

An aerial photograph of a town situated along a river. A large, multi-span steel truss bridge crosses the river, with cars visible on it. The town is built on a hillside, with various buildings and houses. In the background, there are rolling hills and mountains under a blue sky with scattered clouds.

# Chelan PUD Conservation Potential Assessment Review and 2026/2027 Target Setting

November 17, 2025

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**Customer Energy Solutions**

# Background

- Initiative 937 was approved by WA voters in 2006 and 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

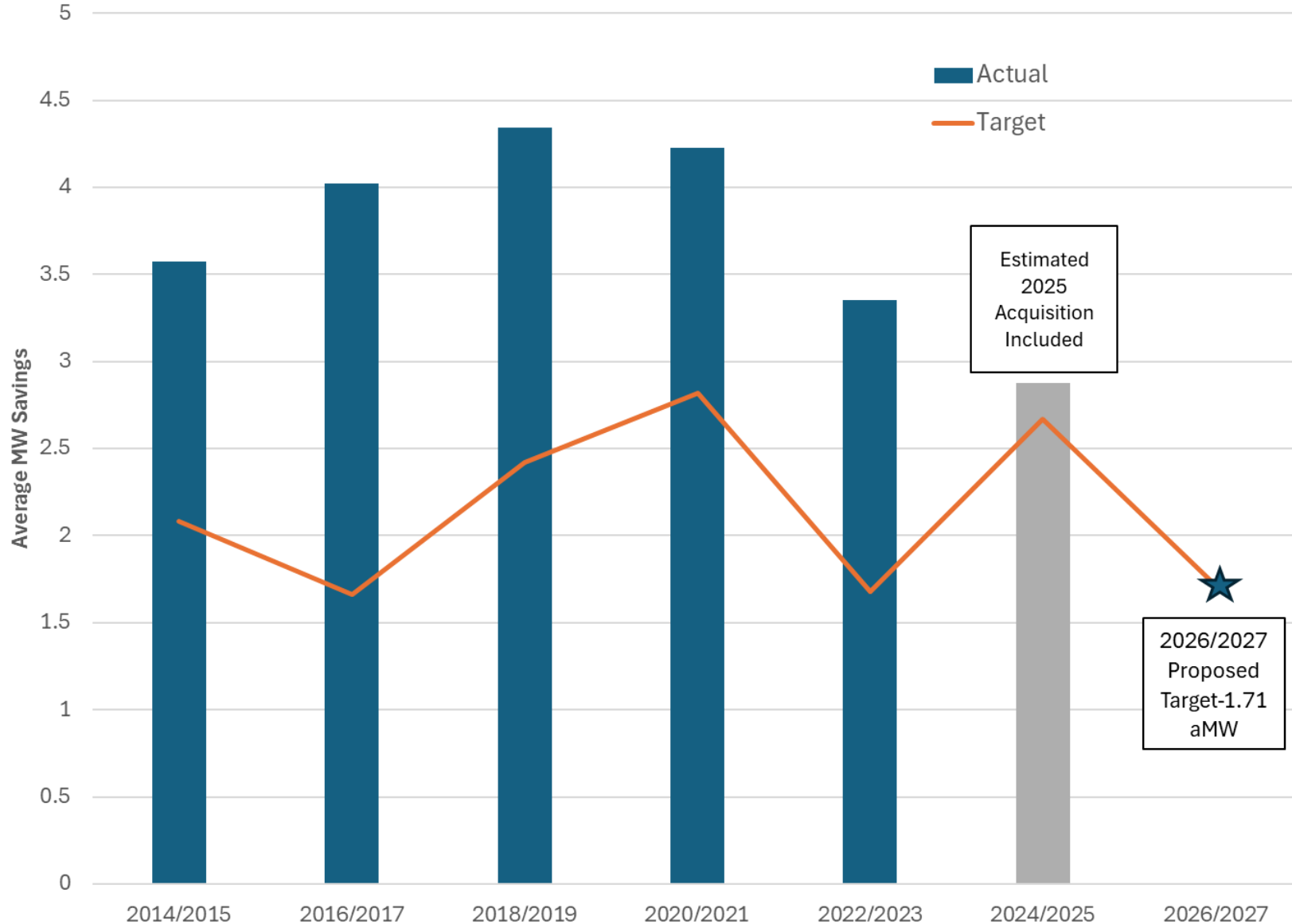


# Agenda

- Public Notices Sent Out for Public Comment
- Results of 2025 Conservation Potential Assessment
- Difference from 2023 CPA
- Discussion
- Next Steps

