



ENERGY EFFICIENCY Strawman BRAINSTORMING – June 6, 2006

- TARGET, PBF, OR UTILITY RATE CASES
- PROGRAM SHOULD SERVE ENTIRE STATE
- EDUCATION, EDUCATION, EDUCATION
- RATES CAN DISCOURAGE EFFICIENCY
- NEED EDUCATION TO MAKE SURE IT WORKS PROPERLY
- PROGRAM BENEFITS SHOULD GO BACK TO WHO PAYS
- NEED CONSTANT EVALUATION
- LEGAL AUTHORITY IS QUESTIONABLE – NEED LEGISLATION
- MAYBE MPSC AND UTILITIES CAN DO THIS
- TWO TRACKS – LEGISLATION OR PLAN B
- NEED APPLIANCE AND BUILDING STANDARDS
- ARE WE TALKING STATEWIDE
- GOVERNOR’S APPROACH IS BROAD
- COOPS ARE INTERESTED
- LOOK AT MPSC CURRENT AUTHORITY
- AUTHORITY MAYBE THRU RESOURCE PLANNING PROCESS
- ADDITIONAL MPSC AUTHORITY OR INCENTIVES FOR UTILITIES OR BOTH
- PROGRAM SHOULD BE EQUITABLE ACROSS ENTIRE STATE – CUSTOMERS AND UTILITIES
- TO BRING IN RETAILERS, MANUFACTURERS, ETC. THEY DON’T SEE UTILITY BOUNDRIES
- IS THERE 3RD PARTY OR DO WE NEED TO CREATE ONE – MAY NEED LEGISLATION
- DOES 3RD PARTY MAKE IT MORE EXPENSIVE – NOT NECESSARILY
- HOW MUCH FOR ADMINISTRATION – SMALL %, MAYBE 10-20%, WECC 3-4%
- WECC - 20% FOR MARKETING, ED
- DO UTILITIES WANT TO ADMINISTER PROGRAMS?
- CONCERN ABOUT LOST REVENUE, COST RECOVERY
- STRONGEST UTILITY INTEREST IN RUNNING LOAD MANAGEMENT
- INCENTIVES FOR UTILITIES ARE THEY A COST TO THE CUSTOMERS?
- MARTY’S B/C NUMBERS INCLUDE INCENTIVES TO UTILITIES

- DECOUPLING – 0-2% PER YEAR ADJUSTMENTS, RATE IMPACT VERY LOW
- DECOUPLING – UTILITY OR 3RD PARTY ADMINISTRATION? BOTH CAN HAVE MECHANISM
- PURCHASED GAS ADJUSTMENT/PORTFOLIO APPROACH - MAYBE COULD BE APPLIED TO ELECTRIC ENERGY EFFICIENCY – GET 3 CENTS WHETHER REALLY 2 OR 4 CENTS – PUT MONKEY ON UTILITY BACK
- BENEFITS OF STATEWIDE PROGRAM? NEED TO MAKE IT EASIER FOR MARKET PARTNERS
- USE TARGET/STANDARD APPROACH – CAN BE USED QUICKLY AS MECHANISM
- CA UTILITIES HAVE RESOURCE ACQUISITION GOALS BUT CAN HAVE COORDINATED ADMINISTRATION
- SET END RESULTS AND PROVIDE INCENTIVES TO UTILITIES
- CAP AND TRADE APPROACH? ALL STATES PROVIDE GREAT DEAL OF FLEXIBILITY ON PROGRAMS – VERY FEW MANDATES ON SPECIFIC PROGRAMS
- PROGRAM APPROACHES ARE WELL PROVEN, STATES MAKE SMALL CHANGES
- WATCH OUT FOR “YOU TOLD ME TO DO IT, NOT MY FAULT”
- PROVEN PROGRAMS MEANS WE CAN BE CONFIDENT OF ENERGY SAVINGS
- ANYONE NOT BELIEVE THAT PROGRAMS ARE NOT PROVEN? PROGRAMS LOOK TO BE TRANSFERABLE, WELL DOCUMENTED
- PROVEN PROGRAMS MIGHT INDICATE APPROPRIATE FUNDING LEVEL
- CAN YOU ASSUME THAT CA PROGRAMS WILL WORK HERE?
- WISCONSIN IS NOT CA AND THEY HAVE PROVEN PROGRAMS
- WISCONSIN ELECTRIC SYSTEM IS IN BIG SHAPE