

Transforming Utility Energy Efficiency Strategies Through Regulatory Opportunities

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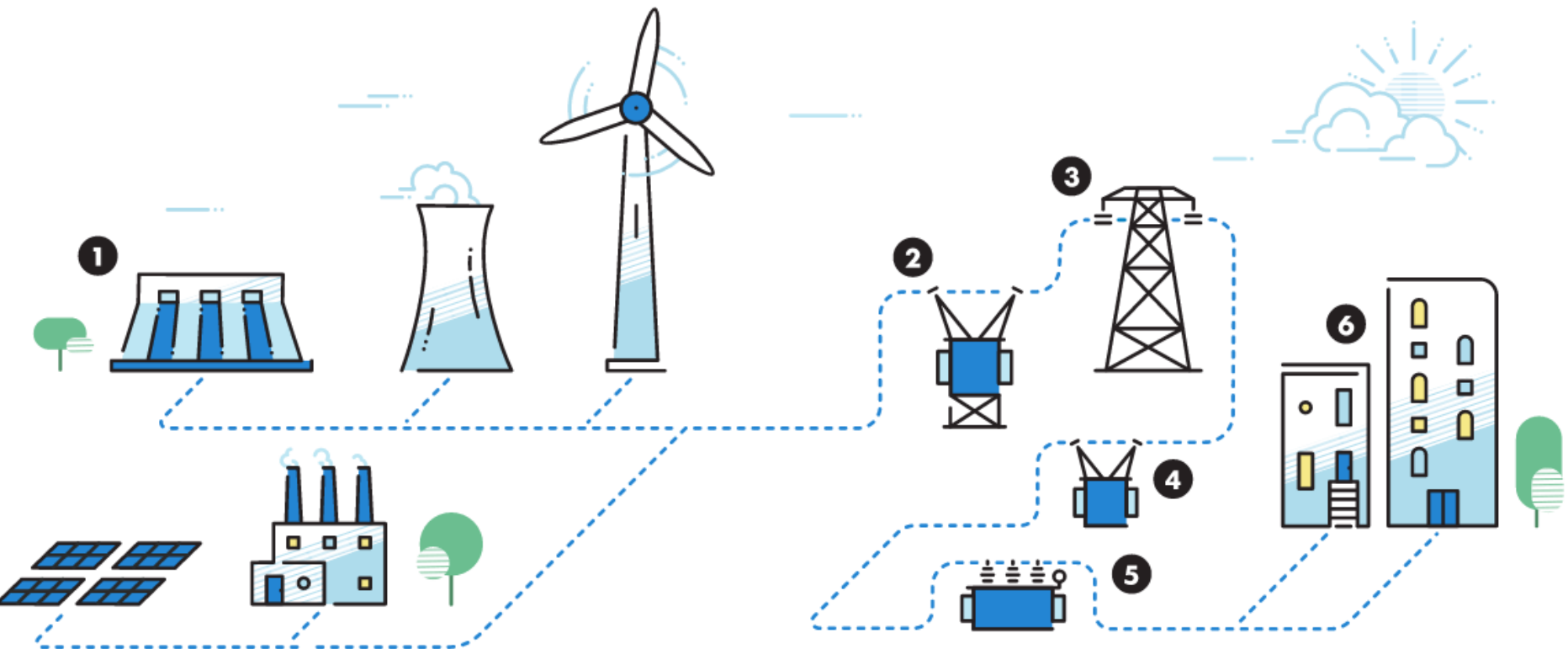
ACEEE

