



RESOLUTION NO. U-11547

1 A RESOLUTION related to the Department of Public Utilities, Light Division
2 (d/b/a "Tacoma Power") adopting a ten-year, 2026-2035 achievable
3 economic conservation potential of 131,068 megawatt hours ("MWh")
4 and a two-year, 2026-2027 conservation target of 26,214 MWh, as
5 required by RCW 19.285.040 and WAC 194-37-070(4).

6 WHEREAS the Washington State Energy Independence Act ("EIA")
7 requires Tacoma Power to pursue 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 \$79/MWh (\$50/MWh in 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, 2026, 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 2025
1 Conservation Potential Assessment to identify the ten-year potential and for the
2 two-year target by calculating a pro-rata share of 20 percent of the ten-year
3 potential, and
4

5 WHEREAS Tacoma Power has determined that using a methodology
6 consistent with WAC 194-37-070, Tacoma Power's ten-year (2026 - 2035)
7 conservation target is 131,068 MWh and its two-year (2026 - 2027) target is
8 26,214 MWh, and
9

10 WHEREAS the Board has provided public notice and the opportunity to
11 comment on the ten-year and two-year targets as required by WAC 194-37-
12 070(4), and

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

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

16
17 That the ten-year conservation target of (2026-2035) is 131,068 MWh
18 and its two-year (2026-2027) target is 26,214 MWh, and both targets are
19 hereby approved.

20 Approved as to form:

21 _____
22 /s/
23 Chief Deputy City Attorney

24 _____
25 Clerk

Chair

Secretary

Adopted _____



Board Action Memorandum

TO: Jackie Flowers, Director of Utilities
COPY: Charleen Jacobs, Director and Board Offices
FROM: Chris Robinson, Superintendent
MEETING DATE: August 13 2025
DATE: July 28 2025

GUIDING PRINCIPLE ALIGNMENT (select as many that apply):

Please indicate which of the Public Utility Board's Guiding Principle(s) is supported by this action.

- | | |
|---|--|
| <input checked="" type="checkbox"/> GP1 – Diversity, Equity, Inclusion, Belonging | <input checked="" type="checkbox"/> GP7 – Reliability & Resiliency |
| <input type="checkbox"/> GP2 – Financial Sustainability | <input checked="" type="checkbox"/> GP9 – Economic Development |
| <input type="checkbox"/> GP3 – Rates | <input type="checkbox"/> GP10 – Government Relations |
| <input type="checkbox"/> GP4 – Stakeholder Engagement | <input type="checkbox"/> GP12 – Employee Relations |
| <input checked="" type="checkbox"/> GP5 – Environmental Sustainability | <input type="checkbox"/> GP13 – Customer Service |
| <input type="checkbox"/> GP6 – Innovation | <input checked="" type="checkbox"/> GP14 – Resource Planning |

SUMMARY: Tacoma Power seeks Public Utility Board approval to adopt a ten-year achievable economic conservation potential of 131,068 MWh for the period of 2026 through 2035 and a two-year conservation target of 26,214 MWh for 2026 and 2027.

To identify the ten-year potential and two-year target, Tacoma Power used information from the 2025 Conservation Potential Assessment. To determine a two-year target, Tacoma Power calculated the share of the ten-year potential that could be acquired during 2026 and 2027.

BACKGROUND: The Washington State Energy Independence Act requires the Department of Public Utilities Light Division (d.b.a. "Tacoma Power") to pursue 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. The adopted 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 approximately \$79/MWh (\$50/MWh in 2007 dollars) for every MWh short of the target. Resolution history for this request; Resolution U-11107, U-10970, U-10824, U-10667, U-10499 and U-11412.

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

IF THE EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW IT IS TO BE COVERED. N/A

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

ATTACHMENTS: Presentation as background; Historical resolutions

CONTACT: Primary Contact: Bryan Russo, Customer Energy Solutions Program Planner, 253.306.0670
Secondary Contact: Rachel Gardner Clark, Assistant Power Manager, 253.502.8291
Supervisor Contact: Brittany Broyles, Assistant Section Manager, 253.393.7930



ENERGY CONSERVATION 10-Year Potential and 2-Year Target

Bryan Russo
August 13 2025

TACOMA POWER
TACOMA PUBLIC UTILITIES

Energy Conservation – State Law

The Energy Independence Act requires qualifying utilities to determine their conservation potential (19.285.040(1)(a) RCW)

Requires qualifying utilities to establish:

- 10-year achievable economic conservation resource potential
- 2-year conservation target that is “no less than its pro rata share of its ten-year potential.”

