



Serving our customers

Tacoma Power's Evolving Conservation Programs

March 23, 2022

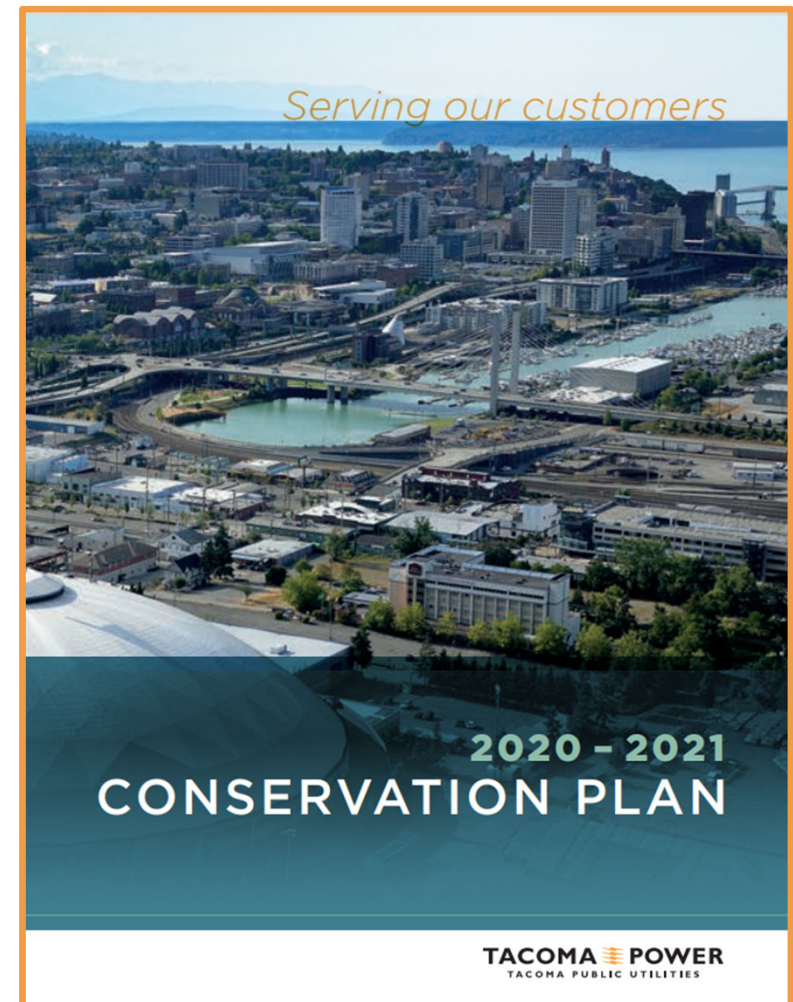
TACOMA POWER
TACOMA PUBLIC UTILITIES

Why Conservation?

- **Cost effective resource**
- **Good for the environment**
- **Good for customers**

Conservation Plan:

- **Analysis driven**
- **Equitable**
- **Programs that appeal to customers**



Supports Strategic Directives

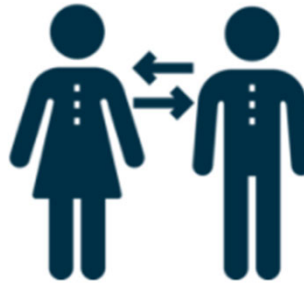
SD1

Equity and
Inclusion



SD4

Stakeholder
Engagement



SD5

Environmental
Leadership



Residential Portfolio

Incentives for

- Window replacement
- Insulation
- Heat pumps
- Water heaters



Low Income

- 116,000 residential customers with electric heat
- 48% are at or below qualifying income levels
- Rebate + Deferred Loan



Evolving Context

- Equity focus

- Washington Clean Energy Transformation Act (CETA)



Serving Communities - Building Infrastructure - Growing the Economy - Promoting W

Clean Energy Transformation Act - Washington State Department of Commerce

Home | Growing the Economy | Energy | Clean Ener

Energy Assistance

Clean Energy Transformation Act (CETA)



CETA (ESSB 5116, 2019) requires the Washington State Department of Commerce and the state's utilities to assess energy assistance available to low-income households across the state.