Our Industry is Changing



Source: shutterstock via inhabitat.com

From a Traditional Model



To a Cleaner and Sustainable Model



New York State: 50% Renewable by 2030

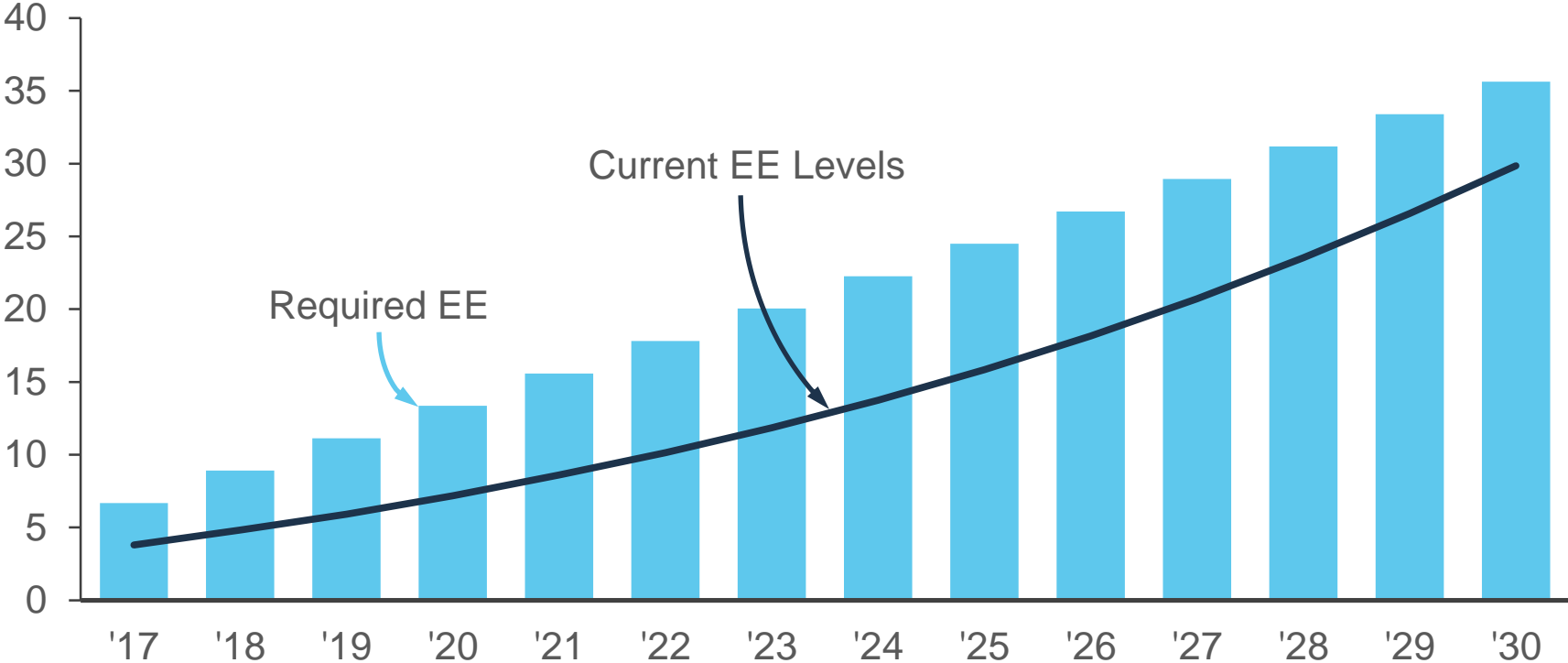


Source: Flickr

Significant Energy Efficiency Required

