

3TIER Environmental Forecast Group
Advocates for the West
Alaska Housing Finance Corporation
Alliance to Save Energy
Alternative Energy Resources Organization
American Rivers
The Apollo Alliance
Audubon Washington
Avista Utilities
BC Sustainable Energy Association
Bonneville Environmental Foundation
Central Area Motivation Program
Citizens Utility Board of Oregon
City of Ashland
Clackamas County Weatherization
Climate Solutions
The Climate Trust
Community Action Partnership of Oregon
Community Action Partnership Assoc. of Idaho
Conservation Services Group
David Suzuki Foundation
Earth and Spirit Council
Earth Ministry
Ecos Consulting
Ecological Design Center
eFormative Options, LLC
Emerald People's Utility District
The Energy Project
Energy Trust of Oregon, Inc.
enXco Development Corporation
Environment Oregon
Environment Washington
Eugene Water & Electric Board
Friends of the Earth
Golden Eagle Audubon Society
Horizon Wind Energy
Home Performance Washington
Housing and Comm. Services Agency of Lane Co.
Human Resources Council, District XI
Iberdrola Renewables
Idaho Conservation League
Idaho Rivers United
Idaho Rural Council
Idaho Wildlife Federation
Interfaith Network for Earth Concerns
Kootenai Environmental Alliance
League of Women Voters – ID, OR & WA
Metrocenter YMCA
Missoula Urban Demonstration Project
Montana Audubon
Montana Environmental Information Center
Montana Public Interest Research Group
Montana Renewable Energy Association
Montana River Action
Montana Trout Unlimited
Moontown Foundation
The Mountaineers
Multnomah County Weatherization
National Center for Appropriate Technology
Natural Resources Defense Council
New Buildings Institute
Northern Plains Resource Council
Northwest Energy Efficiency Council
Northwest Renewable Energy Institute
Northwest Solar Center
NW Natural
NW SEED
Olympic Community Action Programs
Opportunities Industrialization Center of WA
Opportunity Council
Oregon Action
Oregon Energy Coordinators Association
Oregon Environmental Council
Oregon HEAT
Oregon State Public Interest Research Group
Pacific Energy Innovation Association
Pacific NW Regional Council of Carpenters
Pacific Rivers Council
The Policy Institute
Portland Energy Conservation Inc.
Portland General Electric
Puget Sound Alliance for Retired Americans
Puget Sound Energy
Renewable Northwest Project
Salmon for All
Save Our Wild Salmon
Seattle Audubon Society
Seattle City Light
Sierra Club
Sierra Club, BC and MT Chapters
Snake River Alliance
Solar Oregon
Solar Washington
South Central Community Action Partnership, Inc
Southeast Idaho Community Action Agency
Southern Alliance for Clean Energy
Spokane Neighborhood Action Programs
Student Advocates for Valuing the Environment
Tahoma Audubon Society
Trout Unlimited
Union Of Concerned Scientists
United Steelworkers of America, District 11
WA CTED - Housing Division
Washington CAN!
Washington Environmental Council
Washington State University Energy Program
Working for Equality And Economic Liberation
A World Institute for a Sustainable Humanity
World Steward



Bonneville Power Administration Energy Efficiency Post-2011 Proposal Public Comment Draft

Comments of the NW Energy Coalition

Prepared by Nancy Hirsh

May 25, 2010

The NW Energy Coalition appreciates the opportunity to submit these comments in support of BPA's proposed plan for acquisition of energy savings post-2011. We applaud the leadership and commitment of Administrator Wright, Mike Weedall, Karen Meadows and all the lead efficiency staff to put together such a strong proposal to maintain regional leadership on energy efficiency acquisition.

The Northwest Power and Conservation Council has identified more cost-effective energy efficiency opportunities than ever before. At the same time, one of the lowest cost and simplest measures, the CFL, will soon be covered by federal efficiency standards and will hopefully become the floor of lighting efficiency levels. Now is the time for an even more robust coordinated regional and local delivery strategy. The proposed BPA Post-2011 efficiency plan reflects that need. As BPA began to develop this efficiency strategy, the Coalition was concerned that BPA would shrink back from both its regional role and specific program delivery efforts. By maintaining a robust Bonneville program, utility customers throughout the Northwest will benefit from BPA's continued leadership and experience.

