

# INVESTING IN ENERGY EFFICIENCY AND GREEN TECHNOLOGIES

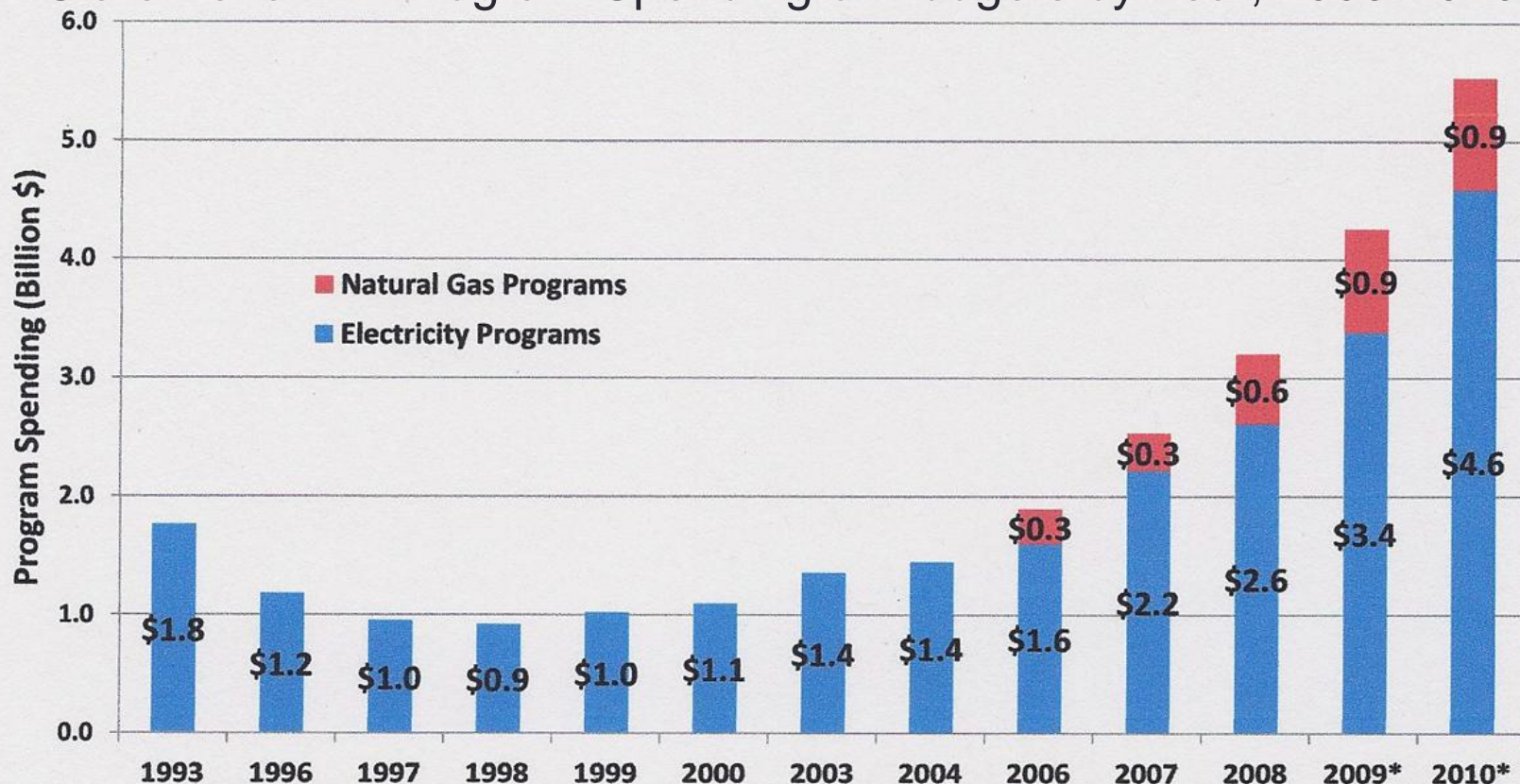
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SVLG's 12<sup>th</sup> Annual Energy Summit  
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# EE Ratepayer-Funded Spending/Budgets