Energy Efficiency Assumed in NYS Renewable Goal vs Current EE Efforts

TWh Energy Efficiency

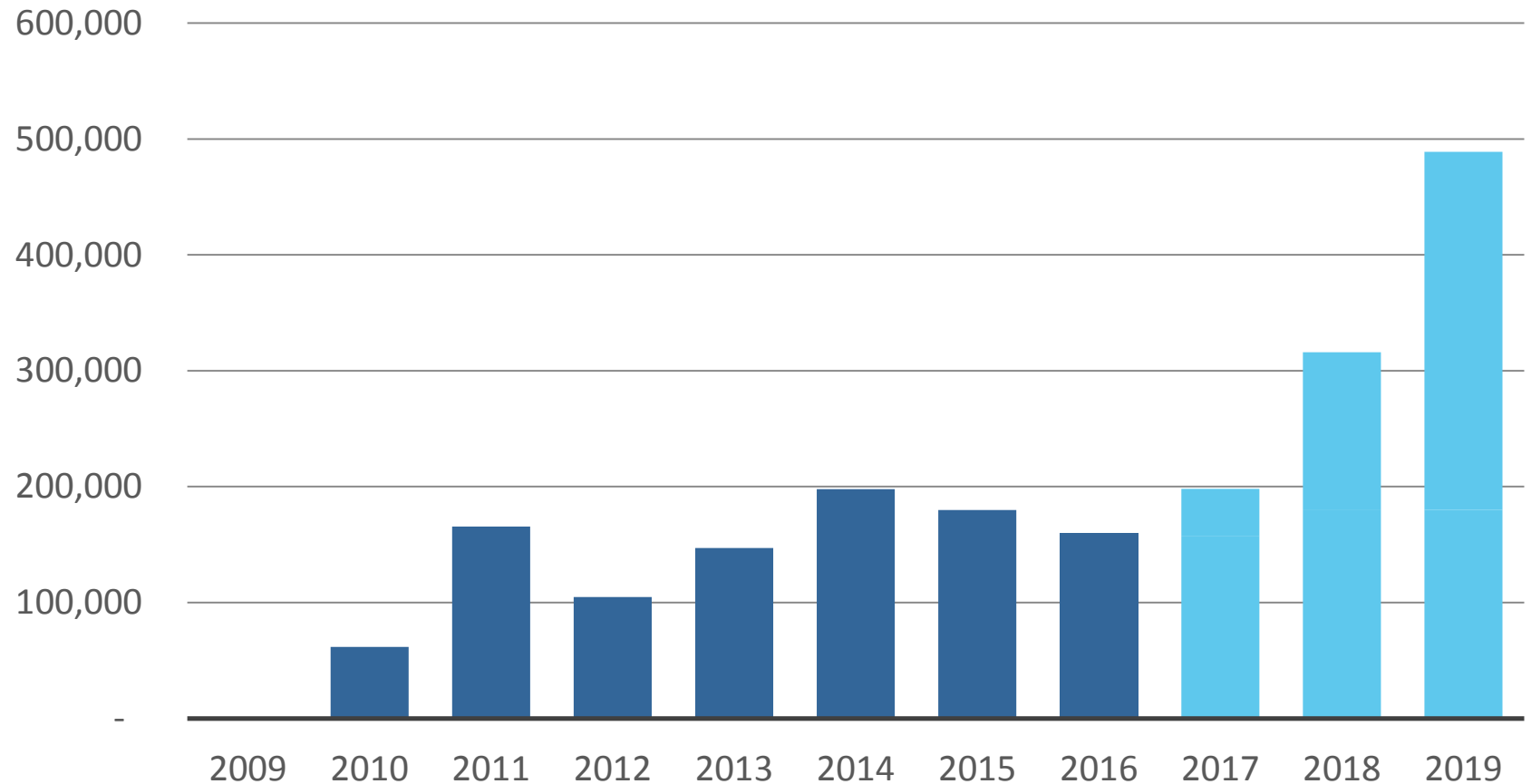


Source: CES whitepaper; Con Edison analysis

Delivering Policy Objectives

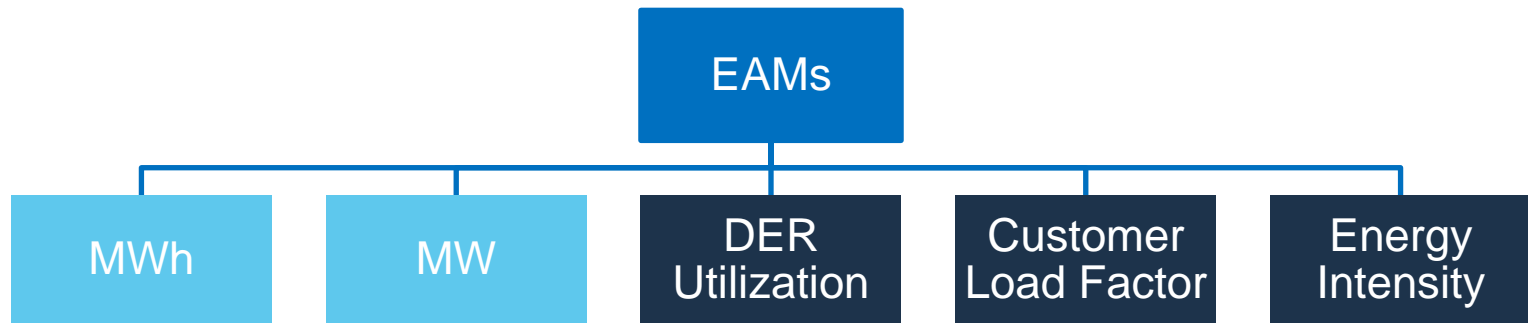
We will double energy efficiency savings over three years