Quick Links

- [CETA \(main page\)](#)
- [CETA Overview](#)
- [Compliance and Reporting](#)
- [Rulemaking](#)
- [Resource Adequacy](#)
- [State Energy Strategy](#)

Laws and Regulations

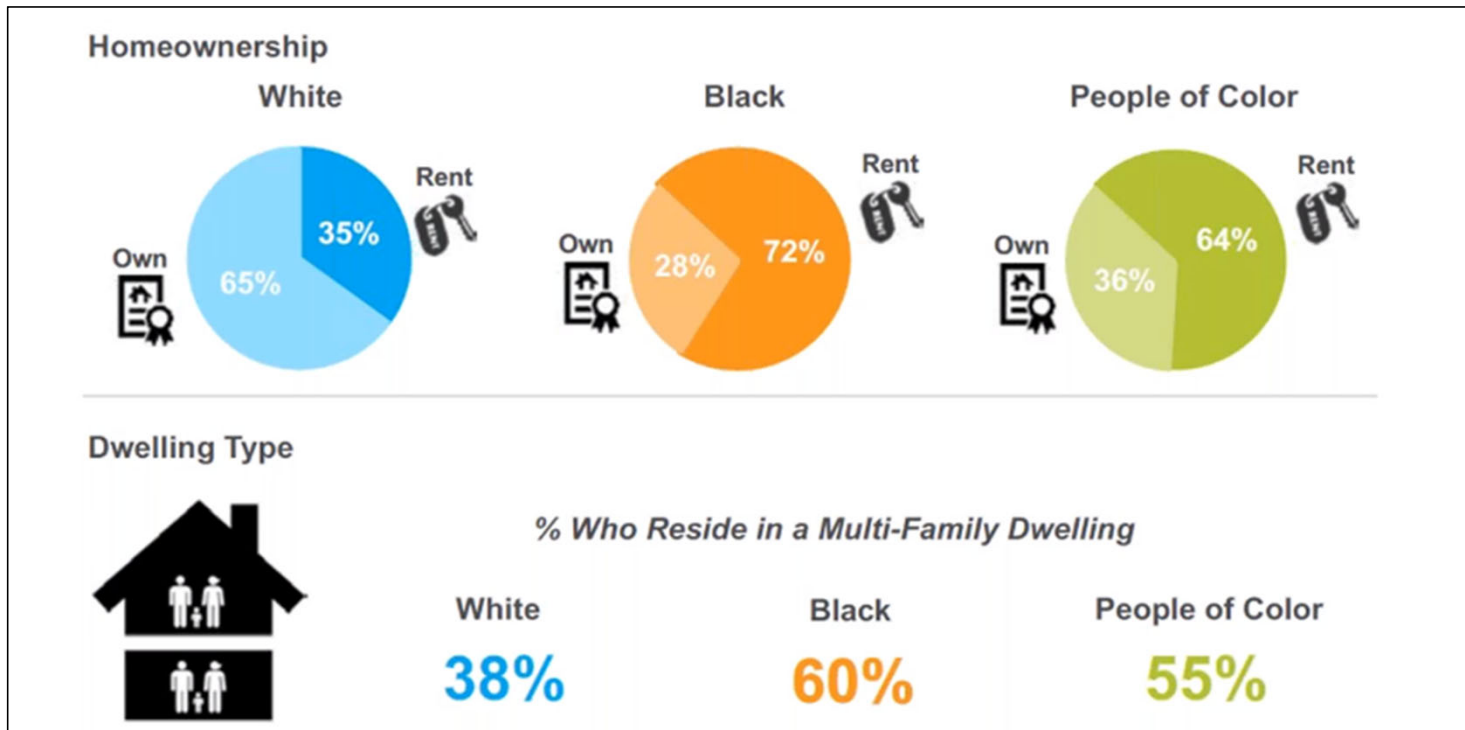
- [Chapter 19.405 RCW \(link\)](#)
- [Chapter 194-40 WAC \(link\)](#)

