Innovative Regulatory Approaches to Accommodate Renewable Energy, Demand-Side Resources and Energy Efficiency Programs

A Tuition-Free Training Workshop
Exclusively for State Regulatory Commission Employees

8:30 a.m. to 5:00 p.m. September 23 – 24, 2010
Sheraton Uptown Hotel
Albuquerque, New Mexico

Under a funding agreement between NARUC and New Mexico State University’s Center for Public Utilities, state public utility commission employees are invited to attend this two-day tuition-free workshop. Attendees may also be eligible for travel and lodging support, which is available from NARUC for this course.* The course includes hosted breakfasts, coffee breaks and a reception Friday evening to further discuss the topics covered. Topics include:

- Integration of renewable-energy resources, demand-side resources and energy efficiency programs into the Electric Resource Planning (ERP) process; ERP optimization methods; and ERP current issues and trends

- Existing and emerging ratemaking to accommodate energy efficiency programs including decoupling, mechanisms for lost fixed-cost recovery as well as shared-savings and performance-based incentive mechanisms

- Innovative regulatory policy and ratemaking to accommodate renewable energy development including renewable portfolio requirements and energy credits, net-metering programs, feed-in tariffs, transmission wheeling alternatives, standby service tariffs and policies regarding customer-sited renewable energy facilities

The course emphasizes the “nuts and bolts” of how to actually develop the regulatory approaches covered and is taught by experts who have hands-on experience with such processes. The materials are detailed and are integrated
through the use of class problems; however, the course is designed for commission staff who are relatively new to the areas covered.

To register contact the Center for Public Utilities by e-mailing the following information to jeawalte@nmsu.edu.

Name:
Title:
Commission:
Mailing Address:
City, State, Zip
Phone:
E-mail address:

Mention that you wish to register for the two-day NARUC-sponsored course. Seats are limited and are allocated on a first-come first-serve basis.

*To inquire about available travel support reimbursement, contact Miles Keogh (Director, Grants & Research NARUC) at: 202-898-2217; or, mkeogh@naruc.org

LOCATION and HOTEL RESERVATIONS:

Regardless of whether or not you receive travel and hotel reimbursement from NARUC, you must register directly with the hotel. The conference will be held at the newly renovated Sheraton Uptown, Albuquerque, NM. A block of rooms has been reserved at a federal government rate of $81. To guarantee this rate, you must mention the NARUC Training Course. Reservations must be received on or before Sept. 17, 2010, and all guests should make reservations directly through the hotel’s reservations department, at 800-252-7772. Monday through Friday, 8 AM – 5 PM MST or online at:

http://www.starwoodmeeting.com/StarGroupsWeb/booking/reservation?id=1008172108&key=17FFE

Reservations may be cancelled up to 48 hours prior to arrival without penalty. Rates will be available 2 days prior and 2 days after the event dates, subject to availability of guest rooms at the time of reservation.
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Thursday September 23, 2010:

7:00 – 8:30 Hosted Breakfast and Registration

8:30 – 8:40 Introduction/Workshop Overview

Part I: Electric Resource Planning

8:40 – 10:00 Incorporating Renewables, Clean Energy Requirements, and Energy Efficiency Programs in the Electric Resource Planning Process

- Electric Resource Planning (ERP) Fundamentals
  - ERP Objectives
  - Analytic Framework
  - Identification of Resource Alternatives
  - Typical ERP Process Steps
  - Selection of ERP “Preferred Portfolio”
  - Implementation of ERP Action Plans

- ERP Resource Optimization Methods
  - “Incremental” Cost/Benefit Approach
  - Simultaneous Optimization Approach
  - Application of ERP Standard Practice Cost Tests for Energy Efficiency and Demand Response Programs
  - Utility, Participant, Total Resource, and Societal Cost Tests

- Using Regional ERP to Bring Energy Efficiency and Renewable Energy to Scale
  - A Pacific Northwest Example

10:00 – 10:30 Hosted Coffee and Networking Break

10:30 – 12:00 Incorporating Renewables, Clean Energy Requirements, and Energy Efficiency Programs in the Electric Resource Planning Process (continued)

- Integrating Energy Efficiency and Demand Response Measures into ERP
  - Types of Energy Efficiency and Demand Response Measures and Typical Program Offerings
  - Valuing Energy Efficiency and Demand Response Programs as a Resource: Conservation Supply Curves
○ Overview of ERP Modeling Approaches and Analytic Methods for Capturing Energy Efficiency and Demand Response Program Attributes
○ Examples of Typical Energy Efficiency and Demand Response Savings Potential, Load Shapes and Average Costs

- Review of Relevant State Statutes and Administrative Codes Affecting ERP
- Review of Current ERP Issues and Trends

12:00 – 1:30 Lunch (participants on their own)

1:30 – 2:00 **Part I: Electric Resource Planning (continued)**

- Review of Current ERP Issues and Trends (continued)

2:00 -5:00 **Part II: Energy Efficiency Programs**

2:00 – 3:00 **Funding and Cost Recovery for Electric Utility Energy Efficiency Programs**

- Alternative Funding Approaches
  ○ Public Benefit/System Benefit Charge
  ○ Portfolio/Procurement Mandates
  ○ Hybrid Approaches
  ○ RTO Investments in Energy Efficiency

- Alternative Cost Recovery Approaches
  ○ Special Tariff Riders vs. Bundling with base rates
  ○ Deferred Cost Recovery
  ○ Capital vs. Expense Treatment
  ○ Class Problem

3:00 – 3:30 Hosted Coffee and Networking Break

3:30 – 5:00 **Innovative Ratemaking to Accommodate Energy Efficiency Programs**

- Revenue Decoupling for Electric Utilities
  ○ Details of alternative designs
  ○ Class Problem

- Lost Contribution to Fixed Costs Mechanisms
  ○ Estimation of energy and demand reductions
  ○ Reconciliation & Verification for specific efficiency programs
  ○ Class Problem
  ○ To be continued on Day 2
Friday September 24, 2010:

7:00 – 8:30 Hosted Breakfast

8:30 – 10:00 Innovative Ratemaking to Accommodate Energy Efficiency Programs (continued from Day 1)

- Shared Savings Incentive Mechanisms for Electric Utilities
  - Estimating energy cost savings
  - Estimating capacity cost savings
  - Reconciliation & Verification for specific efficiency programs
  - Reconciliation with Lost Contribution Mechanism
  - Class Problem

10:00 – 10:30 Hosted Coffee and Networking Break

10:30 – 11:00 Shared Savings Incentive Mechanisms (continued)

Part III: Renewable Energy Development

11:00 – 12:00 Innovative Ratemaking to Accommodate Renewable Energy Development
- Renewable Energy Portfolio Standards (RPS)
- Understanding the details of an RPS
  - A review of states’ statutes and administrative code
- Alternatives for meeting the requirements
  - Renewable Energy Credits or Certificates (RECs)
  - Small and Large Customer Participation – economically feasible contractual arrangements
  - Net-metering programs
  - Wheeling alternatives
  - Fully accommodating renewable mandates on Federal Government Customers and the Department of Defense
- Standby Service Tariffs and Customer-sited Renewable Resources
- Feed-in Tariff Design

12:00 – 1:30 Lunch (participants on their own)

1:30 – 3:00 Innovative Ratemaking to Accommodate Renewable Energy Development (continued)

3:00 – 3:30 Hosted Coffee and Networking Break

3:30 – 5:00 Innovative Ratemaking to Accommodate Renewable Energy Development (continued)

5:30 – 7:30 Networking and Discussion Session (optional hosted closing reception)