Energy Efficiency Savings (MWh)



Innovation Through Performance Incentives

- 5 Earnings Adjustment Mechanisms (EAMs):



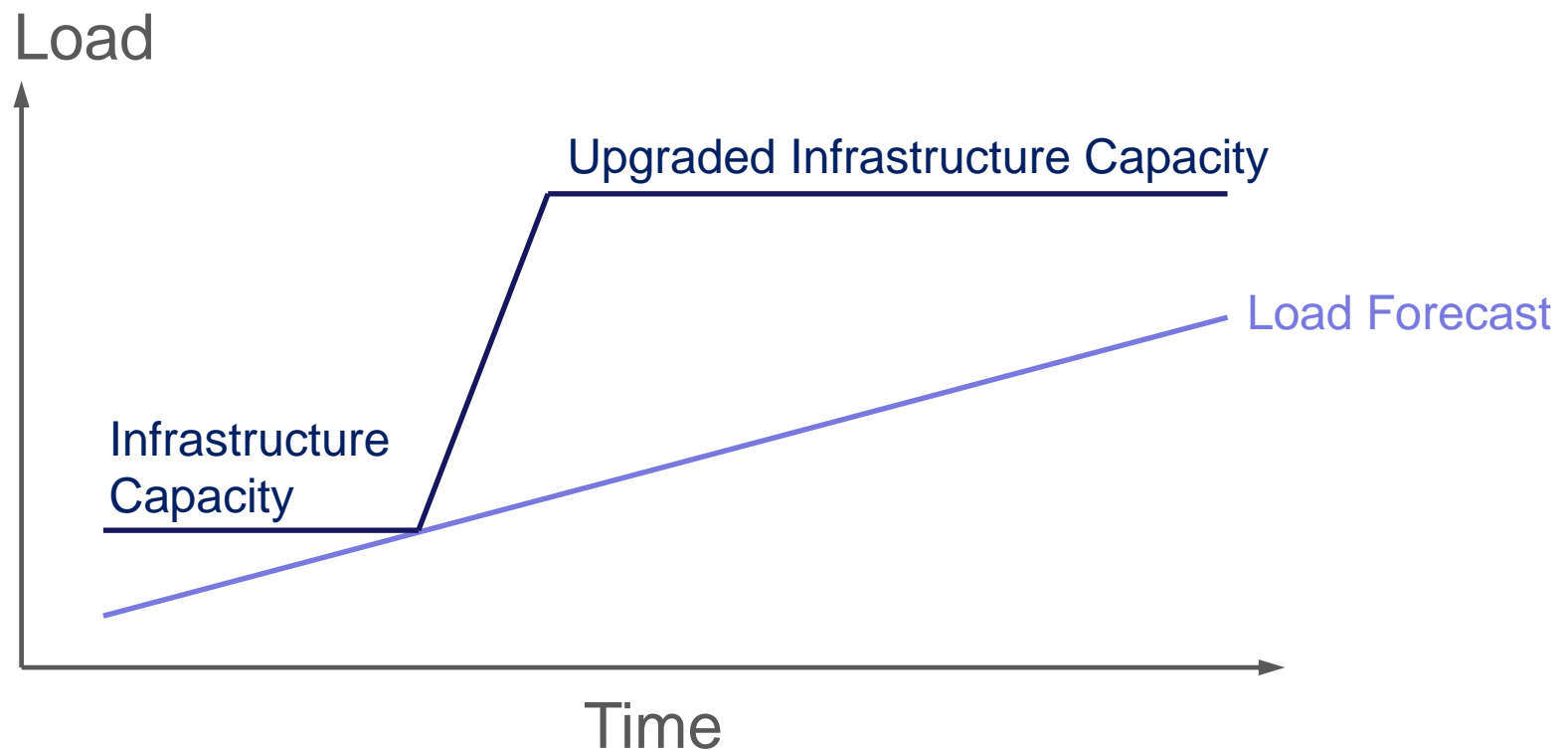