Resources

- [RCW 19.405.120\(4\) reporting template \(.docx\)](#)

Applying an Equity Lens

Breakdown of Homeownership and Dwelling Type by Race



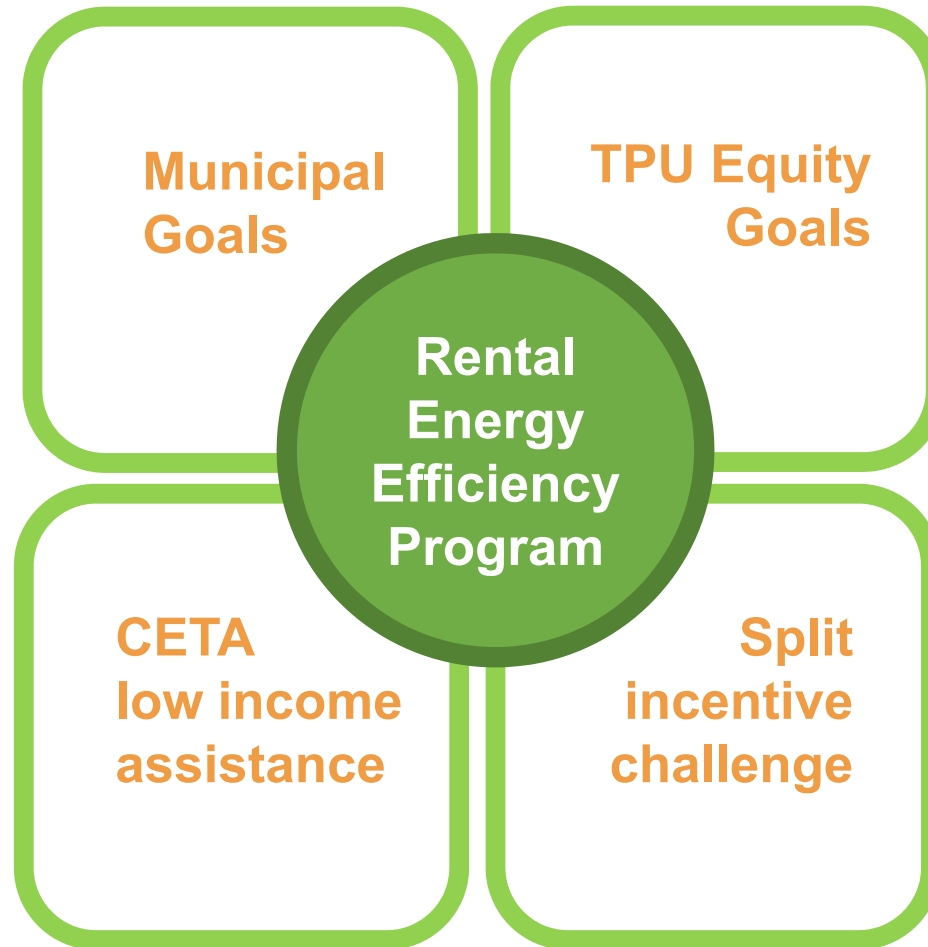
(SECC White Paper: Racial Disparities Among Lower-Income Energy Consumers, 2021)

