



NW Energy Coalition



# I-937 is working

Washington's clean energy standard I-937 was passed by popular vote in 2006. It does two things:

- Requires the state's 17 largest electric utilities to gradually increase the amount of eligible *new* renewables in their energy mix to 15% by 2020.
- Separately requires those same utilities to secure the maximum cost-effective energy efficiency to save money for their customers.

**I-937 is accomplishing exactly what voters wanted it to do** – building upon our existing hydro system, diversifying our renewable resource portfolio, and increasing conservation measures that save customers money. State utilities are easily meeting the law's ongoing efficiency standards and all easily met the 2012 renewables benchmark:

- All qualifying utilities easily met the 2012 renewables benchmark by investing in wind, hydropower efficiency upgrades, biomass, landfill gas, and solar<sup>i</sup>, and all are projected to meet the 2016 renewables benchmark of 9%. Many have already acquired sufficient renewables to meet the 2020 15% standard.
- New renewable energy resource development in Washington has led to more than \$8 billion of investment in the state, creating more than 3,800 jobs and generating more than \$145 million in public tax revenue.<sup>ii</sup>

**Conservation, or energy efficiency, efforts have been very successful:**

- The first energy efficiency targets for 2010 – 2011 were exceeded by more than 33%.<sup>iii</sup>
- Those savings were enough to power more than 160,000 Washington and avoided about 760,000 tons of carbon emissions.<sup>iv</sup> To qualify as cost effective, conservation achievements must cost less than getting an equal amount of generated power. Northwest utilities are acquiring energy efficiency savings at an average cost of 2 cents per kilowatt-hour.<sup>v</sup>
- The most recent available report for the 2012-2013 efficiency targets showed more than 248 aMW of utility reported savings, compared to the utility set goal of about 195 aMW.<sup>vi</sup>



According to Washington Utilities and Transportation Commission chair David Danner, these clean energy benefits are a bargain, adding on average only \$1 per month to Washington investor-owned utility customers' bills.<sup>vii</sup> All this has been accomplished while protecting ratepayers. Growing utilities' renewable investments are capped at 4% of revenue per year, while utilities with little or no increase in load have lower compliance requirements.

i. I-937 qualifying utility reports to Washington Department of Commerce and Washington Utilities and Transportation Commission as of August 2012.

ii. Investment data for currently operating renewables were sourced directly from project reports and news feeds, or based on estimates from the U.S. Energy Information Administration's April 2013 report, *Updated Capital Cost Estimates for Utility Scale Electricity Generating Plants* and NREL's November 2010 report, *Cost and Performance Assumptions for Modeling Electricity Generation Technologies*. Estimates are as follows: biomass \$2.8M/MW, geothermal \$3.2M/MW, wind \$2.0M/MW, solar PV \$3.8M/MW.

iii. I-937 qualifying utility reports to Washington Department of Commerce as of August 2012 and Washington Utilities and Transportation Commission-approved savings figures for the three investor-owned utilities show an overall target of 172 aMW and acquisition of 229 aMW.

iv. Household calculation assumes 1 aMW serves 700 Northwest households (per Northwest Power and Conservation Council);  $700 \times 229 = 160,300$  households. Carbon emissions calculation based on newer natural gas plants emitting 0.37976 tons CO<sub>2</sub>/MWh (per EGRID). Qualifying utilities saved 229 aMW or 2,006,040 MWh. The product of those two figures is 761,814 tons of CO<sub>2</sub> avoided.

v. *Energy Efficiency in the Future: The Sixth Northwest Power Plan, 2010*, Northwest Power and Conservation Council document 2012-06, [www.nwcouncil.org](http://www.nwcouncil.org)

vi. Ibid

vii. [http://seattletimes.com/html/opinion/2022102890\\_daviddanneropedrenewableenergy23xml.html](http://seattletimes.com/html/opinion/2022102890_daviddanneropedrenewableenergy23xml.html)

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