



Chelan PUD Conservation Potential Assessment Review and 2024/2025 Target Setting

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Agenda

- Why we are here: legislative requirements
- How have we done?
- Results of Conservation Potential Assessment
- Driver of Change
- Proposed Target
- Discussion
- Next Steps

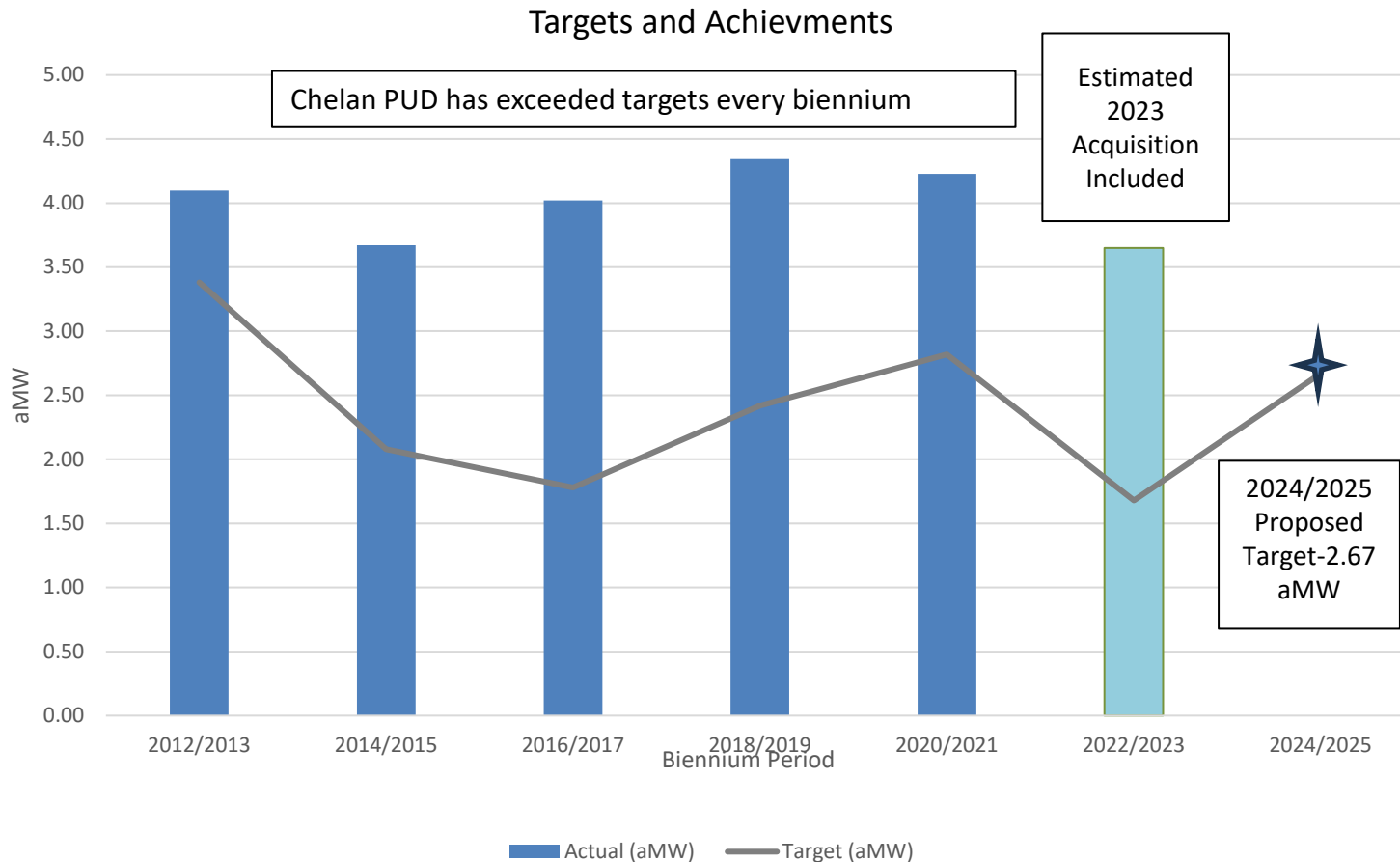
No Action Required Today

Background

- Initiative 937 was approved by WA voters in 2006
- Added to Title 19 RCW in 2007
- Requires utilities with more than 25,000 customers to acquire all cost-effective conservation