Energy Burden and CETA

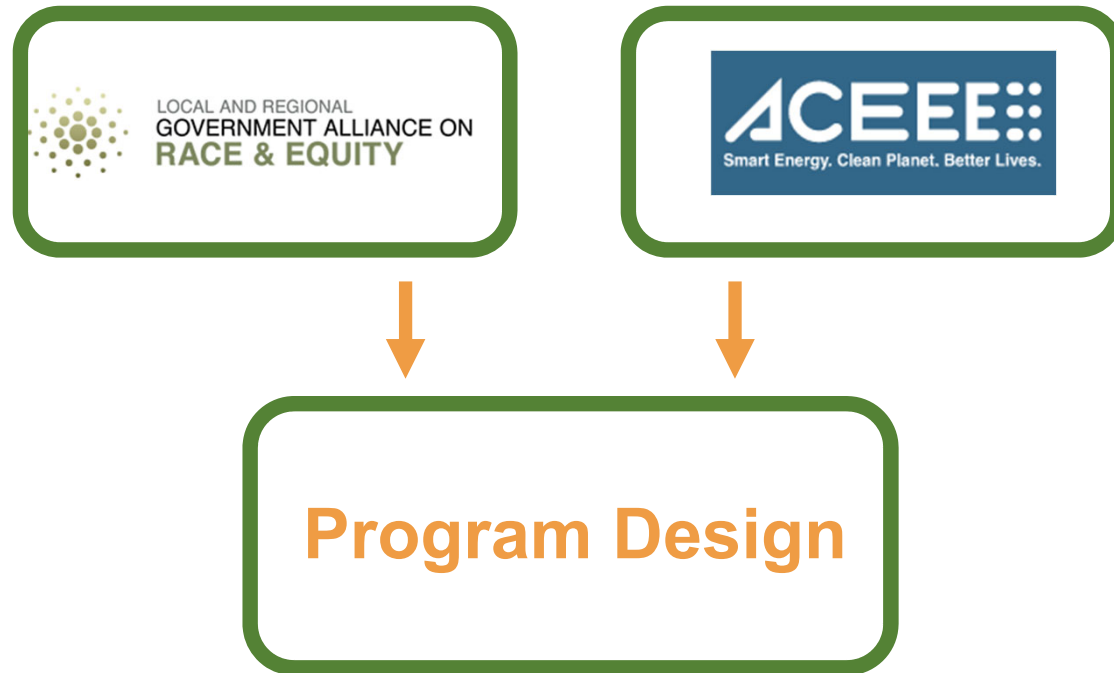


Target conservation spend: \$780,000 per year

Four objectives. One program.



