



# THE GRAPEVINE

ACEEE Summer Study at Asilomar, California

Thursday, August 26, 2004

## Energy Efficiency Moderates Natural Gas Prices



**Bill Prindle,**  
Deputy Director,  
ACEEE

by **Bill Prindle**

Like those wetsuit-clad surfers down at the beach, ACEEE's policy program has been riding a wave—the wave of record natural gas prices breaking over North American gas markets. Prices have more than doubled in wholesale markets over the last few years. A mild summer is keeping a shaky lid on prices for the moment, but a cold winter

could break records and might even cause curtailments. So what does this mean for energy efficiency? In short, the gas issue may keep large segments of the energy efficiency profession busy for quite some time.

In simple terms, natural gas demand has outrun the ability of the North American supply system to respond. New sources of supply, either domestic or imported LNG, are years away, so the only real option for the near term is that body of personal virtue that is also known as energy efficiency.

The California phenomenon in 2001, where efficiency programs helped bring down wholesale electricity prices, taught us that energy efficiency can quickly reduce demand and in tight markets this can result in dramatic reductions in energy prices. ACEEE tested this hypothesis in 2003 in a landmark study we conducted in parallel with the National Petroleum Council's major study on natural gas. Our analysis showed that, by reducing natural gas consumption by about 2%–4% in the 2004–2008 timeframe, wholesale gas prices would fall by as much as 22%. One key find-

*continued*

## Technology Showcase



**Kay Luo of Power Integrations**

Some of the latest energy-efficient technologies were on display in Merrill Hall Wednesday afternoon, and a steady stream of Summer Study participants were given a chance to see the technology firsthand. Here are just some of the highlights:

Power Integrations is a company dedicated to reducing standby power loss through a switch-mode power supply design that is more efficient than typical power supplies

when in standby or no load. The Power Integrations display at the Technology Showcase compared the standby power of a typical linear power supply with the more efficient switch-mode power supply. The linear supply uses 1.48 watts compared to the switch-mode supply, which uses only 0.68 watts. Not only that, but the switch-mode supply is 80% lighter and less than half the size of the linear supply. And, you can use the switch-mode supply outside the United States without an adapter, unlike the linear power supply. Both power supplies cost the same. For more information, go to [www.powerint.com/greenroom](http://www.powerint.com/greenroom).

ICE Energy uses the power of ice to cool buildings more efficiently. The Ice Bear uses a five-ton condensing unit to turn 500 gallons of water into ice at

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## Energy Efficiency Moderates Natural Gas Prices

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ing was that most of the gas savings would come from electricity efficiency, because of the heavy use of gas as a marginal generating fuel.

These savings would come from the programs and policies we as a community work on every day: energy codes, appliance standards, utility public benefits programs, efficiency and renewable energy portfolio standards, distributed generation, accelerated federal RD&D, and vigorous public education. This would cost about \$30 billion over five years, including public and private outlays, but would

generate over \$100 billion in net benefits. In ACEEE's report, we called on Congress and the Administration to take action on these issues and bring price relief to natural gas markets.

Since then, little has happened at the national level; energy legislation remains tied up in Congress, with slim chance of movement except for possible action on tax credits. However, natural gas demand has continued to grow, as have prices. The situation is further complicated by increases in coal and oil demand—and prices. With little fed-

eral action on the horizon, some states and regions are pursuing specific policy actions such as new and expanded gas and electric demand-side management programs and state equipment efficiency standards. To help support these efforts, ACEEE is conducting gas-market analyses at a regional level, with current projects focused on states in the Midwest and West Coast. While market price impacts may be more limited at a regional level, the opportunity for efficiency keeps growing while demand and prices stay high. For the next several years, therefore, efficiency will continue to be the key factor in keeping natural gas available and affordable.

## Technology Showcase

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densing unit to turn 500 gallons of water into ice at night. During peak hours for cooling during the day, the condensing unit is turned off, and refrigerant is pumped through the ice to provide cooling. The Ice Bear can provide up to 10kW of peak demand reduction and it uses less than 300 watts for on-peak cooling. It also works with standard refrigerant-based air conditioning equipment. For more information, e-mail [info@ice-energy.com](mailto:info@ice-energy.com), or go to [www.ice-energy.com](http://www.ice-energy.com).

