BEFORE THE ARKANSAS PUBLIC SERVICE COMMISSION

IN THE MATTER OF THE CONTINUATION,)	
EXPANSION, AND ENHANCEMENT OF)	DOCKET NO. 13-002-U
PUBLIC UTILITY ENERGY EFFICIENCY)	
PROGRAMS IN ARKANSAS)	

JOINT MOTION TO REQUEST POTENTIAL STUDY

Come now General Staff (Staff) of the Arkansas Public Service Commission (Commission); the Consumer Utilities Rate Advocacy Division of the Arkansas Attorney General's Office; Entergy Arkansas, Inc.; CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Arkansas Gas; Southwestern Electric Power Company; SourceGas Arkansas Inc. (f/k/a Arkansas Western Gas Company); Arkansas Oklahoma Gas Corporation; The Empire District Electric Company; Oklahoma Gas and Electric Company; Arkansas Community Action Agencies Association, Inc. (ACAAA); Arkansas Advanced Energy Association, Inc. (AAEA); Sierra Club, Arkansas Electric Energy Consumers, Inc. and Arkansas Gas Consumers, Inc. (AEEC/AGC), (these entities will be collectively referred to as the Parties Working Collaboratively or the PWC), and for their Joint Motion, state as follows:

1. On January 4, 2013, the Commission issued Order No. 1 in the above-styled docket, which directed the parties to respond to a number of significant proposed modifications to the development, structure, implementation, and evaluation of energy efficiency (EE) programs in Arkansas. The proposed modifications include substantial changes to the Commission's Conservation and Energy Efficiency Rules and the associated EE framework under which the parties are currently operating, including

modified EE goals and utility incentive structures, the determination of avoided costs, the evaluation of program cost-effectiveness, development of more uniform programs and measures among the utilities subject to the inter-utility cooperation and coordination of programs between gas and electric utilities, and the implementation of an enhanced statewide collaborative process. In addition, the Commission seeks input regarding the schedule and process for developing, submitting, and approving EE program plans for the next planning cycle, including the Commission's proposal to extend the 2014-2016 program plan filing date to July 1, 2013 (or some other date).

- 2. The PWC is a working group initiated by the Commission to provide a forum for EE stakeholders to identify issues and work collaboratively to develop potential solutions, with the goal ultimately being to present such issues, along with recommendations, to the Commission for its approval. On January 17, 2013, the PWC filed a Joint Motion for Extension of Submittal of the Next Three Year Program Plan Cycle and Response to Order No. 1. On January 30, 2013 by Order No. 2, the Commission extended certain deadlines, including the deadline for parties submitting Initial Comments on May 15, 2013.
- 3. Since Order No. 2, the PWC has met several times (both in person and over the telephone) to discuss the issues raised in Order No. 1. In the context of these meetings the PWC has determined a need for a Potential Study on the Performance Targets for 2015-2017 for the utilities. The PWC anticipate working collaboratively to address the scope and other issues in connection with the proposed Potential Study.

- 4. The PWC recommends that the Commission consider Arkansas-specific market conditions through a Potential Study before establishing the proposed EE goals and targets for years 2015-2017. Absent a Potential Study, the EE goals or targets set forth in Order No. 1 may not reflect Arkansas-specific market conditions. A Potential Study will provide useful Arkansas-specific information that will assist the Commission in setting EE goals and targets for program years 2015-2017 that will be reflective of market conditions and other factors specific to Arkansas. Such conditions include changes to residential and commercial energy codes and lighting standards, availability of savings, avoided costs, and the amount of program expenditures required to meet given savings levels. A Potential Study will assist the Commission in identifying the level of EE program savings that are achievable and cost effective in Arkansas which will lead to establishing more focused and Arkansas-specific EE savings goals and targets. Establishing appropriate EE goals and targets is critical, because the EE goals and targets will have a bearing on the cost and cost-effectiveness of the EE programs and measures required to meet those goals and targets.
- 5. The PWC urges the Commission to further explore Arkansas-specific information through a Potential Study prior to establishing EE goals and targets for program years 2015-2017. Therefore, the PWC requests authority from the Commission to expeditiously issue a Request For Proposal (RFP) to have an Arkansas-specific Potential Study performed to assist the Commission in its determination of goals to be set for the utilities. This Potential Study would be jointly funded by the IOUs, with cost recovery for the one-time costs allowed through the utilities' Energy Efficiency Cost Recovery Riders. Costs are to be allocated in the same manner as the costs of the

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Independent Evaluation Monitor. Time is of the essence for this matter, as the utilities

must have an energy savings goal set in sufficient time to prepare their EE program

plans for the next program cycle. The PWC anticipates that it will take 6 to 9 months

from the issuance of the RFP to complete the study. At that point, the parties would

need to submit comments to the Commission on how to interpret the data to set goals,

and the Commission will need time to render its decision.

6. Audubon Arkansas, a division of the National Audubon Society (Audubon)

agrees with this Motion but is without counsel to represent it at this time.

7. Wal-Mart Stores LLC and Sam's West, Inc. have stated that they do not

object to this Motion.

WHEREFORE, the PWC respectfully requests authority to issue an RFP for a

Potential Study to be used to aid the determination of appropriate incentive goals and

targets for Arkansas utilities and for all other relief which is appropriate.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing has been served on all parties of record by forwarding the same by postage prepaid first class mail, hand delivery, or electronic mail, this 19th day of April 2013.

<u>/s/ Fran C. Hickman</u>
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