Enhancing Customer Experience



Source: Business Insider

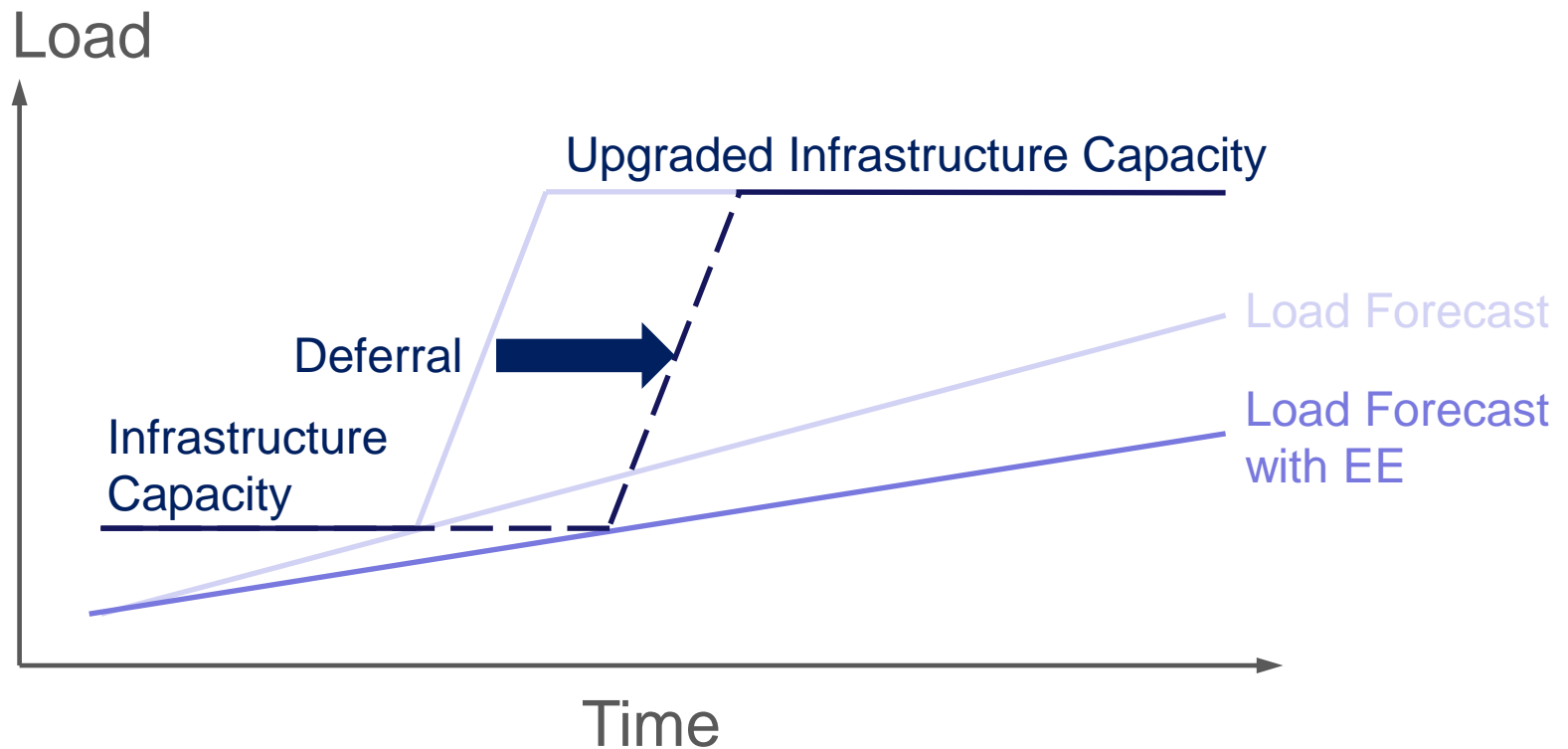
Meeting Operational Needs with Energy Efficiency