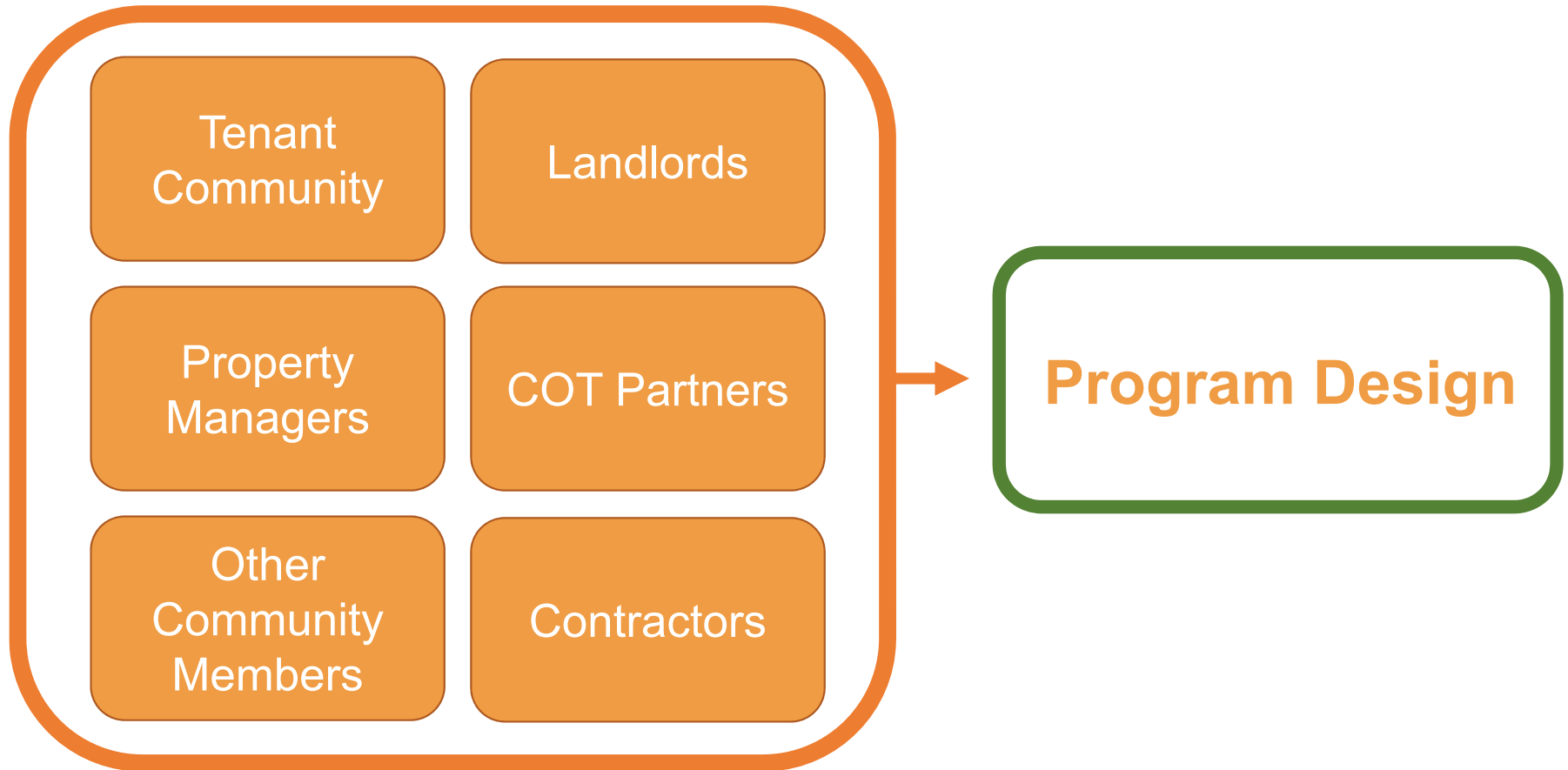
Informed and Respected Guidance



(GARE: Racial Equity Toolkit: An Opportunity to Operationalize Equity, 2016)

ACEEE Report: A New Lease on Energy: Guidance for Improving Rental Housing Efficiency at the Local Level, 2021)

Community Engagement



Themes: Tenants



“

Improvements lead to rent increases.

What can we do without upgrades by simply changing our behavior?

”

Themes: Landlords



“

We have competing priorities.

Help us navigate the process.

We need tax reductions and incentives!

No upfront out of pocket costs.

”

Themes: Community Partners

“

Thank you for thinking of our tenant community!



Build trust through us – the utility is not considered a “trusted partner”.

Be sensitive to landlords and impacts of Covid rent and eviction moratoriums.

Leverage our strong relationships in the community.

”

