



CHELAN COUNTY

Customer Energy Solutions Conservation Potential Assessment and 2022/2023 Compliance Target Setting December 6th, 2021

Conservation Potential Assessment

Today's meeting is informational

- RCW 19.285 directs utilities to identify two-year conservation targets and ten-year plans
- WAC 194.37 identifies public notice requirements which were followed
- Dec. 20, 2021 publicly noticed meeting:
 - Propose formal adoption of 2022/2023 target and 10-year plan

Identifying the Two-Year Target and Ten-Year Plan

- Developed by independent 3rd party
- Incorporates changes in the energy market and energy savings values
- Consistent with Northwest Power and Conservation Council methodology as directed in RCW 19.285

Comparison of 2019 and 2021 conservation potential

	10-Year Plan (aMW)			20-Year Forecast (aMW)		
	2019	2021	% Change	2019	2021	% Change
Residential	5.16	3.49	-32%	7.62	10.73	41%
Commercial	5.03	7.3	45%	6.72	14.7	119%
Industrial	4.2	3.42	-19%	5.45	6.35	17%
Agricultural	0.36	0.13	-64%	0.41	0.23	-44%
Distribution	0.45	0.2	-56%	1.26	0.58	-54%
Total	15.2	14.54	-4%	21.46	32.59	52%

Major Drivers of the Potential Assessment

Residential Sector

- Smart thermostats
- Duct sealing
- Weatherization
- Heat pump water heater
- More efficient appliances

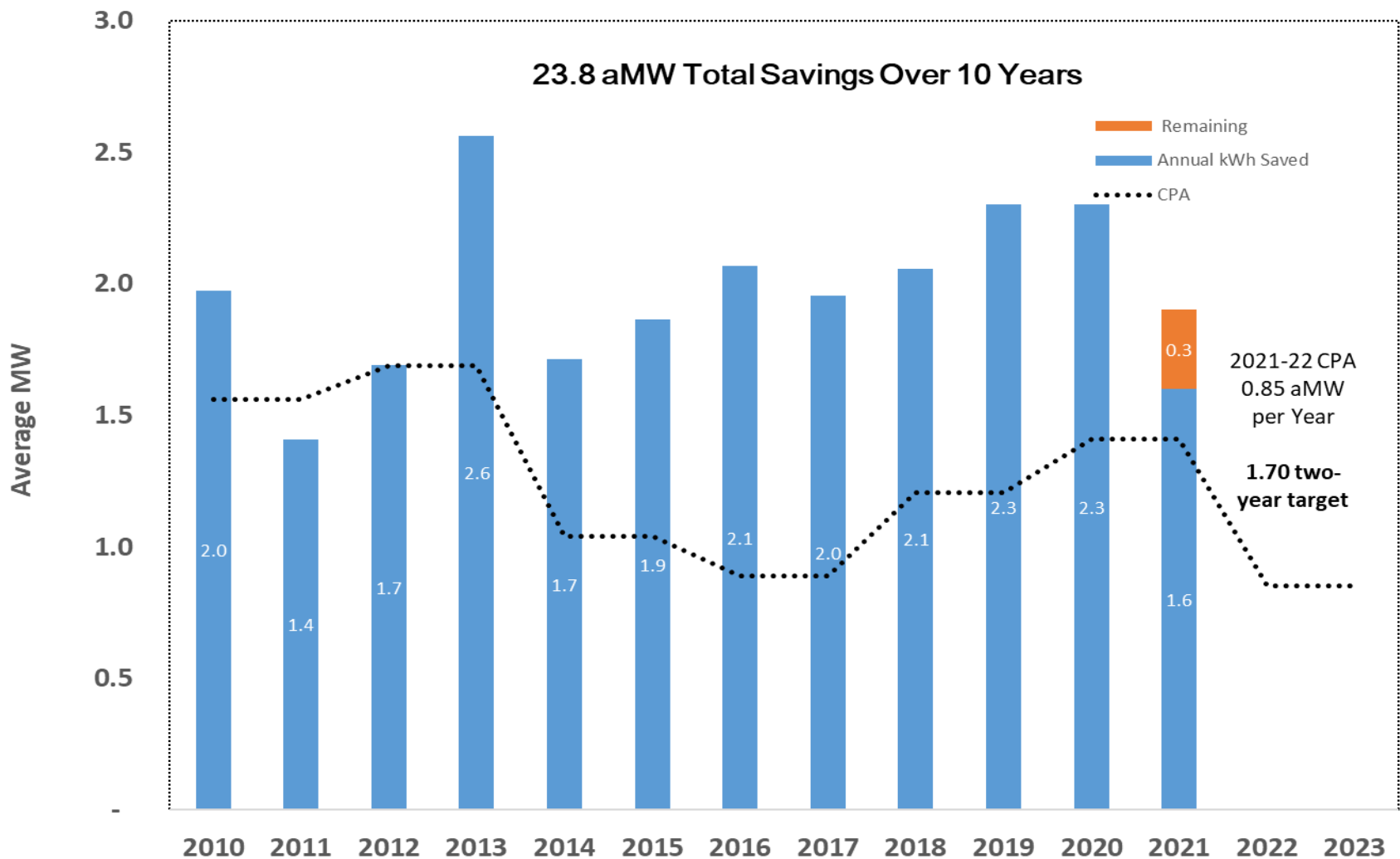
Commercial Sector

- Lighting
- HVAC
- Motor driven systems-Fans, compressors, pumps, etc
- Refrigeration

Industrial Sector

- Refrigeration-food storage
- HVAC
- Energy management
- Motor driven systems-Fans, compressors, pumps, etc

Annual Energy Efficiency Achievements



Comparison of 2020/2021 with the 2022/2023 Targets

	Compliance Target				\$/MWh ¹ (based on stretch goal ²)
	Budget \$(M)	(aMW)	Stretch Goals	Actual Savings	
2020	\$ 5.20	1.4	2	2.26	\$ 18.30
2021	\$ 5.40	1.4	2	1.9 ³	\$ 20.96
2022	\$ 5.60	0.85	2.3		\$ 23.06
2023	\$ 5.20	0.85	1.65 ⁴		\$ 24.13

1. Based on 15-year weighted average life of portfolio
2. Budget to Actual Savings for 2020/2021, budget to stretch goal 2022/2023
3. Based on year-end estimates
4. Drop off in stretch goal from 2022-2023 is due to a large project with an industrial customer being implemented in 2022.

In Summary

- The CPA was developed consistent with RCW 19.285
- Lower near-term potential is due to low avoided costs, continued program achievement and new standards.
- Forecasted increases in out-years based on new commercial measures with long, slow ramp rates due to equipment replacement cycles.
- The cost per MWh is increasing, but still cost effective
- Dec. 20 publicly noticed meeting
 - Request Board of Commissioners action on proposed two-year target and 10-year plan

Questions or Comments?



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