

The Dialectic of Large-Scale Transformation

Val Jensen

Senior Vice President

Commonwealth Edison

1.3%

1,091 GWh

\$202M

Dialectic (also **dialectics** and **the dialectical method**), from Ancient Greek διαλεκτική, is a method of argument for resolving disagreement that has been central to European and Indian philosophy since antiquity. The word *dialectic* originated in ancient Greece, and was made popular by Plato in the Socratic dialogues. The dialectical method is discourse between two or more people holding different points of view about a subject, who wish to establish the truth of the matter guided by reasoned arguments



The first Market Transformation Symposium

small is beautiful

a study of economics
as if people mattered

EF Schumacher



Earth Day - 1970

Mass Movement Begins

In New York City, thousands of people converged in the warm Spring sun on the East River. The 1.5-mile-long parade along the East River waterfront was the largest of its kind. It was April 22 - Earth Day in New York City. The parade was organized by Sen. Frank P. Taylor and U.S. Representative Arthur Levitt, who was in charge of the police on the scene, observed:

"Everyone's Beautiful"
"Everyone's beautiful. Just look at them. We're actually enjoying it. It's beautiful. Earth Day was observed all America - over Lake Michigan, with a Spanish reception and a reading of the last chapter of the Book of Genesis with an epilogue to God say 'man's work is done'."

Thousands Marched
In Greensboro, N.C., in Atlanta, Ga., and in Miami, Fla., thousands marched in demonstrations for a clean environment. "The Governor of Maine called for the Earth Day commitment to be 'to study, teach, act,' and the mighty Chicago Tribune observed sarcastically that other demonstrations on the city's behalf, new Civic Center Plaza, 'there was an eerily letter following in its wake.'"

A new movement had begun, and a new era of environmentalism was being born. It was a time when the nation's business and industry leaders were beginning to realize that the environment was not just a luxury, but a necessity for the future.



Special Legislation
During April, the state legislatures of Massachusetts and the House of Representatives passed legislation on the environment and the Interior Department. The legislation aimed at protecting, preserving and restoring the natural resources of the United States. Scientists, ecologists, artists, philosophers, educators and political leaders gathered and small meetings that there was a need for the world and that all men had a responsibility to themselves and to leave a better world for their children.

500 Invitations
Senator Nelson, who received over 500 invitations to speak at Earth Day observances, described the national teach-in as "educational and successful" in their educational value, but warned that Earth Day



SOFT ENERGY PATHS

TOWARD A DURABLE PEACE

AMORY B. LOVINS



HARPER GOLDENHORN BOOKS / CN 603 / \$2.95

Time to Choose:
America's
Energy Future

Ford Foundation



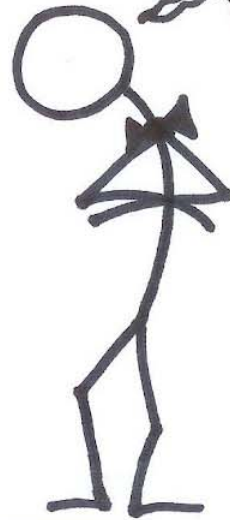
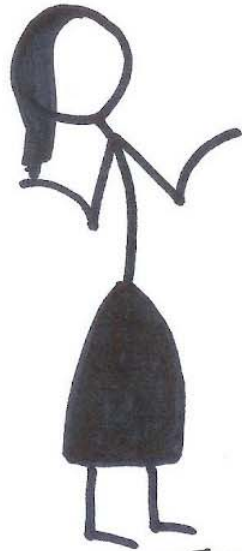
What prompted the first Market Transformation Symposium?

Rev Req = Exp + ROE(Rate Base)

Price = Rev Req/Estimated Sales

Rev = Actual Sales * Price

I DON'T SEE THIS
RELATIONSHIP'S
DIALECTIC
GOING ANYWHERE.



BECAUSE YOU'RE NOT
REASONABLE...

