



## RESOLUTION NO. U-11286

1 A RESOLUTION related to the adoption of ten-year, 2022/2031 achievable  
2 economic conservation potential of 217,109 MWh and a two-year  
3 2022/2023 conservation target of 53,114 MWh, as required by RCW  
4 19.285.040 and WAC 194-37-070.

5 WHEREAS the Washington State Energy Independence Act ("EIA")  
6 requires the Department of Public Utilities, Light Division (d.b.a. "Tacoma  
7 Power") to pursue all cost-effective conservation, and

8 WHEREAS the Department of Commerce regulations implementing the  
9 Energy Independence Act ("the ACT") requires that utilities adopt a ten-year  
10 conservation potential and a two-year conservation target by action of the  
11 utility's governing board in a public meeting that provides an opportunity for  
12 public comment, and

13 WHEREAS adoption of the two-year target sets the standard by which  
14 the utility will be judged for compliance with the Act; if Tacoma Power were to  
15 fail to achieve the two-year conservation target, the utility would face penalties  
16 of \$50/MWh (2007 dollars) for every MWh short of the target, and

17 WHEREAS the Act requires Tacoma Power to identify its ten-year  
18 achievable cost-effective conservation potential and two-year conservation  
19 target by January 1, 2022, and

20 WHEREAS the ten-year conservation potential must be developed using  
21 methodologies consistent with those of the Northwest Power and Conservation  
22 Council, while the two-year conservation target must, at a minimum, be a pro-  
23 rata share of the ten-year potential, and  
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WHEREAS Tacoma Power has used information from the 2021 Conservation Potential Assessment to identify the ten year potential and for the two-year target by calculating a pro-rata share of 20 percent for standard conservation measures plus the expected two-year savings from the Home Energy Reports program, and

WHEREAS Tacoma Power has determined that using a methodology consignment with WAC 194-37-070, Tacoma Power's ten-year (2022/2031) conservation target is 217,109 MWh and its two-year (2022/2023) target is 53,114 MWh, and

WHEREAS the Board has provided public notice and the opportunity to comment on the ten-year and two-year targets as required by WAC 194-37-070, and

WHEREAS Tacoma Power recommends the Board approve the ten-year and two-year targets; Now, therefore, and

BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

That the ten-year conservation target of (2022/2031) is 217,109 MWh and its two-year (2022/2023) target is 53,114 MWh, and both targets are hereby approved.

Approved as to form:

\_\_\_\_\_  
/s/  
Chief Deputy City Attorney

\_\_\_\_\_  
Chair  
\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Clerk

Adopted \_\_\_\_\_



## Board Action Memorandum

**TO:** Jackie Flowers, Director of Utilities  
**COPY:** Charleen Jacobs, Director and Board Offices  
**FROM:** Chris Robinson, Superintendent  
**MEETING DATE:** October 27, 2021  
**DATE:** Today's Date

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### **STRATEGIC DIRECTIVE ALIGNMENT (select as many that apply):**

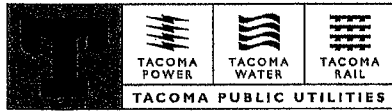
Please indicate which of the Public Utility Board's Strategic Directives is supported by this action.

- |                                                                    |                                                                   |
|--------------------------------------------------------------------|-------------------------------------------------------------------|
| <input checked="" type="checkbox"/> SD1 – Equity & Inclusion       | <input type="checkbox"/> SD8 – Telecom                            |
| <input type="checkbox"/> SD2 – Financial Sustainability            | <input checked="" type="checkbox"/> SD9 – Economic Development    |
| <input type="checkbox"/> SD3 – Rates                               | <input type="checkbox"/> SD10 – Government Relations              |
| <input type="checkbox"/> SD4 – Stakeholder Engagement              | <input type="checkbox"/> SD11 – Decarbonization/Electric Vehicles |
| <input checked="" type="checkbox"/> SD5 – Environmental Leadership | <input type="checkbox"/> SD12 – Employee Relations                |
| <input type="checkbox"/> SD6 – Innovation                          | <input type="checkbox"/> SD13 – Customer Service                  |
| <input checked="" type="checkbox"/> SD7 – Reliability & Resiliency | <input checked="" type="checkbox"/> SD14 – Resource Planning      |

**SUMMARY:** Tacoma Power seeks Public Utility Board approval to adopt a ten-year, 2022/2031 achievable economic conservation potential of 217,109 MWh and a two-year 2022/2023 conservation target of 53,114 MWh.

To identify the ten-year potential and two-year target, Tacoma Power used information from the 2021 Conservation Potential Assessment. To determine a two-year target, Tacoma Power calculated a pro-rata share of 20 percent for standard conservation measures plus the expected two-year savings from the Home Energy Reports program.

**BACKGROUND:** The Washington State Energy Independence Act requires the Department of Public Utilities Light Division (d.b.a. "Tacoma Power") to pursue all cost effective conservation. Department of Commerce regulations implementing the Energy Independence Act (the Act) requires that utilities adopt a ten-year conservation potential and a two-year conservation target by action of the utility's governing board in a public meeting that provides an opportunity for public comment. Adoption of the two-year target sets the standard by which the utility will be judged for compliance with the Act. If Tacoma Power were to fail to achieve the two-year conservation target, the utility would face penalties of \$50/MWh (2007 dollars) for every MWh short of the target. Resolution history for this request; Resolution U-11107, U-10970, U-10824, U-10667, and U-10499.



## Board Action Memorandum

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED?** Choose an item.

The 2022 activity will be funded from the 2021/2022 approved budget.

The 2023 activity is contingent on approval of the 2023/2024 budget.

**IF THE EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW IT IS TO BE COVERED.**

Energy conservation budgets are a regular component of budgeting and rate making.

**IF THE ACTION REQUESTED IS APPROVAL OF A CONTRACT, INCLUDE LANGUAGE IN RESOLUTION AUTHORIZING \$200,000 INCREASE IN ADMINISTRATIVE AUTHORITY TO DIRECTOR?** No

**ATTACHMENTS:** NA

**CONTACT:**

Primary Contact: Rich Arneson, Senior Conservation Planner, 253.396.3145

Supervisor Contact: Ray Johnson, Assistant Power Manager, 253.502.8025