The Lighting for Tomorrow booth easily captured the attention of even those cruising quickly through the showcase. Lighting up the booth were the grand prize winner and three second place winners of a national lighting fixture design competition. The grand prize winner, the Salem, is a chandelier fixture manufactured by American Fluorescent, which is based in Chicago, Illinois. The fixture features one center downlight and 5 13-watt bulbs circling it. The shades encasing the 13-watt bulbs are made from wax. The designer chose wax to highlight a unique



**Paul Kuhlman of ICE Energy**



**Rebecca Foster of the Consortium of Energy Efficiency**



**Dave Chasar of the Florida Solar Energy Center**

property of fluorescent bulbs, namely how little heat they give off; incandescent bulbs would have melted the shades. The Salem will be available in the fall in Lowe's West Coast stores. The other winning fixtures are available through local lighting showrooms. (Visit the manufacturers' Web sites to find a showroom near you.)

Smoke puffed from a small model home at Oak Ridge National Laboratory's booth, pulling visitors in to learn about the work of Building America and DOE's zero-energy homes research initiative. FSEC's Dave Chasar, a member of a Building America team, uses the smoke house to demonstrate air pathways in a home. "Building America is leading us toward zero-energy homes," says Jennifer Palmer, communications and research implementation manager at ORNL. She has recently joined Pat Love, a familiar figure to many Summer Study attendees, to assist Love in her work promoting the ever-expanding Building America program. To learn more about the program's many accomplishments, visit [www.buildingamerica.gov](http://www.buildingamerica.gov).

# Informal Sessions

2:00-4:00 pm

**How Will CA Builders Meet the New Title 24 Requirements for Pin-Based CFL Recessed Cans with Current Product Selection?**

Graham Parker, Pacific Northwest National Laboratory  
*Location: Manzanita 2*

**Retrocommissioning and Commercial Building Performance: What's Going On and What's Missing?**

Adam Hinge, Sustainable Energy Partnerships,  
Jennifer Thorne Amann, ACEEE  
*Location: Heather*

**What's Next on Standby?**

Shane Holt, Australian Greenhouse Office  
*Location: Oak Shelter*

**1.35 kW and 1400 kWh for \$300! A Savings Opportunity for Efficient ACEEE Participant Swimmers**

Gary Fernstrom, PG&E  
*Location: Triton*

**The Future of Thermal Comfort Standards**

John Stoops, LBNL  
*Location: Toyon*

**Developing Innovative Housing Solutions for Low Income and Refugee Populations**

Art Rosenfeld, California Energy Commission  
*Location: Scripps*

**Capturing Energy Efficiency in the Small (< 50,000-ft<sup>2</sup>) Commercial New Construction Market**

Jonathan Kleinman, Arun Veda, Vermont Energy Investment Corporation  
*Location: Dolphin*

**The Future of the National Programmatic Best Practices Project**

Michael Rufo, Quantum Consulting, Inc.  
*Location: Acacia*

**Natural Gas: Role of Energy Efficiency Policies in Responding**

Neal Elliott, ACEEE  
*Location: Curlew*

**Residential Energy Star™ HVAC Specifications for 2006**

Steven Ryan, EPA  
Buck Taylor, The Cadmus Group  
*Location: Sanderling*

**Greenhouse Gas Policy**

Steve Bicker, NW Natural  
*Location: Fred Farr Forum*

**Update on the Southeast Energy Efficiency Alliance**

Harry Misuriello, Alliance to Save Energy  
*Location: Evergreen*

**The Demand and Response Potential of Lighting Control Strategies**

Francis Rubenstein, LBNL  
Lisa Heschong, Heschong Mahone Group  
*Location: Chapel*

**DSM Bidding—Does California Need Another One?**

Betsy Krieg, PG&E  
*Location: Kiln*

**Canadians Away From Home: A Discussion of Domestic Foibles on Energy Efficiency**

Judith Ramsay and Susan Cline-Smith, Enbridge Gas Distribution  
*Location: Willow Inn 1*

**Open Planning Meeting for Winning with Home Performance**

A California Regional Affordable Comfort Conference scheduled for January 25-26, 2005 in San Ramon. Bob Knight, BKI, Linda Wigington, Affordable Comfort, Incorporated

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## Network and Keep Up-to-Date Between Summer Studies

There are signup sheets to join a topic committee of the Association of Energy Services Professionals (AESP) in Surf and Sand. To learn more about AESP feel free to stop one of our many board members or topic committee chairs attending the Summer Study.