These metrics must be adopted by the board every two years

We recommend the Board adopt both metrics prior to January 1, 2026

- The target sets the 2026/27 conservation acquisition baseline against which Tacoma Power will be judged for compliance purposes

TACOMA POWER
TACOMA PUBLIC UTILITIES

We request adoption of:

- Metric 1: Ten-year achievable economic potential of **131,068 MWh**
- Metric 2: A two-year conservation target of **26,214 MWh**

Metric 1: Ten-Year Economic Achievable Conservation Potential

Target we are asking the Board to adopt:

- 10 Year Economic Achievable Potential of 131,068 MWh
- Equivalent to 0.7% of 2024 power sales

Sector	Economic Achievable Potential (MWh)
Residential	50,526
Commercial	41,295
Industrial	22,398
JBLM Commercial	11,117
JBLM Residential	621
Street Lighting	1,777
Distribution	3,335
10 Year Economic Achievable Potential Total	131,068

Metric 2: Two-Year Conservation Target

Target we are asking the Board to adopt:

- Two-year target of **26,214 MWh**
- Represents 20% of the 10-year potential
- Meets the RCW requirement of “no less than its pro rata share of its ten-year potential.”
- Must reach target under penalty of fine of approx. \$80/MWh.



Supplemental Conservation Slides

What is Energy Conservation?

The Northwest Power and Conservation Council defines conservation as:

“Any reduction in electric power consumption as a result of increases in the efficiency of energy use, production, or distribution.”

It excludes other things like....

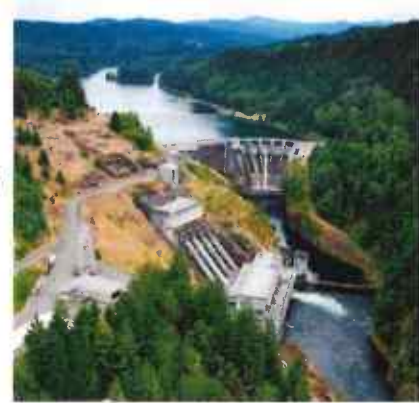
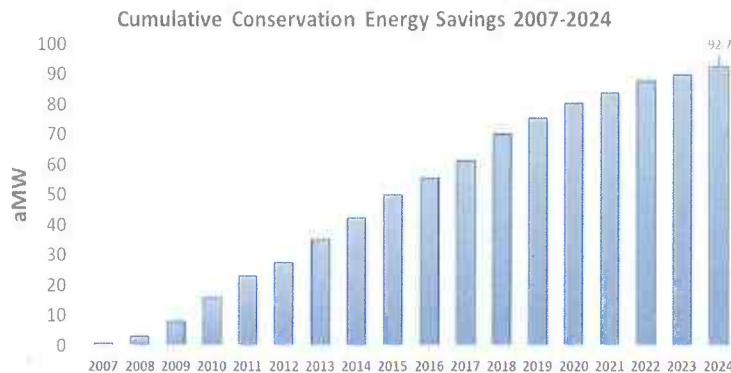
- Cutting back on production or plant closure
- Loss of amenity, i.e., less light or heat than is reasonable

Beyond Regulatory Commitment

- Each biennium we set a conservation target and report it to the state
- We have historically exceeded our targets
- Conservation is a preferred resource choice