- Traditional distribution engineering approach: build capacity based on forecast



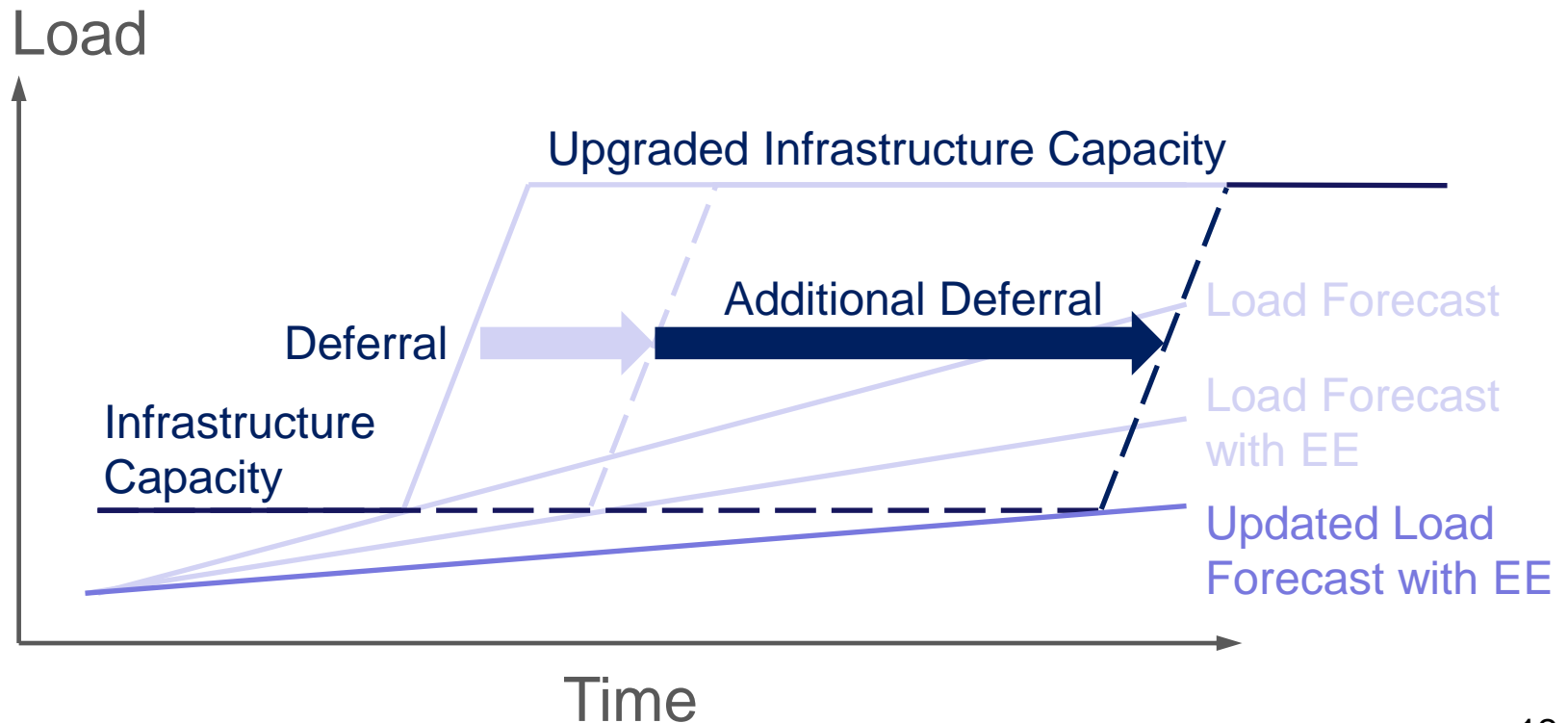
Meeting Operational Needs with Energy Efficiency

