

**COMMONWEALTH OF VIRGINIA**

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**STATE CORPORATION COMMISSION**  
DIVISION OF ECONOMICS AND FINANCE

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Dear Participant:

As discussed at the end of the WorkGroup's kickoff meeting, we have received several suggestions for focus topics to better manage this effort going forward. We appreciate those who responded and we have compiled the attached topic list. Although not likely an exhaustive list, it will provide a good basis to begin. Please review the list and choose one or two subgroup topics of interest and advise me by Wednesday, August 1<sup>st</sup>, to which group you are willing to commit time and effort to participate. Also, it would be helpful for someone to volunteer to spearhead and coordinate each of these subgroups. Please advise me if you are so inclined.

I'll then assemble and distribute the participants list for each subgroup and encourage such groups to begin discussion and prepare an overview and outline to address the subject matter for presentation at the next WorkGroup meeting on August 23<sup>rd</sup>.

Based on the size of the group and several suggestions to break into more manageable subgroups, Dominion Virginia Power has offered to host the next meeting at their Innsbrook Technical Center in the Short Pump area west of Richmond ([http://www.dom.com/contact/dir\\_itc.jsp](http://www.dom.com/contact/dir_itc.jsp)). Such a location will provide a more suitable area for breakout sessions and serve the whole group in a more interactive environment. I will forward more detail regarding the logistics, format, teleconferencing capability, etc. for this meeting as they develop.

I thank you in advance for your participation in this effort and assisting Staff in its endeavor to submit a report to the Commission.

Sincerely,  
Dave Eichenlaub

## **WorkGroup Focus Topics**

### **Subgroup #1 - General**

- Goal: reasonable? exceed? (define target, components, measures)
- Implementation/Administration (who administers, accountability)
- Cost Effectiveness Criteria (consider industry structure, market conditions, PJM)
- Measurement and Verification (standards, what, how, existing programs, account for growth effects, enforcement)
- affected customers (jurisdictional, non-jurisdictional, municipalities, government)
- Level playing field for alternatives (Demand options equivalent to Supply options)
- Interaction between PJM and VA programs (how to design to complement rather than conflict)

### **Subgroup # 2 – Consumption reduction**

- Conservation Programs (existing, short-, mid-, long-term strategy)
- Efficiency Programs (existing, short-, mid-, long-term strategy)
- Metering (more advanced needed?)
- Codes (building, appliance, equipment, Energy Star, enforcement)
- Cost elements, costs, cost ranking
- Penetration rates, experience

### **Subgroup # 3 – Demand/peak reduction**

- Programs (existing, short-, mid-, long-term strategy)
- Metering (extent of AMI)
- Demand Response
- Rate design/Pricing for Consumers (RTP, CPP, TOU)
- Distributed generation
- Communications/signals
- Cost elements, costs, cost ranking
- Penetration rates, experience

### **Subgroup # 4 – Financial considerations**

- Regulatory/market incentives for utilities
- Utility revenue decoupling
- Regulatory/market incentives for market providers
- Customer incentives / rebates
- Public benefit funds (how much, how accumulated, how allocated?)
- Carve-outs for existing participants?

### **Subgroup # 5 - Information**

- Consumer education
- Marketing
- who provides, how provided, target audiences, cost, funding?