Our Conservation Legacy

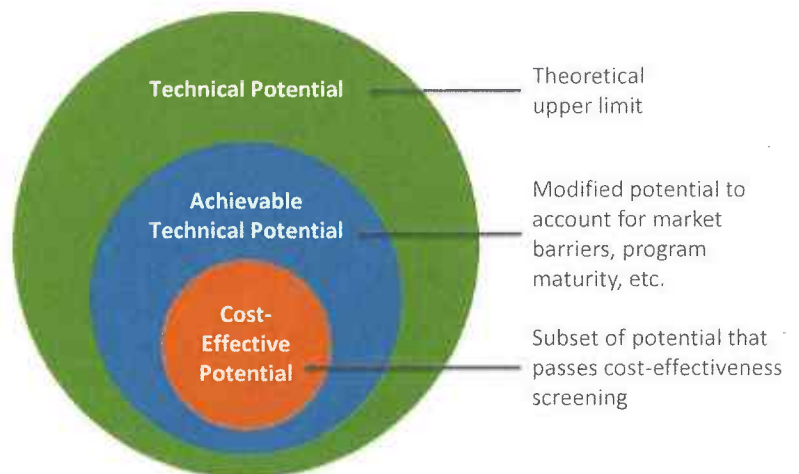


Since 1980, Tacoma Power made conservation a priority resource
Recent conservation now delivers more than Mayfield dam
Since 2007, we achieved enough conservation to power 70,251 average dwellings

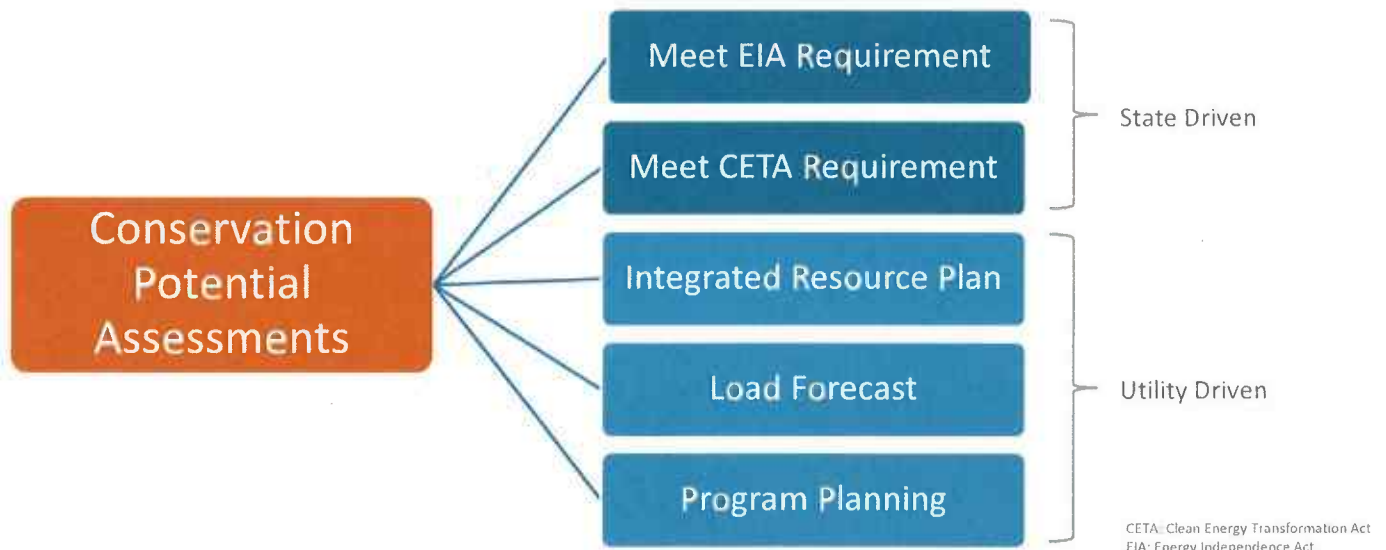
Energy Conservation Potential Assessment

A conservation potential assessment (CPA) is a data driven process that...

- ✓ Helps a utility identify conservation opportunities
- ✓ Establishes how much of that conservation is considered cost effective given the utility's avoided resource costs



