



August 26th, 2016

PNGC Power Comments on Northwest Residential Electric Bills Paper

Thank you for the opportunity to comment on the paper released by the Northwest Power and Conservation Council (“Council”) on July 27th, 2016.

PNGC Power is a generation and transmission cooperative serving fourteen¹ member rural electric cooperatives’ net requirements for power and transmission. PNGC is a load following power customer of Bonneville Power Administration (“BPA”) and a Network Transmission customer of BPA.

The paper released by the Council generally serves as a good source of background data on some of the differences between public and investor owned utilities, as well as rural and urban publics. However, we are concerned with an apparent lack of further explanation, or potential analysis, of the following statement on page 21 of the paper: “It appears that customers of those utilities serving rural service areas acquired a lower share of energy efficiency savings than either their regional share of customers or retail sales.” PNGC believes this statement has the potential to mislead if further context is not provided.

Simply comparing the share of regional conservation acquisitions to the share of residential sector retail sales (or share of residential customers) does not tell the whole story. The conservation potential of many of these rural public utilities is not as great as their urban counterparts, which helps to explain why the share of regional conservation acquisitions is lower for these utilities. Without that context, one may inappropriately assume that rural public utilities are not actively seeking conservation opportunities. In fact, many rural public utilities are achieving cost-effective conservation up to, and perhaps exceeding, their potential. A simple comparison of load share, or customer share, to historical conservation acquisitions does not tell the entire story.

Thank you again for the opportunity to comment.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Greg Mendonca', with a stylized, wavy line extending to the right.

Greg Mendonca
VP of Power Supply

¹ PNGC will have fifteen members as of Oct 1, 2017.