- Accomplished by setting a two-year target and developing a ten-year plan via a Conservation Potential Assessment
- 197-37 WAC outlines the methods to develop conservation targets and the reporting requirements



How have we done?

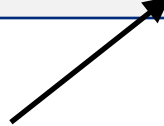


Conservation Potential Assessment Results

Cost-Effective Energy Savings Potential by Sector (aMW)

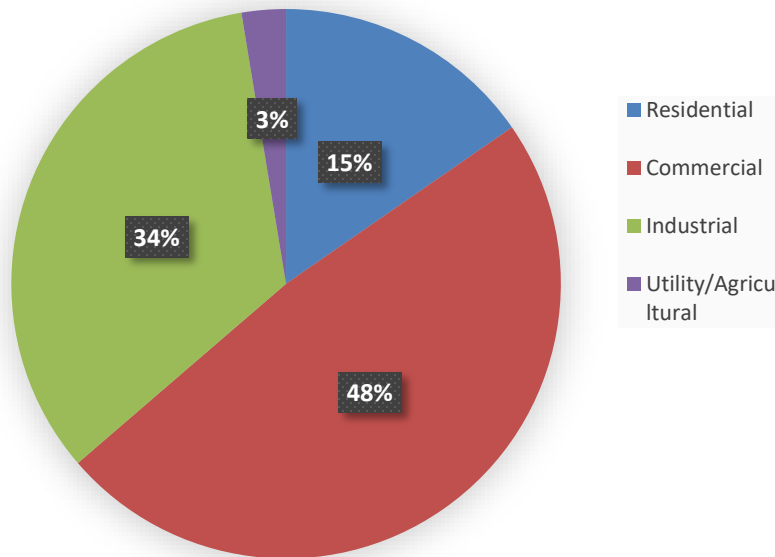
Sector	2022/2023	2024/2025	4-Year	10-Year	20-Year
Residential	0.18	0.41	1.07	4.92	10.65
Commercial	1.02	1.29	2.83	8.04	15.80
Industrial	0.46	0.90	2.03	5.43	7.67
Utility	0.00	0.06	0.20	1.31	2.48
Agricultural	0.02	0.01	0.02	0.16	0.29
Total	1.68	2.67	6.15	19.85	36.89

