



Energy Efficiency in New York It Measures Up!

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*ACEEE-Energy Efficiency as a Resource
October 1-2, 2007*

Energy Efficiency Program Funding in New York

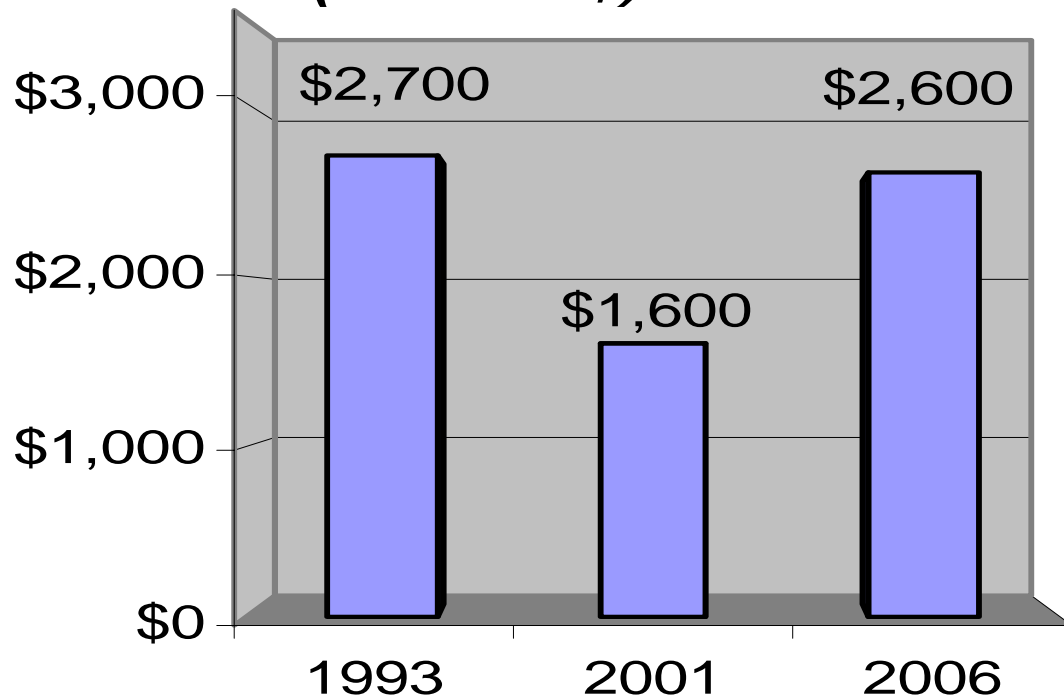
- New York's utility spending on energy efficiency programs peaked in 1993 at nearly \$300 million, but declined to under \$100 million in the mid - nineties.
- From the late seventies to March 1995, the New York State Energy Office also offered an impressive portfolio of programs.
- In 1998 New York funded a System Benefits Charge (SBC) program.

SBC in New York- An Overview

- Annual funding is currently \$175 million.
- Statewide program administration -- New York State Energy Research Development Authority (NYSERDA).
- The program portfolio features initiatives to serve virtually every sector. Also an impressive R&D effort.

New York 's Spending Mirrors the National Trend

Figure I -- U.S. Spending on Energy Efficiency - Selected Years
(million \$)



Evaluation is Critical

Why is “Getting it Right” Important to Regulators?

- **Protect ratepayer/taxpayer interests.**
- **Help secure a reliable and fairly priced supply of electricity.**
- **Monitor environmental benefits.**

Evaluation Results From Bill's House

- My Tide Coldwater detergent can save up to \$65 a year in hot water costs.
- My programmable thermostat can save 10-30 percent of my energy costs.
- My CFL will last up to seven years and save me around \$50.00 on my electricity bill.

A True Story

- **Can we believe the results from Bill's house?**
- **Let's look at a real example from the world of evaluation.**

First A Few Terms...

- **Free rider** -- a program participant that would have, at least to some degree, taken the same action promoted by the program even if there were no program.
- **Net-to-gross** -- gross energy savings of a program are adjusted to reflect the negative impacts of free ridership and sometimes the positive impacts of "spillover."

A Flashback from 1989: Free Rider Questions

- **“Would you have purchased that particular high efficiency unit without the rebate offer?”**
- **“Did the availability of the rebate have any influence on your decision to purchase any of the technologies listed?”**