Figure 1 US and Canadian DSM Program Budgets—Gas and Electric Combined (2009–2013)

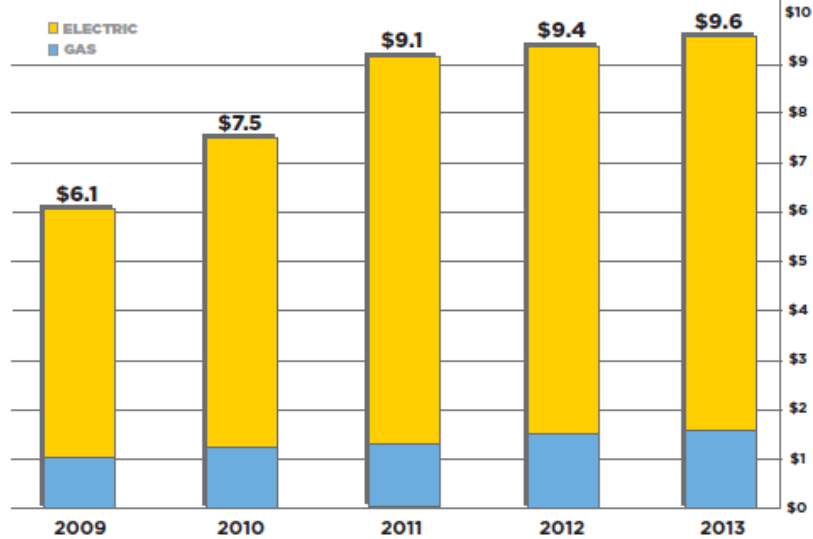
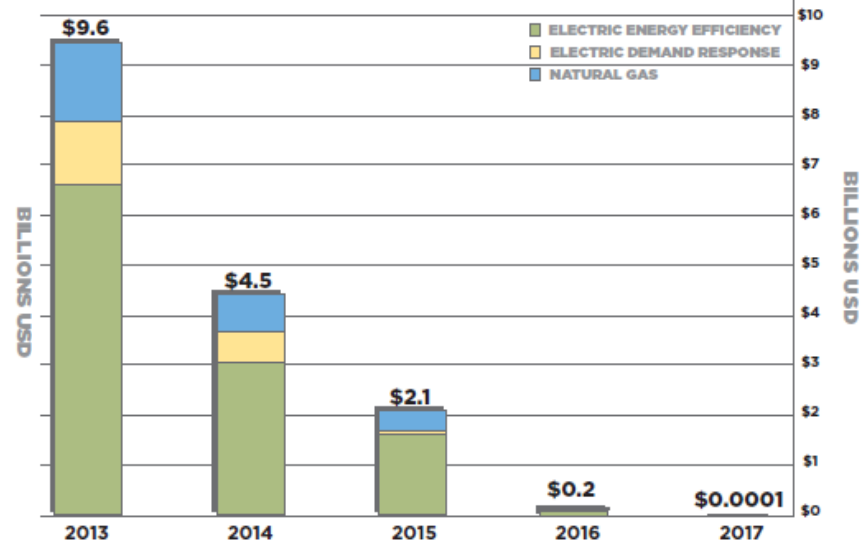


Figure 2 US and Canadian Future Program Funding (Estimate) (2013–2017)



Consortium for Energy Efficiency, *Annual Industry Report: 2013 State of the Efficiency Program Industry*, March 24, 2014

Ohio becomes first state to reverse energy efficiency, renewable fuel mandates...RT.com

Gov. Pence Lets Indiana Energy Efficiency Program Die...Thinkprogress.org

Florida Utilities Move To Slash Energy Conservation Programs...Thinkprogress.org

Iowa regulators OK cutbacks to Alliant efficiency program...Utilitydive.com

Elements of the synthesis

1. We will move away from a commodity-based business/revenue model
2. We will treat efficiency as an opportunity to create value for customers, and not as an obligation
3. We will recognize that all consumer-centered EE is behavioral
4. We will mature in our approach to evaluation
5. We will take much greater advantage of the wealth of market-led innovation
6. We will eliminate gas-electric distinctions

