
**Technology & Economic Development
Committee**

HB 2410

Brief Description: Allowing the energy savings associated with on-bill repayment programs to count toward a qualifying utility's energy conservation targets under the energy independence act.

Sponsors: Representatives Doglio, Fey, Tarleton, Macri and Pollet.

Brief Summary of Bill

- Authorizes a qualifying utility to count the conservation savings associated with an on-bill repayment program as cost-effective conservation under the Energy Independence Act.

Hearing Date: 1/17/18

Staff: Nikkole Hughes (786-7156).

Background:

The Energy Independence Act.

The Energy Independence Act (EIA) was approved by voters in 2006. The EIA requires an electric utility with more than 25,000 customers to meet targets for energy conservation and to meet a certain percent of its annual load with eligible renewable resources. Utilities that must comply with the EIA are called "qualifying utilities."

Energy Conservations Targets.

A qualifying utility must pursue all available conservation that is cost-effective, reliable, and feasible. "Conservation" means any reduction in electric power consumption resulting from increases in the efficiency of energy use, production, or distribution.

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Every two years, the qualifying utility must review and update an assessment of its achievable cost-effective conservation potential for the subsequent 10-year period. The qualifying utility must establish and make publicly available a biennial acquisition target for cost-effective conservation consistent with its 10-year assessment. At a minimum, each biennial target must be no lower than the qualifying utility's pro rata share for that two-year period of its cost-effective conservation potential for the subsequent 10-year period.

Summary of Bill:

In meeting its conservation targets, a qualifying utility may count the conservation savings associated with an on-bill repayment program as cost-effective conservation. A qualifying utility may not recover any costs associated with upgrading its billing systems to implement an on-bill repayment program through its conservation tariff rider.

"On-bill repayment program" means a program in which a qualifying utility facilitates repayment of an energy conservation or renewable energy loan between a customer and a third-party capital provider.

"Third-party capital provider" means a nonprofit lender that provides capital for the purpose of making energy conservation or renewable energy loans.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.