No Action Required Today

## Past Conservation Targets and Achievements



# Cost-Effective Energy Savings Potential by Sector (aMW)

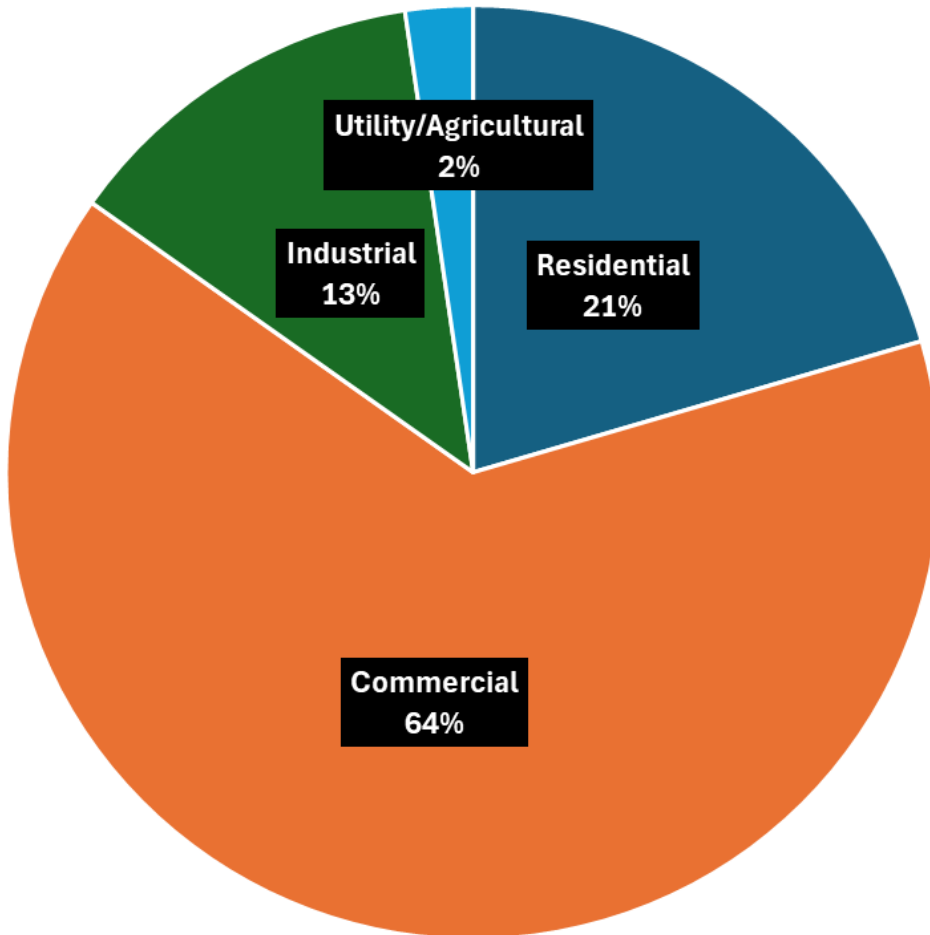
Sector	2-Year Potential		
	2023 CPA	2025 CPA	% Change
Residential	0.41	0.35	-14%
Commercial	1.29	1.10	-15%
Industrial	0.90	0.22	-75%
Utility	0.06	0.03	-44%
Agricultural	0.01	0.01	-7%
<b>Total</b>	<b>2.67</b>	<b>1.71</b>	<b>-36%</b>



# Primary Driver of Decreased Potential

- Lower wholesale market price forecasts,
- Distribution system benefits of conservation were reduced from \$66 per kW-year to \$9.55 per kW-year,
- Some energy efficiency measures have had their energy savings reduced, and
- Equipment costs have increased.

