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Submitted electronically via: eakazarov@bpa.gov

RE: Comments on BPA's 2022-2027 Energy Efficiency Action Plan

Clatskanie People's Utility District (CPUD) hereby submits comments in response to the Bonneville Power Administration's (BPA) comment request regarding the draft 2022-2027 Energy Efficiency Action Plan (Plan).

CPUD appreciates the time and effort put into the creation of the Plan and recognizes the diverse set of stakeholder needs that BPA is tasked with balancing. We are broadly supportive of the plan as presented and provide the following with the hope of building upon the draft.

Consumer needs are evolving at an incredible rate and in many ways we are seeing a reemergence of loads that mirror the magnitude of the DSI's of past. Data centers, modern material smelters, and hydrogen producers consume electricity in a way that is vastly different than what the region has come to expect from modern load. In a way electricity has become a raw commodity input into their product. Hydrogen production in and of itself is the transformation of electricity into another commodity form. Electrification aside, these developing industries are transforming the way we build and use the electric grid. Energy Efficiency (EE) and the way that we discuss the conservation of energy is going to require a categorical imagination in the near future. We believe the Plan can be improved upon by adding comments that call for discussions about this evolution. Many of these loads at minimum will be classified as New Large Single Loads (NLSLs) by BPA and it is yet to be seen how they will impact the EE landscape in the future. In many ways CPUD is experiencing several preemptive symptoms of what can happen to a preference customer loads become centralized around unique consumption profiles. CPUD load is heavily industrialized and participating in BPA's EE program is becoming increasingly difficult.

We also recommend an expanded section on electrification and believe this to be an area of enormous energy savings potential. As a region we are seeing voluntary and regulated electrification happen at an increasing rate. The potential of transportation electrification alone is going to transform the way we

use the grid. This is an area where BPA can lead the region by allowing for the creation of a forum to discuss electrification and how EE best occurs at the time of transformation rather than after the fact.

We recommend BPA evaluate the criteria for the determination of a “small rural utility”. CPUD is a small rural utility but for the purposes of EE program categorization we are not treated as such. This phenomenon is expected to grow as the region sees large users in traditionally rural communities.

We also recommend BPA consider the adoption of an expanded EE incentive structure that considers recent global events, market challenges, and the ability for rural utilities to participate in BPA’s programs. Many preference communities in the region face significant disadvantage when it comes to adopting what are now being called mature and “adopted” technologies. **Measure adoption curves and incentive structures should be amended for a broader and more equitable path to implementation.**

The risk we face is stranding a material amount of conservation potential behind the uniform application of assumptions that don’t fit individual utilities. CPUD believes the creation of discrete adoption curves accounting for the grouping of similarly situated utilities will aid in better matching incentive payment tables and the diversity in implementation reality.

Finally, we recommend the consideration of how BPA’s EE program impacts preference customers resource portfolio, load forecast assumptions, and tier 1 allocations. There are significant implications for BPA customers when considering the choice to pursue EE or build new resources. Customers are having these difficult discussions through the course of the Post-2028 workshops and what many utilities are finding is that EE investment comes at the cost of tier 1 allocation. CPUD is an example of how a utility is faced with the potential loss of contract high water mark due to the acquisition of conservation as a resource alternative. This is an issue that warrants discussion.

Again; we appreciate the work that has gone into the drafting of the Plan and hope that you find benefit in our comments.

Chris Roden

Clatskanie PUD – Director of Energy Resources