



# 2014 Implementation Update

*Presentation to the EEAC by the PAs*

*April 8, 2014*





# Introduction: Implementation Update (“IU”)

Designed to allow the Council to monitor achievement against goals and to review forward-looking strategies to achieve goals based upon in-the-field experience and current EM&V results

Developed collaboratively by the PAs working with the Council’s consultants for use in 2014

Expected achievement is on target (electric PAs expect to reach 98% of lifetime savings; gas expect to reach 100% of lifetime savings)

Does not change the DPU approved goals

# Continued Commitment to Goals

## Goals Not Recast

- IU does not change the three-year goals
  - Goals represent all available cost-effective energy efficiency
- PAs will work to meet or even exceed three-year goals in all sectors
  - PAs expect to achieve overall portfolio goals
  - PAs committed to energy efficiency in the C&I sector

## Best Available Information

- Directional updates reflect new information
  - EM&V
  - Codes & Standards
  - 2013 Performance
  - Avoided Costs
- Built data from the bottom up

## Review of Strategy

- Each PA examined and updated strategies *if necessary*
  - Some PAs saw need for course corrections, others did not
  - If course corrections were not made, the strategies in place are expected to result in meeting or exceeding goals

## PA's Share Successes and Challenges

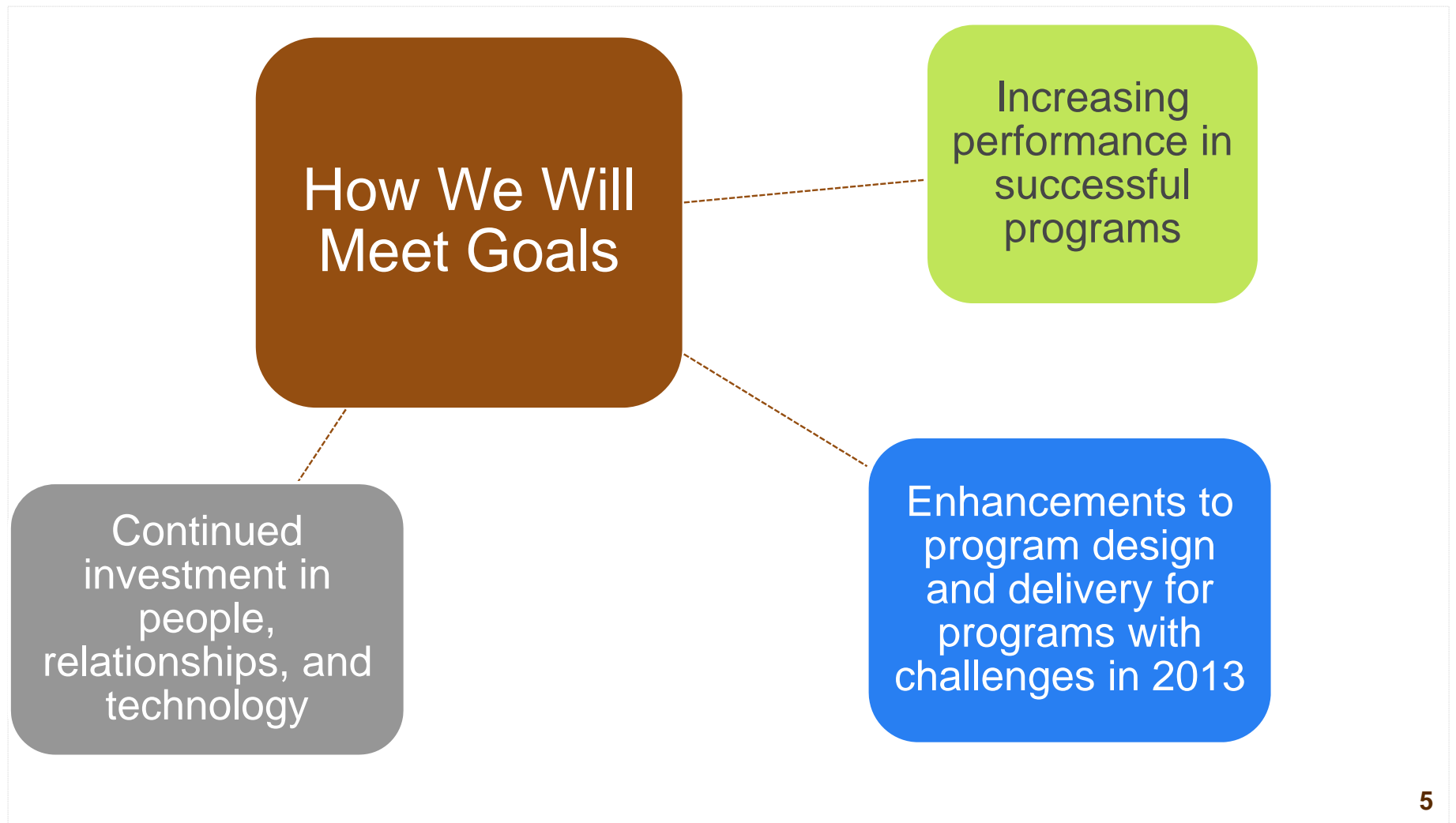
- PAs in constant communication
- PAs share strategies that worked and those that did not