The principles and themes articulated in the proposal are appropriate and reflect the region's 30 years of local and regional energy efficiency program delivery. The Northwest Energy Efficiency Task Force final report emphasizes the need for more effective and comprehensive regional coordination to address the cross service territory nature of efficiency opportunities and the need to capture the lowest cost savings as far up stream as possible in product and service markets.

The Regional Dialogue final policy commits BPA to ensure that all of public power's share of the Council's 6th Plan conservation target is achieved and the benefits delivered to Northwest citizens. Rather than establish individual utility efficiency targets, this proposal sets a collective target for all of its public power utilities. While this approach provides utilities with flexibility, BPA must be vigilant to make sure that all Northwest citizens have access to energy efficiency programs and services that help reduce electricity bills and improve the financial and environmental health in local communities.

The emphasis on regional infrastructure is vital. All the categories listed in the public comment draft are appropriate components to our regional efficiency efforts and utilize BPA's regional breadth and depth of experience. In addition, these regional activities will be essential to providing support to individual utilities and enabling regional coordination. We agree with Bonneville that conservation potential assessments are a critical tool particularly since many utilities feel that the Power Council's conservation analysis and targets are too broad and not applicable to their individual service territories. BPA should support the development of consistent and transparent protocols for CPAs. That said, Bonneville should continue its goal of acquiring the target identified by the 6th Plan rather than adding up the numbers in individual utility conservation assessments given that not every utility will complete one.

The Coalition strongly supports the inclusion of the energy efficiency incentive in the PF rate. We know that this has been a contentious issue for many of BPA's customer utilities and yet it is the most appropriate way for Bonneville to support acquisition of all cost-effective energy savings as identified by the Council's 6th Plan. We are concerned that Bonneville states, on page four, that "...funding for EEI can decrease or increase to accommodate over performance or under performance relative to reaching public power's share of the regional target." BPA should adjust funding as appropriate but we do not see a circumstance when BPA would decrease funding in the case of over performance. The Power Council is very clear in the 6th Plan that accelerated acquisition of cost-effective energy savings is a clear economic benefit to the region in terms of bill reductions and net savings in energy costs. We acknowledge that rate impacts of continued acquisition above the targets must be considered.

As part of the proposed review of spending to determine if utilities are on track to fully spend their EEI funds, we presume that this funding review will be conducted at the same time as Bonneville reviews the savings in the PTR system. Expenditure of funds is important but acquisition of savings is critical.

The two implementation mechanisms proposed appear to be directly responsive to utility requests for simplicity and the ability to design and implement programs specific to individual utility service territories. This seems to be an excellent compromise between one-size fits all and only local delivery.

The proposed reporting, measurement and verification obligations are vital to the overall success of this program and must be expanded and further developed in Phase 2 of this public process. As savings opportunities and investment levels increase it becomes ever more important to support adequate funding and attention to MV&E protocols. We believe that the MV&E should apply to both deemed and non-deemed measures and programs. Deemed savings can only be counted if there is confidence that program delivery is effective.

The BPA backstop role lacks detail and specificity. It is not clear what "at any given time" means and what actions Bonneville would take to ensure that targets are met in a timely manner. Bonneville's need for public process is appropriate but does limit its ability to turn on a dime and make corrections that will keep the region on track to meet the savings

targets. Further detail as to the steps BPA would take to acquire savings, if necessary, should either be added to this Plan or included as part of Phase 2 discussions.

Finally, while Coalition staff participated in the public meetings and provided written comments on previous drafts of the plan we do take issue with the lack of public process during the last phase of this process. Essentially, BPA went into six months of private negotiations with its public utility customers to hammer out a final proposed plan. While the proposed plan is strong, the single party negotiations are not appropriate as a general rule of practice for Bonneville. We hope that Phase 2 program planning to expand the list of additional refinements returns to broader stakeholder involvement.

Thank you for the opportunity to provide these comments. We look forward to working with Bonneville during the Phase 2 process.