Lessons we learned



Lesson #1

Take a whole building approach



Lesson #2

Higher incentives needed for landlords with low income tenants



Lesson #3

Provide flexibility



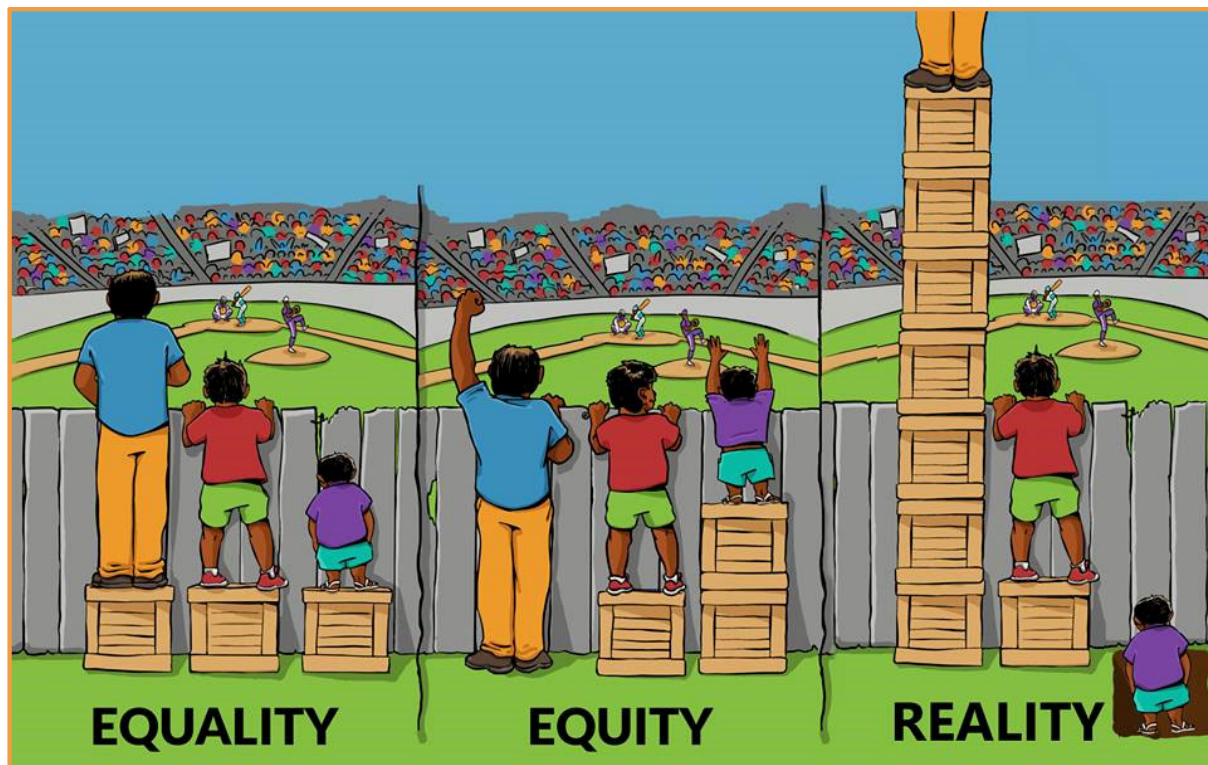
Lesson #4

Patiently build community relationships



Lesson #5:

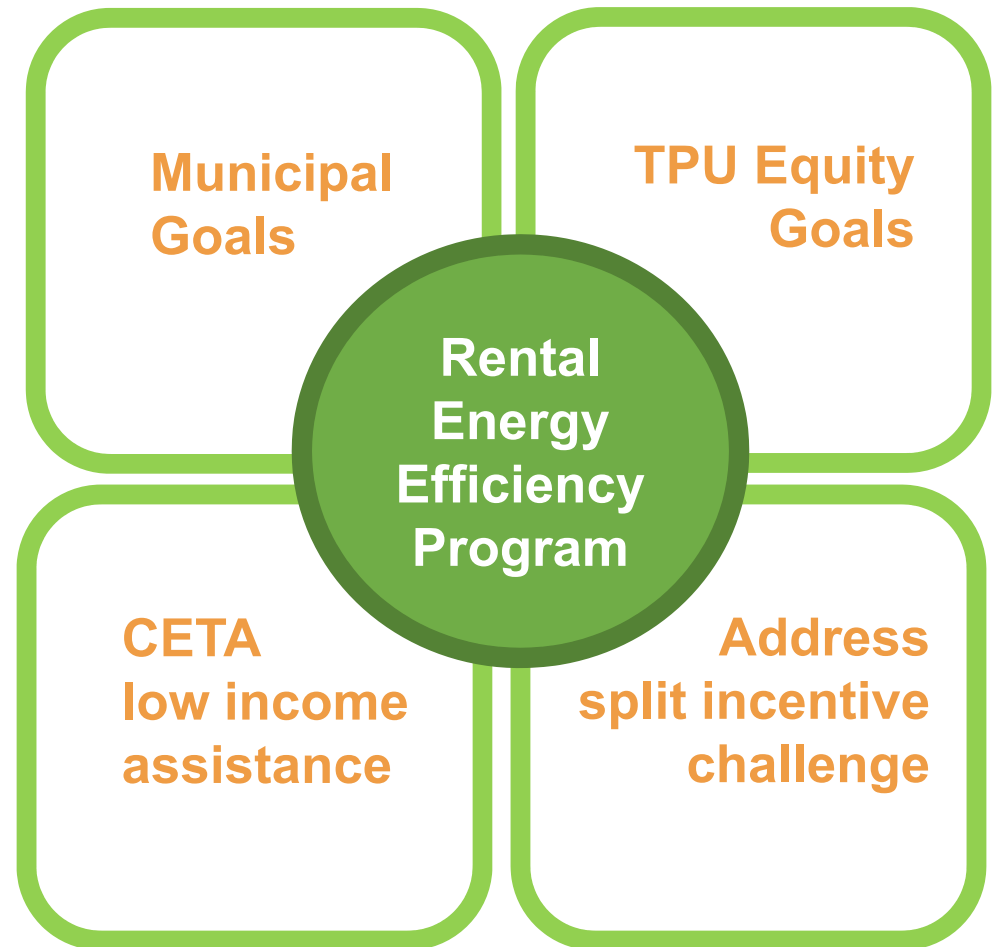
Landlords have all the power, so hold them accountable and engage tenants



