

CONSERVATION AND DEMAND-SIDE MANAGEMENT

The changing energy cost structures driven by the Bonneville Power Administration's proposed tiered rate structure and

Conservation
takes
cents.

impending federal or state greenhouse gas tax create an increasing need for lower cost options such as conservation. Specifically, BPA's Tier 2 rates, or competing resources



options, will increase utility costs in the near future. Loads above Tier 1 allocations will be met with resources carrying price tags much steeper than current priority firm rates.

Conservation resource acquisition will help to offset these higher costs in two ways. First, conservation will decrease demand for resources meeting loads above Tier 1. Second, conservation potential functions as a clean energy resource that does not require payment of greenhouse gas taxes. The Northwest Power and Conservation Council find significant cost-effective conservation potential in our region. This conservation resource can complement your portfolio of supply-side resources.

Why Evaluate Conservation Potential?

On national, regional, and local levels conservation is viewed as a reliable, low risk, and high return energy resource. Many conservation measures cost less than \$10/MWh. A conservation potential study will help your utility determine where the most cost-effective conservation lies and where to target program efforts. EES Consulting has developed a conservation potential model to assist in defining where potential exists for utilities' unique service territories. EES Consulting methodologies are consistent with those of the Northwest Power and Conservation Council.

What Can EES Consulting Do?

EES Consulting is a nationally recognized firm specializing in energy resource and conservation assessments. Conservation potential can be evaluated as part of the resource planning process or as the main study focus. In the past, EES Consulting has helped utilities answer questions about conservation resources through a variety of methods. Questions utilities may have about conservation include:

- How much conservation is available in my unique service territory?
- How do we obtain detailed customer characteristic data?
- What is the impact of pre-2010 conservation on a utility's High Water Mark?

- What effect does conservation have on load factors?
- For Washington State utilities: How do we meet the Energy Independence Act requirements?
- What is the value of conservation to the utility?
- How much does conservation cost? What are the most cost-effective conservation measures?
- What does cost-effective mean?

EES Consulting offers a broad array of conservation-related services tailored to specific needs. From education for management, staff, and board members to in-depth analyses of conservation potential, EES Consulting can provide guidance and knowledge to improve the efficacy of the time and effort spent on conservation issues.

Related Projects

Public Utility District #1 of Chelan County

Clark Public Utilities

McMinnville Water & Light

Snohomish County PUD

Electric Power Research Institute

Inland Power & Light

Kootenai Electric Cooperative