- Non-wires alternative (NWA) approach: lower forecast through customer energy efficiency to defer upgrade



Meeting Operational Needs with Energy Efficiency

- NWA BONUS: Deferral yields flexibility in face of potentially changing forecasts

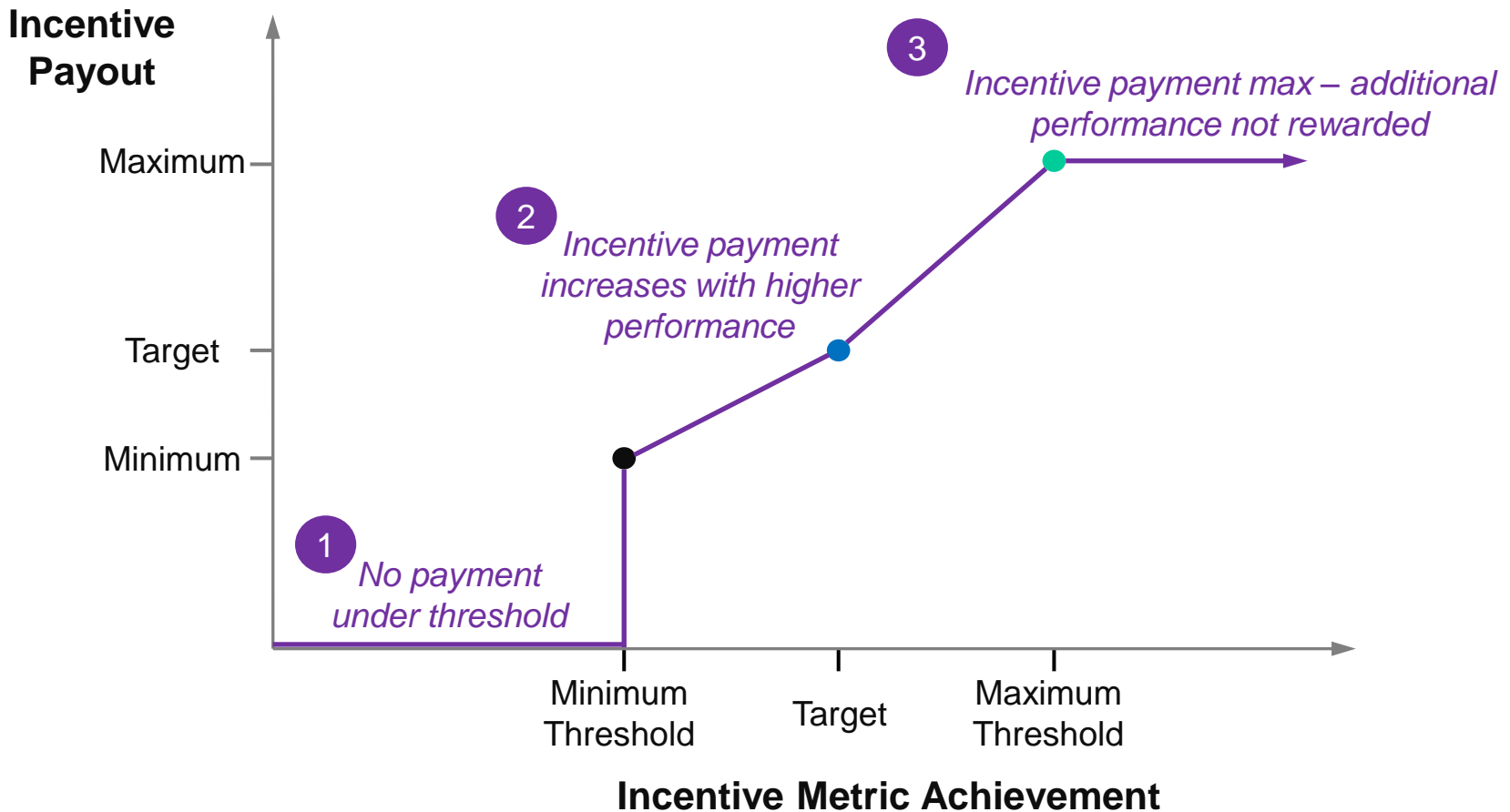


Thank You!