STRATEGIES

For lasting impact and change

We must collaborate with
COT and Pierce County



Policy Measures



**Rental Home
Energy
Score**



Rental
License
Application

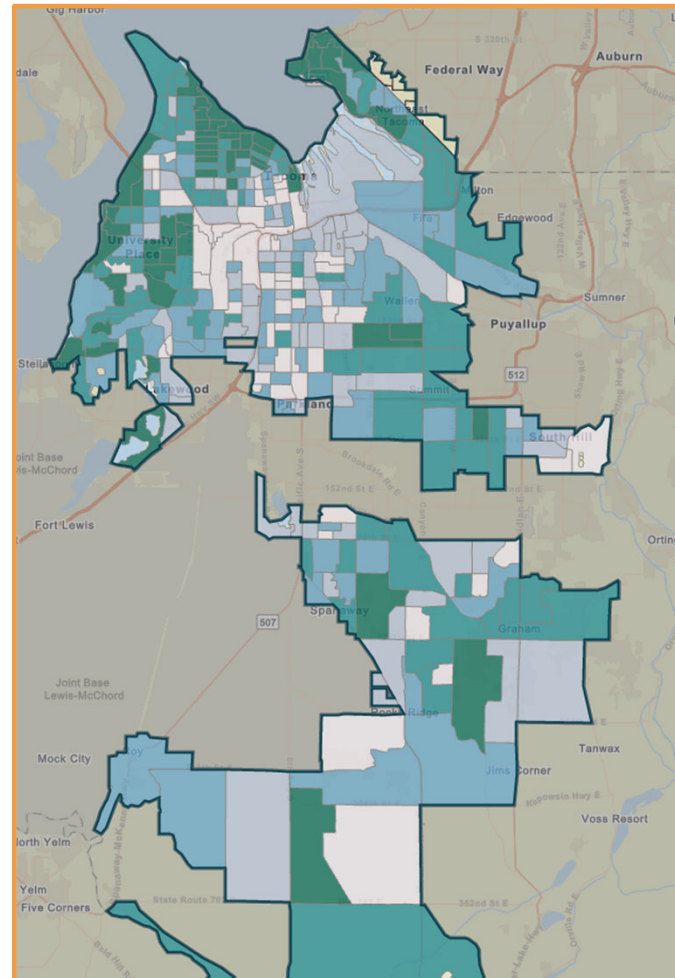


Programmatic Measures



Opportunity

TACOMA POWER LIVABILITY INDEX



Costs



- **Utility revenue**
- **Avoided tax on BPA incentive funding**
- **Federal infrastructure funds**