# What Makes Up the Target

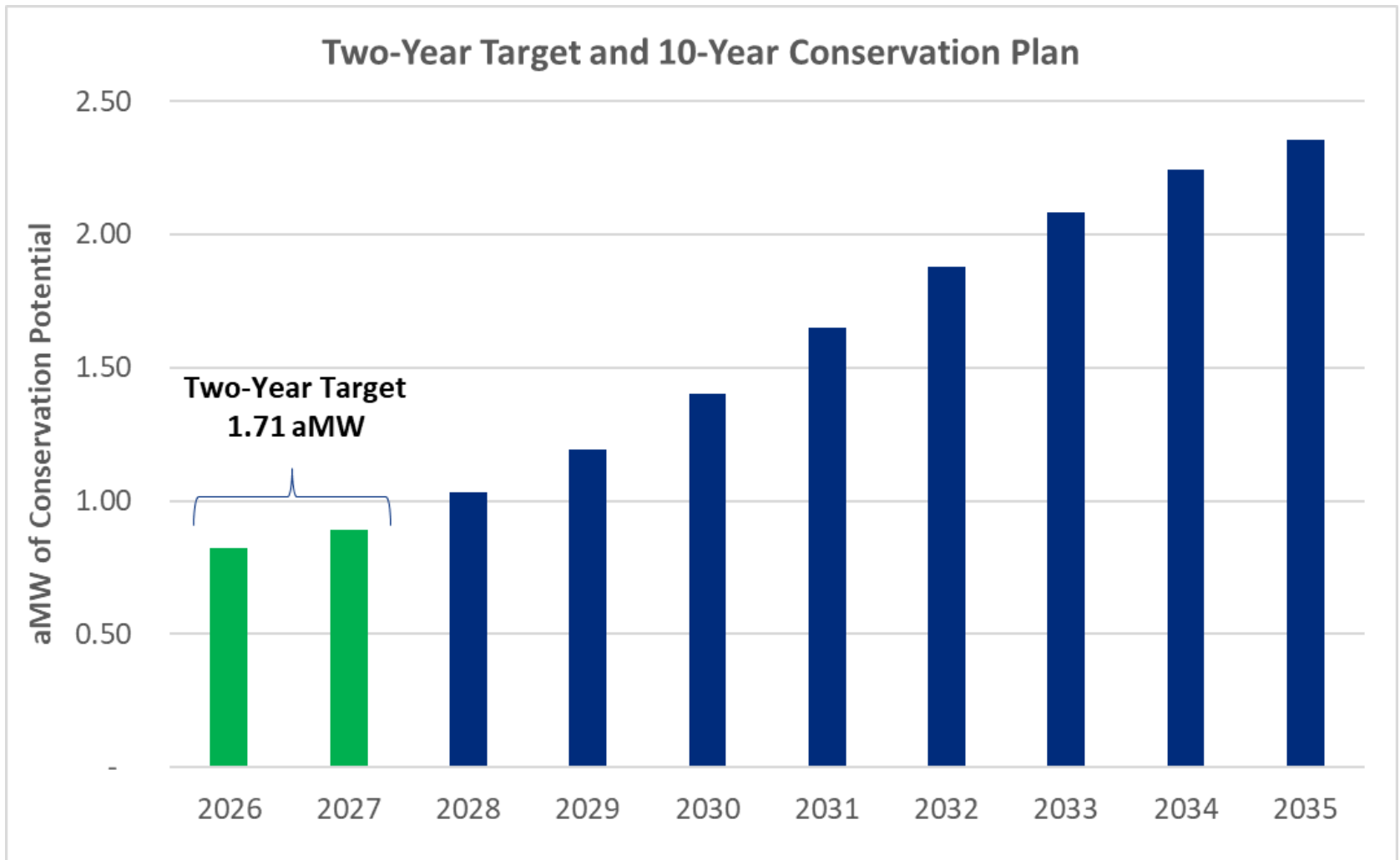


- Commercial and Industrial sector ~ 77%

## Major focus areas:

- HVAC measures: All sectors
- Commercial/Industrial Lighting
- Weatherization
  - Including low-income
- Northwest Energy Efficiency Alliance

# Proposed 10-Year Plan and 2-Year Target





# Next Steps

- Any comments from the public?
- Public hearing on December 1, 2025
- Board resolution to set 2-year target scheduled for December 15, 2025

# Questions?