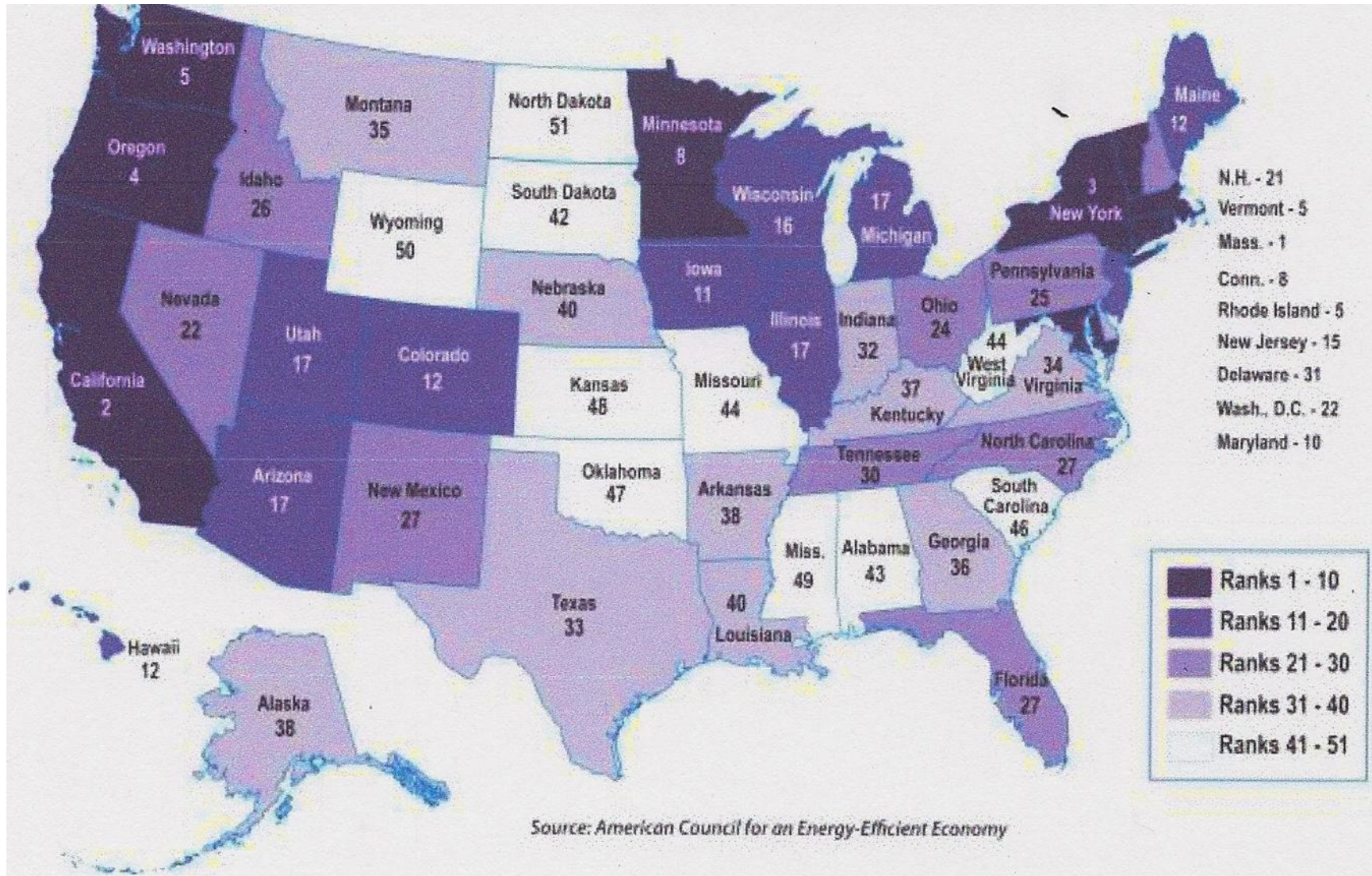
State-Level EE Program Spending or Budgets by Year, 1993-2010



\*All values actual program spending (EIA Form 861) except for 2009 and 2010, which are budgets (CEE Annual Industry Reports).