PROGRAM OFFERINGS

Start here



Affordability Covenant



Insulation



Window replacement

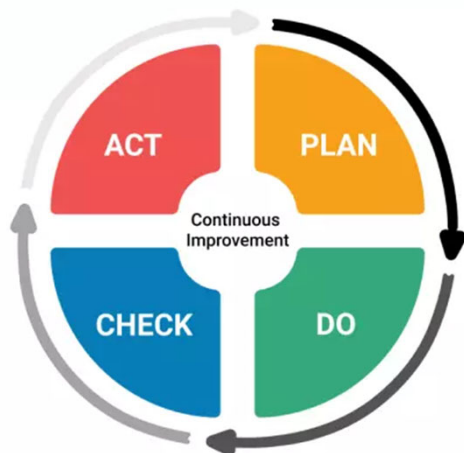


Heating Systems

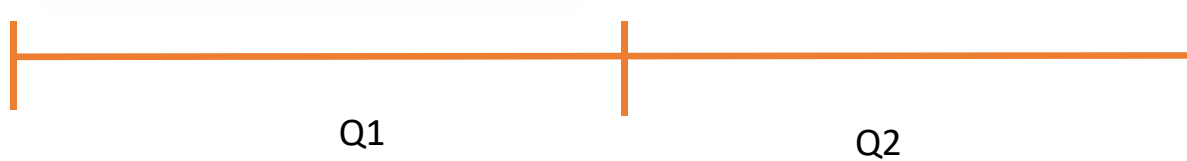
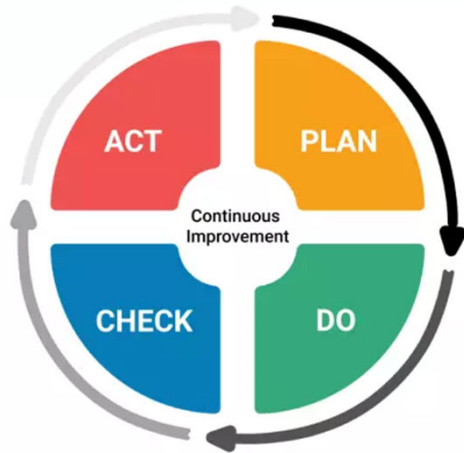


Next Steps

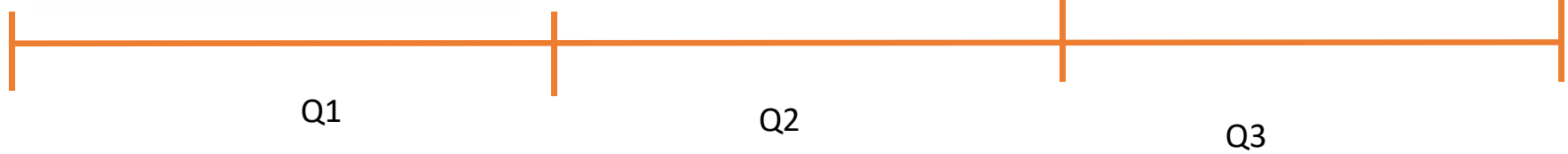
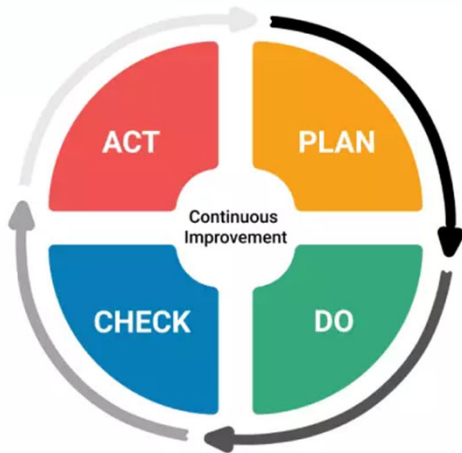
Q1 2022



Q2 2022



Q3 2022



Questions