BPA Energy Efficiency Announcement:
CRC Fiscal Year 2010 early start, five-year conservation contract
and FY2010-11 program portfolio

January 20, 2009

As BPA Energy Efficiency looks forward to Fiscal Year (FY) 2010 and beyond, program decisions have been made to provide mechanisms that enable continuation of conservation program activity into future rate periods. These mechanisms include a Conservation Rate Credit (CRC) early start option and a new five-year conservation agreement. In addition, these mechanisms provide for reimbursement of projects transitioned from the current rate period into future rate periods.

CRC early start
Utility customers who have fully claimed their 2007-2009 CRC may continue their conservation activity using an early start option. The early-start option allows customers to make claims against next rate period’s rate credit. The early-start period will begin no sooner than April 1, 2009. Customers making CRC early start claims face potential risks which include:

- A CRC may not be available for the FY2010–2011 rate period (availability of the CRC must await the result of the final FY2010-2011 rate case)
- Changes from the Northwest Power and Conservation Council’s (the Council) Sixth Power Plan and subsequent BPA decisions may impact FY 2010 reimbursement and savings levels
- Claims made during the CRC early-start period will receive the energy savings values and reimbursements in effect during the early-start period

More details will be announced prior to the April 1, 2009 early-start period.

Five-year contracts
Beginning in FY2010, BPA Energy Efficiency’s acquisition targets will be based upon the Council’s Sixth Power Plan (for the 2010–2014 period). During that same time period, BPA will operate in two year rate periods. In order to provide continuity and stability for conservation planning across BPA rate periods, BPA Energy Efficiency will initiate five-year contracts that align with the Council’s targets.

The new contracts will provide for BPA reimbursement from funding sources that are available in given rate periods, and will provide mechanisms enabling transition of conservation projects started in one rate period to be claimed in subsequent rate periods. Key points are:

- All customers that want access to BPA Energy Efficiency funding must sign the new agreement. All agreements will have a budget amount available for reimbursement should a rate-credit option not be available
- The contract will include standard clauses and incorporate the requirements of the Implementation Manual
- The Implementation Manual and the Planning, Tracking and Reporting (PTR) system will be updated periodically to reflect changes in reimbursements, available measures and other related requirements throughout the contract period
- BPA will offer the new contract beginning no later than June 1, 2009, and contracts must be executed prior to October 1, 2009 to ensure a smooth transition of conservation program activity in progress

BPA Energy Efficiency Representatives or Account Executives will present a draft agreement to customers for review prior to the June offer date.
**FY2010-2011 program portfolio**

BPA anticipates offering a similar portfolio of energy efficiency programs, funding mechanisms and bilateral contracts in the 2010-2011 rate period as are currently available. However, the exact composition of the new CRC will not be final until the 2010-2011 rates go into effect.

For those customers with a Conservation Acquisition Agreement (CAA) in place, the new five-year-enabling Energy Conservation Agreement (ECA) replaces their current CAA. **All** customers, regardless of their current CAA status, must sign the new agreement to be eligible for BPA Energy Efficiency funding. Energy Efficiency program requirements will continue to be set forth in the *Implementation Manual*.

For more information contact your Energy Efficiency Representative:

Tom Hannon, 509-625-1360, tkhannon@bpa.gov  
Margaret Lewis, 503-230-7552, milewis@bpa.gov  
Lloyd Meyer, 503-230-7557, lcmeyer@bpa.gov  
Rosalie Nourse, 509-625-1368, rmourse@bpa.gov  
Melissa Podeszwa, 206-220-6772, mpodeszwa@bpa.gov  
Mark Ralston, 503-230-3175, mdralston@bpa.gov  
Boyd Wilson, 509-527-6217, bwilson@bpa.gov