Appendix

Incentive Mechanics



Understanding the Incentives

DER Utilization

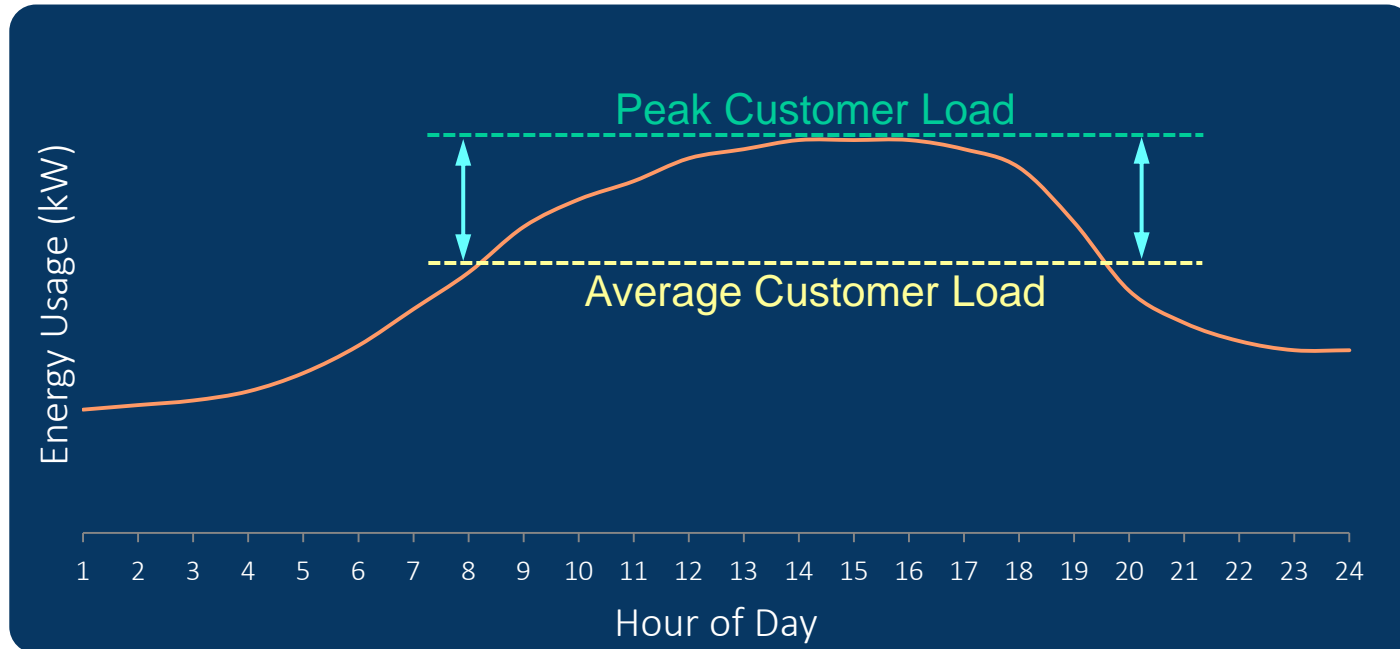
- DER Utilization promotes the penetration of DERs
- Measured in MWh (based on standard capacity factors)

Technology	Measurement
Solar PV	Production
CHP	Production
Fuel Cell	Production
Battery Storage	Discharge and Consumption
Demand Response	Reduction
Thermal Storage	Consumption
Heat Pump	Consumption
Electric Vehicles	Consumption

Understanding the Incentives

Customer Load Factor

$$\text{Customer Load Factor} = \frac{\text{Average Customer Load (MW)}}{\text{Peak Customer Load (MW)}}$$



Understanding the Incentives

Energy Intensity

