

Detailed 7th Plan talking points

NW Energy Coalition

Oct. 28, 2015

Energy efficiency

- **Energy efficiency remains our least-cost, least-risk, lowest-carbon resource.** Energy efficiency reduces family and business utility bills and provides good jobs in every community. Council analysis shows we can get 4,500 average megawatts of new energy efficiency in the next two decades and meet almost all of the Northwest's new power needs. In every possible future envisioned by the Council, energy efficiency acquisition was the undisputed first choice for the regional power strategy.
- **The region's historic accomplishments on energy efficiency have made it the second-largest resource (after hydropower) in the region.** Together we have saved more than 5,600 average megawatts since 1980, reducing electricity bills by about \$3.5 billion per year and drastically reducing climate-changing carbon emissions – by nearly 21 million tons in 2012 alone.
- **The “low-hanging fruit” keeps growing back.** After more than three decades of energy efficiency investments region-wide, the resource remains robust. The Council has identified energy-saving opportunities in all sectors: residential, commercial, industrial and agricultural. The rebounding commercial sector offers the most promise for energy savings, along with progress on zero-energy buildings.
- **Advance energy efficiency programs for low-income customers.** The draft plan stresses that the economic benefits of energy efficiency programs must be distributed equitably and lists specific ways Bonneville Power Administration and utility programs can better serve low-income households. All electricity consumers pay for efficiency programs in their bills, and we strongly support the emphasis on serving low-income consumers and other “hard-to-reach” segments outlined in the draft plan's model conservation standards.

Meeting power demands

- **No need for new natural gas.** The draft plan finds almost no possibility that the region will need any new natural gas plants in the next 10 years, assuming achievement of the Council's energy efficiency and demand response goals. The draft plan emphasizes that more efficient power markets and transmission improvements can make that finding true for individual utilities as well. The action steps outlined by the Council will help the Northwest reduce the need for new natural gas plants on a utility-by-utility basis.

- **Aggressively implement demand response programs to help meet peak demand.** Expanding *demand response* programs – incentives and other measures that change when people use power -- flattens demand peaks and increases system efficiency and reliability. It is least-cost because it avoids costly construction and overuse of gas-fired peaking plants. The Council sees demand response programs, still in their infancy, as a high priority but dropped a regional 700-megawatt goal from the draft plan. The Council should push BPA and utilities to aggressively pursue this nascent resource and set a **700- to 1,100-megawatt goal** for demand response in the final 7th Plan.
- **Provide a better vision for renewables.** The draft plan is shortsighted in calling only for those renewables already required by Northwest states. Several renewable resources (utility-scale solar and Montana wind, for example) already compete cost-wise with new natural gas plants. The Council’s model, which does many things well, undervalues the contributions of renewables and other measures – such as battery storage and many smart grid applications -- to meeting the region’s winter peaking needs. Thus the model tends to select new gas plants to meet rare and very short-term winter peaking needs.
- **We need a stronger vision for how renewables contribute to the future of our power mix.** The Council should work with national modeling experts on a next-phase study of how the region can cost-effectively meet carbon emissions targets and winter peaking needs with a diverse portfolio of energy efficiency, renewable energy resources, demand response and storage.

Climate change

- **We’re on-track for significant carbon emission reductions.** The draft plan shows that the region’s current investments in energy efficiency and renewables have put the four Northwest states on-track for a 35% cut in carbon emissions by 2035.
- **We can do more to reduce carbon.** The Council finds that the region could easily, and at moderate additional cost, cut carbon emissions as much as 80% at moderate additional cost. And that’s not counting the health and climate benefits. Using existing technologies and shutting down coal plants and the highest-emitting natural-gas plants get us to this cleaner future.
- **Avoiding new natural gas plants** will keep carbon emissions from rising and avoid expensive fossil-fueled generation.

Salmon recovery

- **Fully assess salmon recovery costs.** As the dams in the federal hydrosystem age, their maintenance costs are ballooning. Climate change, meanwhile, is further stressing endangered salmon. The Council should take an honest look at the costs and benefits of maintaining or retiring the four large but limited-output dams on the lower Snake River to aid passage and survival of wild salmon stocks.