## Real Differences in PA Territories

- PA territories are different
  - Customer sectors and sizes, fuels, income, etc.
  - Differences make it necessary to tailor strategies
- PAs serve their unique customer bases to meet goals



# Strategies for Meeting Goals





# Statewide Electric Implementation Update

Electric 3 Years - By Sector	Annual Savings	Lifetime Savings	Budget	Benefits
Residential	116%	136%	119%	116%
Low Income	114%	123%	101%	110%
Commercial	90%	90%	93%	94%
<b>Total</b>	<b>98%</b>	<b>98%</b>	<b>102%</b>	<b>101%</b>

Electric By Year	Annual Savings	Lifetime Savings	Budget	Benefits
2013	89%	89%	89%	96%
2014	99%	100%	108%	101%
2015	105%	104%	111%	107%
<b>Total</b>	<b>98%</b>	<b>98%</b>	<b>102%</b>	<b>101%</b>



# Statewide Gas Implementation Update

Gas 3 Years by Sector	Annual Savings	Lifetime Savings	Budget	Benefits
Residential	122%	122%	107%	110%
Low Income	121%	119%	103%	108%
Commercial	84%	81%	75%	85%
<b>Total</b>	<b>104%</b>	<b>100%</b>	<b>96%</b>	<b>100%</b>

Gas By Year	Annual Savings	Lifetime Savings	Budget	Benefits
2013	106%	101%	90%	100%
2014	103%	100%	100%	100%
2015	102%	98%	100%	100%
<b>Total</b>	<b>104%</b>	<b>100%</b>	<b>96%</b>	<b>100%</b>



# Changes Due to Evaluation/Standards

## Electric: Minimal Portfolio Changes

- Home Energy Services evaluation had PA specific realization rates that impacted each PA's savings and benefits differently
- Behavioral had PA specific realization rates that impacted PA savings and benefits differently
- Consumer Products was impacted by a decrease in savings and benefits due to a change in federal standards
- C&I New Construction savings and benefits had minor impacts from upstream lighting evaluation
- CHP was impacted by an evaluation study for those companies who did Combined Heat and Power projects

## Gas: Savings Gain But Benefit Loss

- Home Energy Services evaluation had PA specific realization rates that affected each PA's savings and benefits differently
- Residential Heating & Hot Water initiative saw an increase in savings but decrease in benefits due to equipment replacement timing evaluation
- Custom gas realization rates were revised for certain PAs



# 2013 Achievements to Carry Forward

Build on strong residential results due to high demand, including:

- Home Energy Services
- Gas Heating and Water Heating
- Heat pumps

Some PAs have seen strong results in small C&I

- Increased focus on small C&I to absorb some challenges in large C&I program

Continue successful efforts in low-income retrofit

- Collaborative work with LEAN/Network has put low-income on track for three-years
- Expectations of continued performance

# Strategic Enhancements to C&I



## Major challenge in 2013 was Large C&I Retrofit

- PAs committed to achieving stronger results in the Large C&I Retrofit Program using the following strategies and tactics:
  - Market segmentation
  - Vendor-driven programs
  - Marketing
  - Multi-year engagement plans
  - Investment in CHP



PAs expecting to increase large C&I performance year-over-year, but will rely on other programs (including residential) as well to assist with reaching three-year portfolio goals



# Deep Dives- Possible Areas for Further Review and Analysis

## Large C&I Retrofit (Elec & Gas)

- Effective strategies for overcoming challenges and increasing savings
- Successful projects and partners

## Multi-Family Retrofit (Elec)

- Effective strategies for serving electric customers in multi-family segment

## Residential Lighting

- Increasing savings now, and opportunities/challenges in the future

## Additional Options

- Increased savings in New Construction (Elec & Gas)
- Successful Residential program implementation strategies (Elec & Gas)
- High-efficiency heating and cooling equipment (Elec & Gas)
- Individual PA strategies

Deeper data will be needed for the deeper dives. The EEAC consultants have committed to identify the deeper data needed for review and analysis and describe how the data would be used.