Why We Do Conservation Potential Assessments



A Two-Year Cyclical Process

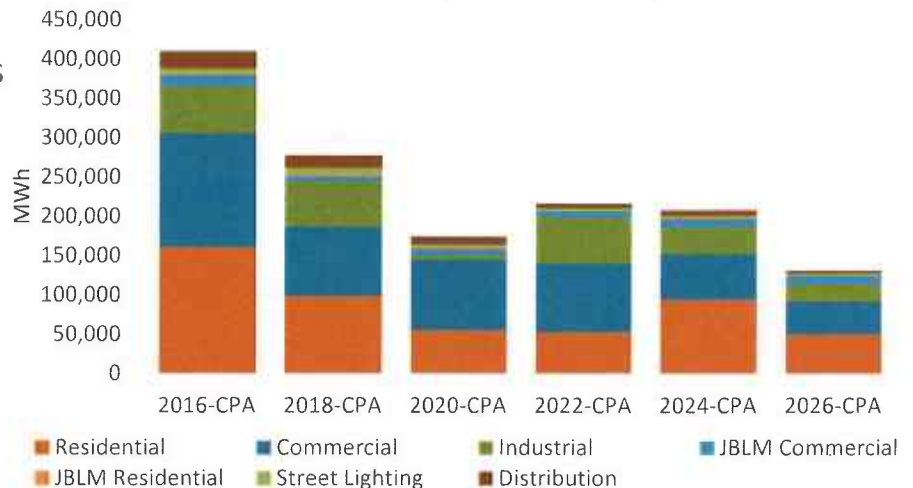


Conservation Potential Changes Over Time

Drivers of Change

- Federal efficiency standards
- State energy codes
- Avoided costs
- Technology improvement
- Utility accomplishments
- Market transformation
- Electrification

CPA Potential by Sector and Study



Summary of Key Drivers of Change

Increases to Conservation Potential

- Home Energy Reports targeted at high-consumption households
- Industrial strategic energy management
- Indoor agriculture high efficiency lighting
- Various commercial HVAC technologies
- Some residential DHP applications
- Higher efficiency electronics

Decreases to Conservation Potential

- Heat pump water heaters now required for majority of small/medium water heaters
- State law banning mercury containing linear and compact fluorescent lighting
- Recent conservation accomplishments
- Refinements to industrial sector measures applicability
- Improvements to Washington State Energy Code and Federal Standards

Top 10 Conservation Measures

Rank	Measure / Technology	10 Year Potential Savings (MWh)	Percent of Top 10 vs Total Potential
1	Commercial - Linear Lighting	15,439	12%
2	Residential - Personal Computers	6,997	5%
3	Residential - Advanced Power Strips - Tier 1	5,992	4%
4	Residential - TVs	5,783	4%
5	Residential - Supplement Central System with Ductless Mini Split Heat Pump	5,635	4%
6	JBLM Commercial - Linear Lighting	4,944	4%
7	Residential - Water Heater (<= 55 Gal)	4,871	3%
8	Residential - Home Energy Reports	4,836	3%
9	Industrial - Indoor Agriculture - LED Lighting - Flower Room	3,920	3%
10	Industrial - Strategic Energy Management	3,652	3%
	Top 10 Measure Potential	62,070	49%



RESOLUTION NO. 10499

A RESOLUTION related to the adoption of ten-year and two-year conservation targets as required by RCW 19.285.040 and WAC 194-37-070.

WHEREAS the Washington State Energy Independence Act ("EIA") requires the Department of Public Utilities, Power Division (d.b.a. "Tacoma Power") to take certain actions regarding the acquisition of conservation and renewable resources, and

WHEREAS the EIA requires Tacoma Power to identify its ten-year achievable cost-effective conservation potential and two-year conservation target by January 1, 2012, and

WHEREAS the ten-year conservation potential must be developed using methodologies consistent with those of the Northwest Power and Conservation Council ("NWPPCC"), while the two-year conservation target must at a minimum be a pro-rata share of the ten-year potential, and

WHEREAS Tacoma Power has used a methodology allowed under Department of Commerce regulations that implement the EIA, specifically the 'Utility Analysis Option' to determine its ten-year and two-year targets, and

WHEREAS Tacoma Power has determined that by using a Utility Analysis option, its ten-year (2010-2019) conservation target is 56.7 aMW and its two-year target is 11.34 aMW for 2012-2013, 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



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

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

That the ten-year conservation target of 56.7 aMW for 2010-2019, and
the two-year conservation target of 11.34 aMW for 2012-2013, are hereby
approved.

Approved as to form and legality:

Chair

Chief Deputy City Attorney

Secretary

Clerk

Adopted _____



RESOLUTION NO. 10667

1 A RESOLUTION related to the adoption of ten-year and two-year conservation
2 targets as required by RCW 19.285.040 and WAC 194-37-070.

