprise the Portfolio View of Exhibit 1.		
a	Total Biennial Potential <i>IRP Guidance</i>	554,132			Bundle D + DE from IRP	Figure 3, Exhibit i
b	Plus Legacy HER	5,722				line l of Exhibit 1 Portfolio View
c	Total Base Savings	559,854			<i>All available conservation that is cost-effective, reliable, and feasible. No less than the pro rata share of the ten year potential, at least 20%.</i>	= a + b
d	Plus Decoupling Commitment (5% add)	27,993			All programs contribute to the decoupling commitment. Decoupling commitment is based on 5% of "base", rather than the lower 5% of EIA Target.	= c * 0.05 ("base" * 5%)
e	Plus Energy Reports Pilots Without Verified Savings	17,347			2016-2017 Pilots	line z of Exhibit 1 Portfolio View
f	Total 2016-2017 Portfolio Savings <i>(Includes single large facilities, where savings are managed in Schedule 258, Large Power User/Self-Directed program.)</i>	605,194	598,000		This figure is what Energy Efficiency is managing to. <i>Biennial Conservation Target plus decoupling commitment. This is the "Target" reported to Commerce.</i> It isn't possible to establish discrete targets for single large facilities. Results can be culled from overall Portfolio results for reporting purposes to ensure that PSE does not claim excess of more than 5% of these savings.	= c + d + e; lines bb & bf of Exhibit 1 Portfolio View Unique tracking system reports to compile specific site data.
(2)	Exclude			Remove these elements in order to calculate the EIA penalty target.		
g	NEEA Savings	-22,776	-22,000		Savings calculations provided by NEEA.	line aa of Exhibit 1 Portfolio View. <i>Results: Annual Report Exhibit 1.</i>
h	Energy Report Pilots	-17,347	-17,000			= e <i>Results: Annual Report Exhibit 1.</i>
i	Decoupling Commitment Amount	-27,993	Calculated		5% of "base" savings value (line c).	= d <i>Results: Annual Report Exhibit 1.</i>
j	Total Exclusion	-68,116	-39,000		<i>NEEA, pilots. (Potential savings which are speculative in nature are excluded from eligibility for penalty under the Commission's standard practice.)</i>	= g + h + i
(3)	Resultant Targets					
k	Total Utility Savings	565,071	559,000		Total Portfolio savings, less exclusions (NEEA + pilots) Includes any savings applicable the decoupling commitment	= l + m <i>Results: Annual Report Exhibit 1, Portfolio total, less [NEEA + Pilots].</i>
			Difference			
l	EIA Penalty Target	537,078	21,922	Achieved	<i>The Energy Independence Act biennial conservation plan (BCP) energy savings targets approved by the UTC.</i> <i>Result: Line k - [(line k(target)) - (line m(target))]. This represents the the difference between actual Total Utility Savings (that include decoupling savings) and the EIA Target.</i>	= f + j <i>Results: k(actual) - l(target)</i>
			Difference			
m	Decoupling Commitment	27,993	-6,071	Shortfall	<i>Additional percent of Base UTC Target required per Commission order.</i> \$50/MWh shortfall penalty.	= d <i>Results: ([l MWh Actual Difference] - [m Target]). This represents the final excess/(shortfall) for the current biennium.</i>
(4)	Excess Savings Disposition (as determined by Commission order in the year subsequent to the concluding biennial year.)					
n	Current biennium's excess savings	2016-2017	(6,071)		If a negative number, indicates a shortfall in either the EIA target or the decoupling commitment.	Import results from current BCR.
o	Past biennium's excess savings	2014-2015	38,906		Last biennium	Import results from previous BCR.
p	Penultimate biennium's excess savings	2012-2013	0		Remove from going-forward archive as a part of Order approving current-biennial savings.	Import results from applicable BCR.
q	Total remaining excess savings available	Total	32,835		Going-forward available excess savings for future qualifying biennia	