



April 4, 2016

Elliot Mainzer  
Administrator  
Bonneville Power Administration  
P.O. Box 3621  
Portland, OR 97208-3621

Via online comment system, [www.bpa.gov/comment](http://www.bpa.gov/comment)

**RE: Bonneville Power Administration (BPA) Focus 2028 Initiative on Energy Efficiency**

Dear Administrator Mainzer:

Thank you for this opportunity to provide comments regarding BPA's Focus 2028 Initiative on Energy Efficiency.

As you know, PNGC Power is an electric generation and transmission (G&T) cooperative owned by 14 Northwest electric distribution cooperative utilities with service territories in seven western states. In addition to serving the wholesale power and transmission needs of our member utilities, PNGC represents our members in various policy and legal forums.

We appreciate BPA's effort to lead this collaborative discussion about BPA's long term financial health, and the value proposition for BPA customers moving forward. PNGC Power has worked collaboratively with other BPA customers to develop a set of proposals and answers to questions posed by BPA. In that vein, we support the comments submitted by the Public Power Council.

1. BPA should determine its conservation goal in accordance with its resource needs and all of its statutory requirements.
2. BPA's incentive structure should allow utilities greater flexibility in acquiring conservation savings.
3. BPA's direct program budget should be scoured for efficiencies; its programs should be managed in a manner that streamlines the administrative process so utilities can more quickly and effectively achieve savings.

**Additional Comments**

Cost-effective energy efficiency (EE) is a relative term. What may be cost-effective to one public power consumer may be economically burdensome for another. Many consumer owned utilities are long on power because load growth has either been significantly lower than forecasted, or in some cases negative. Currently the cost of market purchases and BPA Tier 2 power is in many cases less expensive

than Tier 1. We look forward to working with BPA to make the EE program less economically burdensome and more efficient, which in turn will create rate reduction opportunities.

**Regional Target.** An arbitrary load-based share of the regional conservation target established by the Northwest Power and Conservation Council (Council), currently 42% of the regional EE goal, does not take into account the specific available EE resource saturation, resource needs, opportunities, risks, and avoided costs of BPA or its customers. BPA should develop a data-driven process to determine its achievable EE goals. This process would result in a more realistic EE goal for BPA and would remain consistent with the Northwest Power Act.

**Collaboration.** BPA should establish a collaboration with its customers, the Northwest Energy Efficiency Alliance and the Council's Regional Technical Forum to develop measures that take into consideration 'market lag'. Market transformation and momentum savings are occurring at a faster pace than our regions ability to respond through five-year updates to the Council's power plans.

Thank you for this opportunity to comment on BPA's Focus 2028 Initiative on Energy Efficiency.

Sincerely,



Vice President, Public Affairs & Marketing  
PNGC Power