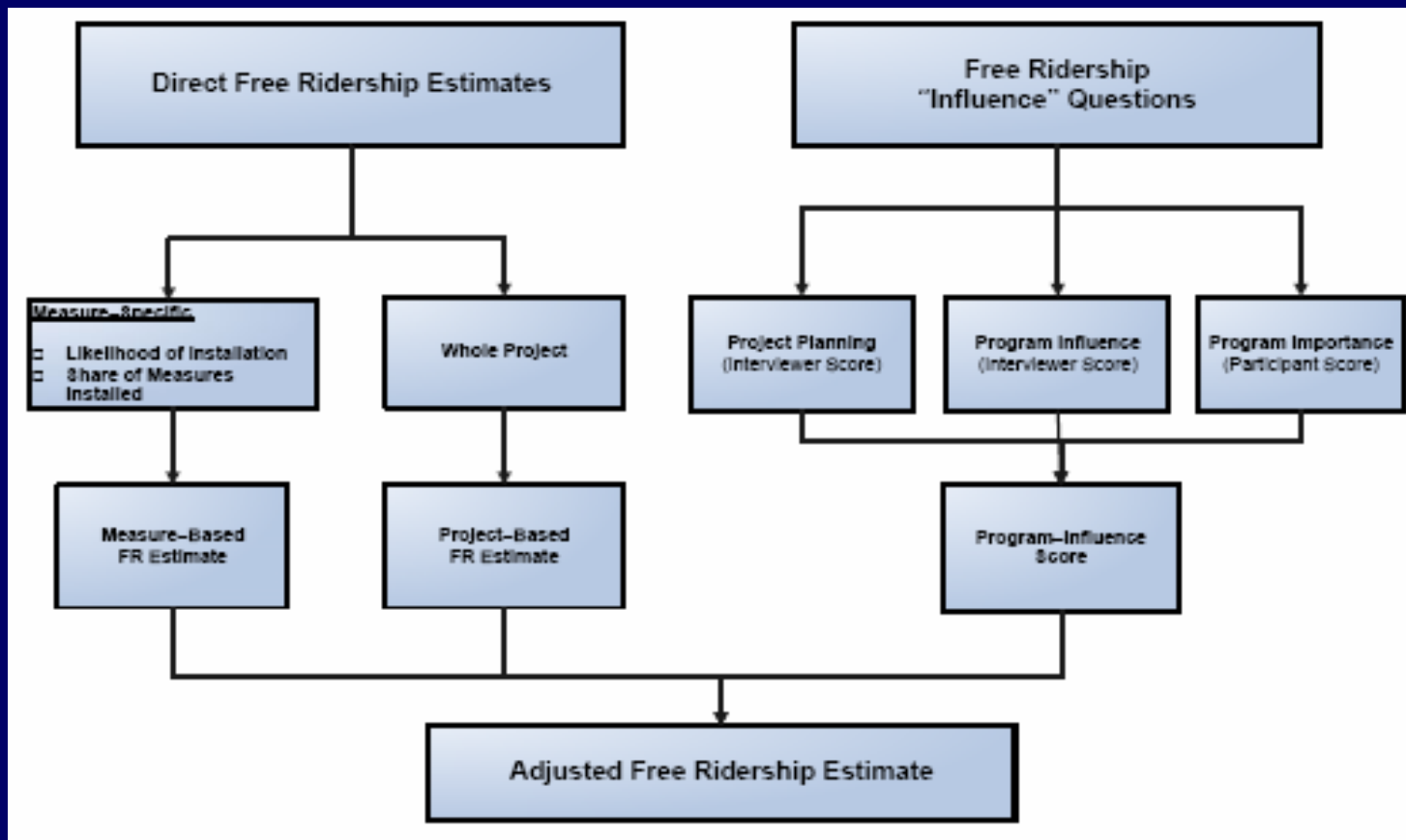
Answers

- Yes
- Yes
- How can that be?

Back to the Future

- **How does NYSERDA's evaluation team handle free ridership?**
- **NYSERDA employs a multi-question survey approach that has evolved from their own experience and insights from similar research in other states.**
- **Multiple questions, cross checks and weighting of responses = higher accuracy.**

NYSERDA Free Ridership Analysis



NYSERDA Evaluation Approach– Let's Talk

- **Expertise --Multiple evaluators from around the country–new ideas, best practices.**
- **Comprehensive -- logic models to measurement & verification... evaluate the evaluators.**
- **Oversight – Department of Public Service, SBC Advisory Group.**
- **Transparent--- thousands of pages of evaluation reports publicly available - www.nyserda.org**

What's New?

- **Boom times for energy efficiency!**
- **New programs everywhere!**
- **New York has some exciting news!**

The PSC Instituted an Energy Efficiency Portfolio Proceeding on May 16, 2007

- Case 07-M-0548 – Proceeding on the Motion of the Commission Regarding an Energy Efficiency Portfolio Standard.**
- Order concludes that reducing electricity usage by 15% from the forecasted 2015 level a desirable goal.**
- Natural gas energy efficiency will also be addressed.**
- This is one of the most aggressive energy efficiency initiatives in the nation.**

Energy Usage in NY Has Been Increasing

- From 2004 to 2005, New York's electricity sales increased 1.3% and natural gas end-user consumption increased 2.2%.
- Electricity consumption is projected to increase about 1.3% per year through 2015.
- At current trends, by 2015 electricity energy usage is estimated to top 183,000 GWh annually, nearly 13% higher than current levels.
- Achieving a 15X15 goal would bring electricity usage in 2015 to a level below that in 2006.

Some Relevant Questions

- **What are the best methods for ensuring transparent and technically sound methods for evaluation of program energy savings (gross and net), non-energy benefits (e.g., economic, environmental) and program performance and administration?**
- **From an evaluation standpoint, how do we deal with diverse programs implemented in a diverse state?**
- **How do we balance evaluation costs and data reliability?**
- **How do we best communicate the results?**

Next Steps

- **One of four working groups in the EPS Proceeding is focusing on responding to these evaluation questions and issues.**
- **Can we trust the data? -- A regulatory dilemma.**

Contact US

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