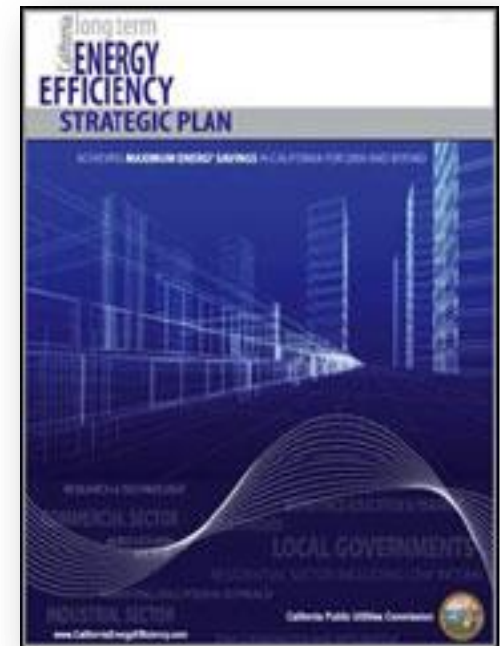
Notes: Includes ratepayer-funded programs. Natural gas efficiency program spending is not available for 1993–2004.  
Sources: Nadel et al. (2000); York and Kushler (2002), (2005); Eldridge et al. (2008 and 2009)

# ACEEE State EE Scorecard Rankings



# California Long Term Energy Efficiency Strategic Plan

- Engaging **Multiple Actors** to Achieve Ambitious Statewide Objectives
- More expansive **Local Government Policies** on building and development
- Shifting utility program focus away from single-purpose actions towards **Comprehensive Offerings**
- Expanding the role of **Codes and Standards** in achieving market transformation goals
- Catalyzing **Behavioral Change** to make efficiency “business as usual” (i.e. “naturally-occurring”)



# Evolution of EE Programs Focus

- States/utilities generally begin with “widget focus”: lighting & appliances (deemed savings)
- Over time, shift towards “deep savings” approaches:
  - Whole building retrofits/commissioning/RCx
  - Behavioral elements to empower customers with energy-use information
  - Emerging technologies and program innovation
  - Deeper Evaluation, Measurement, and Verification (EM&V)
- Recognition that utility financial incentives matter
  - Program cost recovery
  - Fixed cost recovery (decoupling, lost revenue adjustment mechanisms)
  - Shareholder incentives

# California - New EE Developments

- New California Public Utilities Commission (CPUC) EE Decision (May, 2012):
  - Guidance for 2013-2014 EE Programs
  - Continues implementation of CA Long Term EE Strategic Plan
  - Key areas of focus:
    - Sets up \$200 million financing fund
    - Increased reliance on local governments/3<sup>rd</sup> parties for program delivery
    - 10-year commitment to Energy Upgrade California (Whole House)
    - Commercial sector – focus on small commercial and gathering building performance data; launches pilot for building rating system
    - Emerging Technologies Program – major new emphasis
    - Behavioral Change Programs – 5% of households floor (PG&E-20%)
- Next Steps
  - July 02, 2012 – Utilities file applications with proposed programs/budgets

# CPUC EPIC Decision (RD&D)

- Electric Program Investment Charge (EPIC)
  - CPUC approved D.12-05-037 (May, 2012), setting up parameters for CA's new electric ratepayer-funded RD&D program
  - The CEC will administer 80 percent of the funds; CA's electric IOUs (PG&E, SCE, and SDG&E) will administer the rest
  - Establishes funding collections for the program through 2020
    - The IOUs will collect from electric ratepayers \$162 million per year
  - Annual funding is initially authorized for:
    - Applied research and development (\$55 million) (CEC only)
    - Technology demonstration and deployment (\$75 million) (CEC/IOUs)
    - Market Facilitation (\$15 million) (CEC only)
  - Triennial investment plans to map “electricity value chain”
  - IOUs to continue additional EE/Demand Response funding for Emerging Technologies

# Questions?

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