3 WHEREAS the Washington State Energy Independence Act ("EIA")
4 requires the Department of Public Utilities, Power Division (d.b.a. "Tacoma
5 Power") to take certain actions regarding the acquisition of conservation and
6 renewable resources, and
7

8 WHEREAS the EIA requires Tacoma Power to identify a ten-year
9 achievable cost-effective conservation potential and a two-year conservation
10 target by January 1, 2014, and

11 WHEREAS the ten-year conservation potential must be developed using
12 methodologies consistent with those of the Northwest Power and Conservation
13 Council ("NWPCC"), while the two-year conservation target must at a minimum
14 be a pro-rata share of the ten-year potential, and
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16 WHEREAS Tacoma Power has used a methodology allowed under
17 Department of Commerce regulations that implement the EIA, specifically the
18 "Utility Analysis Option," to determine its ten-year and two-year targets, and
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20 WHEREAS Tacoma Power, using the Utility Analysis option, has
21 determined that its ten-year (2014-2023) conservation target is 40.5 aMW and
22 its two-year target is 8.1 aMW for 2014-2015, and

23 WHEREAS the Board has provided public notice and the opportunity to
24 comment on the ten-year potential and two-year target, as required by
25 WAC 194.37.070, and
26



1 WHEREAS Tacoma Power recommends the Board approve the ten-year
2 and two-year targets, and

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

4 That the ten-year conservation potential of 40.5 aMW for 2014-2023, and
5 the two-year conservation target of 8.1 aMW for 2014-2015, are hereby
6 approved.
7

8 Approved as to form and legality:

Chair

9 *William Foshe*

10 Chief Deputy City Attorney

Secretary

11 Adopted

12 Clerk
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RESOLUTION NO. 10824

A RESOLUTION related to Tacoma Power to request the approval of the adoption of ten-year and two-year conservation targets as required by RCW 19.285.040 and WAC 194-37-070.

WHEREAS the Washington State Energy Independence Act ("EIA") requires the Department of Public Utilities, Power Division (d.b.a. "Tacoma Power") to take certain actions regarding the acquisition of conservation and renewable resources, and

WHEREAS the EIA requires Tacoma Power to identify its ten-year achievable economic conservation potential and two-year conservation target by January 1, 2016, and

WHEREAS the ten-year conservation potential must be developed using methodologies consistent with those of the Northwest Power and Conservation Council ("NWPCC"), while the two-year conservation target must at a minimum be a pro-rata share of the ten-year potential, and

WHEREAS Tacoma Power has used a methodology allowed under Department of Commerce regulations that implement the EIA, to determine its ten-year and two-year targets, and

WHEREAS Tacoma Power has determined its ten-year (2016/2025) achievable economic conservation potential is 46.8 aMW and its two-year (2016/2017) target is 9.4 aMW, and



1 WHEREAS the Board has provided public notice and the opportunity to
2 comment on the ten-year achievable economic conservation potential and two-
3 year conservation target as required by WAC 194.37.070, and

4 WHEREAS Tacoma Power recommends the Board approve the ten-year
5 achievable economic conservation potential and two-year conservation target;

6 Now, therefore,

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

8 That the ten-year (2016/2025) achievable economic conservation
9 potential of 46.8 aMW and the two-year (2016/2017) conservation target of 9.4
10 aMW, are hereby approved.
11

12 Approved as to form and legality:

13 _____
Chair

14 *William Foster*

15 _____
Chief Deputy City Attorney

16 _____
Secretary

17 _____
Adopted

18 _____
Clerk



RESOLUTION NO. U-10970

A RESOLUTION related to the adoption of ten-year and two-year conservation targets as required by RCW 19.285.040 and WAC 194-37-070.