Lori Megdal, Board Member  
Brad Kates, Senior Vice President of the Board

Marion Brown, Board Member and Past President  
Paul DeCotis, Board Member  
Mike Mernick, Board Member for Local Chapters  
Ed McGlynn, Program Implementation Topic Chair  
Katherine Johnson, Marketing Topic Chair  
Nick Hall, Market Research and Evaluation Topic Chair

Mark D'Antonio and Brian McCowan, Technology Topic Committee

**Mark the date:** The 15th annual National Energy Sources Conference is December 6-8 in Clearwater, Florida. The AESP meeting will be held simultaneously.

## Another California Job Opening

The Heschong-Mahone Group is looking for a junior energy engineer with a B.S. in an engineering or related field. Experience with buildings and energy efficiency is necessary. Send resume to info@h-m-g.com, or speak with an HMG person here at the conference.

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## 2005 Market Transformation Symposium: Save the Date

ACEEE and the CEE are pleased to announce the 9th National Symposium on Market Transformation scheduled for March 14-15, 2005 in Washington, D.C.

Give your suggestions for the Symposium program to Jennifer Amann of ACEEE.

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## Attention: Lunchtime Meeting

Today, Thursday, all STAC, NYSERDA, FSEC, AE, ECW, and ACEEE attendees are invited to come to a lunchtime meeting in the dining hall at 12:30.

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## Job Opening in Sierra Foothills

The North Fork Community Development Council based in the town of North Fork in the scenic central Sierra Foothills is seeking an executive director to manage overall operations for a small non-profit focused on the economic redevelopment of the community.

The executive director will be responsible for working with local government and private developer(s) to market and implement a redevelopment project on a 135-acre abandoned lumber mill site. Candidates must have experience in applying for and administering state and federal grants, working with diverse groups of people on community projects, and the implementation of actual development projects. Familiarity with EPA Brownfields program and experience in the fields of economic development, environmental assessment and rural planning are preferred.

For more information about the Community Development Council visit our Web site at [www.northforkcdc.org](http://www.northforkcdc.org)

### To Apply:

Fax: (559) 877-4267, Email: [bvesser@northforkcdc.org](mailto:bvesser@northforkcdc.org) (put "job application" in the subject line)

Deadline for submitting resumes is August 30, 2004 at 1:00 pm.

## Prizes for the Lowest Standby Appliance

Come along and have your equipment measured to find out how much it will cost to run this year. Bring your cell phone, electric toothbrush, laptop computer or any other equipment with standby energy use, and their cords. Prizes will be awarded..

### What's Next on Standby?

2:00 pm Informal Session

Alan Meier, Shane Holt

Location: Oak Shelter

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## Fantastic Conference Coming Soon to San Francisco

October 14-15, 2004: The California utilities, the CEC and ACEEE are sponsoring the first ever Emerging Technologies in Energy Efficiency Summit at the San Francisco Hilton. Featured speakers will include Art Rosenfeld, Ralph Cavanaugh, CPUC Commissioners Michael Peevey and Susan Kennedy. For more details and to register, visit [www.aceee.org/conf/04et/04etannounce.htm](http://www.aceee.org/conf/04et/04etannounce.htm).

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## Play Power Play Today!

Sign up now to play Power Play in Surf & Sand (ACEEE office). The orientation starts at 4 pm today in Nautilus. The game runs from 4-6 pm, and resumes at 7 pm after dinner. Observers are welcome! Refreshments will be served! See your Program for more details.

### THE GRAPEVINE

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