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 BOUNDARIES
- 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 mean 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