58% Increase



What makes up the target

Percent of 2024/2025 Target by Sector



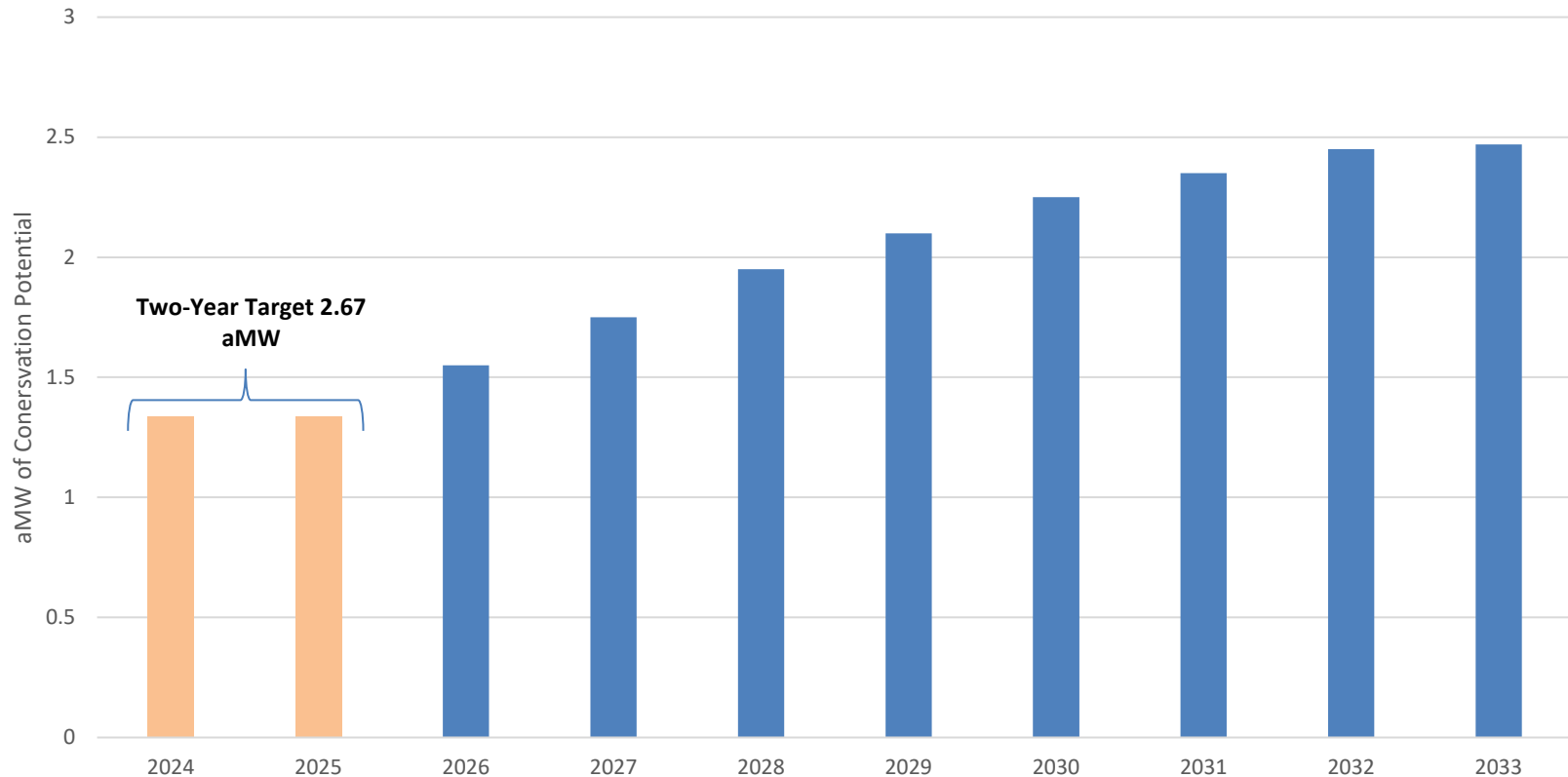
- Commercial/Industrial sector ~ 80%
- Major focus areas:
 - HVAC measures: All sectors
 - Commercial/Industrial Lighting
 - Weatherization
 - Including low-income
 - Northwest Energy Efficiency Alliance

Primary Driver of Increased Potential

- Increase in energy market value
 - Market value in 2022/2023 CPA-\$39/MWh
 - Market value in 2024/2025 CPA-\$65/MWh
- Leads to increase in amount of cost-effective conservation potential

Proposed 10-Year Plan and 2-Year Target

Two-Year Target and 10-Year Conservation Plan



Discussion

- Target is larger than last compliance period
 - Still within range of historic targets
 - High confidence compliance target will be achieved
 - Mix of measures
 - Northwest Energy Efficiency Alliance funding provides a strong base level of savings
 - We can use “banked” savings
 - Use a portion of overachievement from past periods to meet current targets if needed

Next Steps

- Set a public meeting for Nov. 6
 - Notice the meeting and provide an opportunity for public comment
 - Board consideration of resolution to establish 10-year plan and 2-year target

Questions?