WHEREAS the Washington State Energy Independence Act ("EIA") requires the Department of Public Utilities, Light Division (d.b.a. "Tacoma Power") to take certain actions regarding the acquisition of conservation and renewable resources, and

WHEREAS the EIA requires Tacoma Power to identify its ten-year achievable cost-effective conservation potential and two-year conservation target by January 1, 2018, and

WHEREAS the ten-year conservation potential must be developed using methodologies consistent with those of the Northwest Power and Conservation Council, while the two-year conservation target must, at a minimum, be a pro-rata share of the ten-year potential, and

WHEREAS Tacoma Power has used a methodology allowed under Department of Commerce regulations that implement the EIA to determine its ten-year and two-year targets, and

WHEREAS Tacoma Power has determined that using a methodology approved under Department of Commerce regulations WAC 194-37-070(5)(c)(ii) option, its ten-year (2018/2027) conservation target is 31.7 aMW and its two-year target is 6.4 aMW for 2018/2019, and



1
2 WHEREAS the Board has provided public notice and the opportunity to
3 comment on the ten-year and two-year targets as required by WAC 194-37-
4 070, and

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

7 BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:
8

9 That the ten-year conservation target of 31.7 aMW for 2018/2027 and
10 the two-year conservation target of 6.4 aMW for 2018/2019 are hereby
11 approved.

12 Approved as to form and legality:

13 _____
Chair

14 William Foster
15 Chief Deputy City Attorney

Secretary

16 _____
Clerk

Adopted _____



RESOLUTION NO. U-11107

A RESOLUTION related to the adoption of ten-year, 2020/2029 achievable economic conservation potential of 233,660 MWh and a two-year 2020/2021 conservation target of 46,732 MWh, as required by RCW 19.285.040 and WAC 194-37-070.

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

WHEREAS the 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, and

WHEREAS 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, and

WHEREAS the Act requires Tacoma Power to identify its ten-year achievable cost-effective conservation potential and two-year conservation target by January 1, 2020, and

WHEREAS the ten-year conservation potential must be developed using methodologies consistent with those of the Northwest Power and Conservation Council, while the two-year conservation target must, at a minimum, be a pro-rata share of the ten-year potential, and



1
2 WHEREAS Tacoma Power has used a methodology allowed under
3 Department of Commerce regulations that implement the Act to determine its
4 ten-year and two-year targets, and

5 WHEREAS Tacoma Power has determined that using a methodology
6 consignment with WAC 194-37-070, Tacoma Power's ten-year (2020/2029)
7 conservation target is 233,660 MWh and its two-year (2020/2021) target is
8 46,732 MWh, and
9

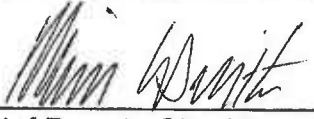
10 WHEREAS the Board has provided public notice and the opportunity to
11 comment on the ten-year and two-year targets as required by WAC 194-37-
12 070, and

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

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

16 That the ten-year conservation target of (2020/2029) is 233,660 MWh
17 and its two-year (2020/2021) target is 46,732 MWh are hereby approved.
18

19 Approved as to form and legality:

20 
21 _____
22 Chief Deputy City Attorney

Chair _____

Secretary _____

23 _____
24 Clerk

Adopted _____



RESOLUTION NO. U-11412

1 A RESOLUTION related to the Department of Public Utilities, Light Division
2 (d/b/a "Tacoma Power") adopting a ten-year, 2024 - 2033 achievable
3 economic conservation potential of 208,768 megawatt hours ("MWh")
4 and a two-year 2024 - 2025 conservation target of 55,992 MWh, as
5 required by RCW 19.285.040 and WAC 194-37-070(4).

6 WHEREAS the Washington State Energy Independence Act ("EIA")
7 requires Tacoma 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 per 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, 2024, 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 2023
1 Conservation Potential Assessment to identify the ten-year potential and for the
2 two-year target by calculating a pro-rata share of 20 percent for standard
3 conservation measures plus the expected two-year savings from the Home
4 Energy Reports program, and

5
6 WHEREAS Tacoma Power has determined that using a methodology
7 consistent with WAC 194-37-070, Tacoma Power's ten-year (2024 - 2033)
8 conservation target is 208,768 MWh and its two-year (2024 - 2025) target is
9 55,992 MWh, and

10
11 WHEREAS the Board has provided public notice and the opportunity to
12 comment on the ten-year and two-year targets as required by WAC 194-37-
13 070(4), and

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

16
17 BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

18 That the ten-year conservation target of (2024 - 2033) is 208,768 MWh
19 and its two-year (2024 - 2025) target is 55,992 MWh, and both targets are
20 hereby approved.

21
22 Approved as to form:

23 _____
24 /s/
Chief Deputy City Attorney

25 _____
26 Clerk

Chair

Secretary

Adopted _____