## COMPARING ENERGY EFFICIENCY, RENEWABLE ENERGY, AND GENERATION

#### ACEEE Energy Efficiency as a Resource, September 26, 2011

David Juri Freeman Lisa A. Skumatz, Ph.D. Skumatz Economic Research Associates, Inc. 762 Eldorado Drive, Superior, CO 80027 303/494-1178 email: <u>skumatz@serainc.com</u> ©SERA2010, Internally fundedE

## TOPICS

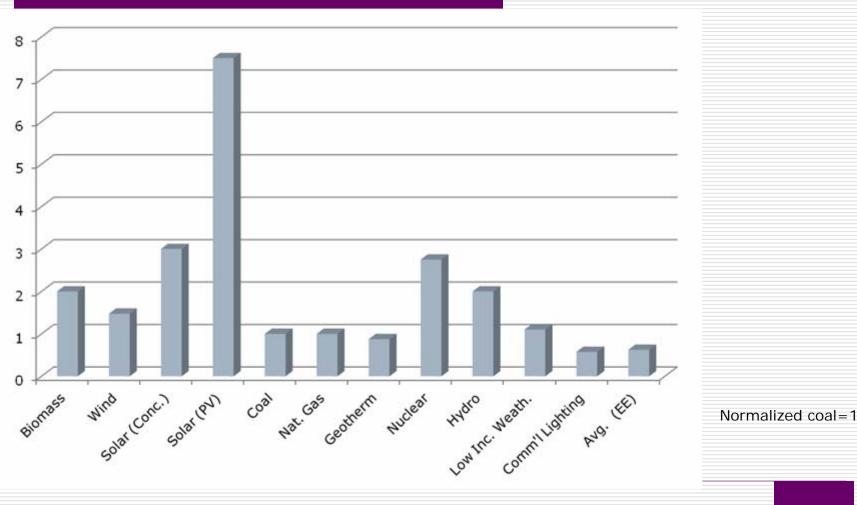
- What we know already
- GHG emissions
- Programs analysis
  - Normalized results
- Other considerations
- Implications



# ... if cost per kWh were the only consideration.



## **RELATIVE COST PER kWh**



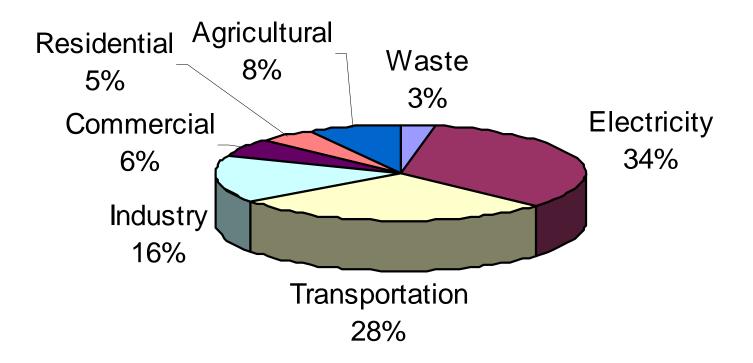
Source: ACEEE, NRDC, SERA, and others



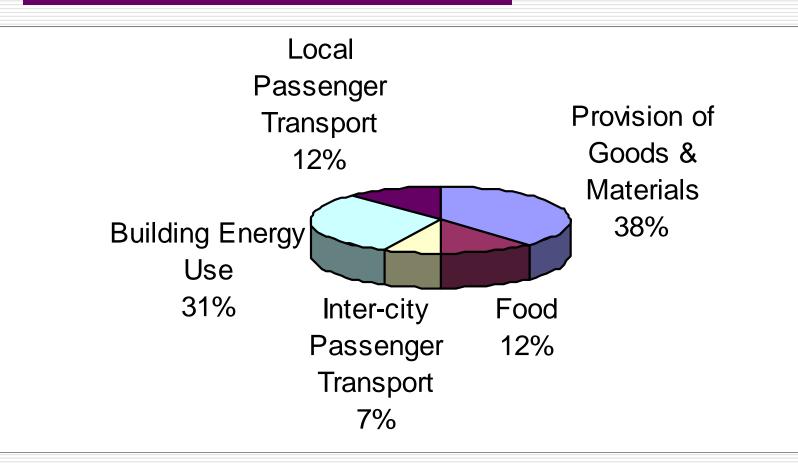
..... at least partly...

## US GREENHOUSE GAS EMISSIONS SOURCES -CONVENTIONAL

Electricity, building energy use responsible for about 1/3 of GHG emissions



## US GREENHOUSE GAS EMISSIONS SOURCES -REVISED



Source: USEPA 2009

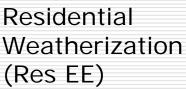
## GOAL – REDUCE MTCE

- Historic takeaways
  - Prioritized actions in energy efficiency (E) transportation
- But are all kWh equal? On what terms?
  - cost hierarchy?
  - other factors?
    - ...Move beyond B/C ratio



## ENERGY PROGRAMS ANALYZED





#### Commercial Lighting (Coml EE)

1111

#### Wind

#### Solar



## ANALYSIS STEPS

- Data on costs, energy savings, peak & base generation fuels, other
- Modeled
  - associated MTCE, MTCO2e) emissions reductions (base case "generation")
  - job creation, output impacts (same base case)
- Computed costs / MTCE, jobs / MTCE
- Results "normalized" for policy focus
- Purpose NOT to highlight / criticize specific programs...



## **RELATIVE COST PER MTCE**



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## COST / MTCE RESULTS

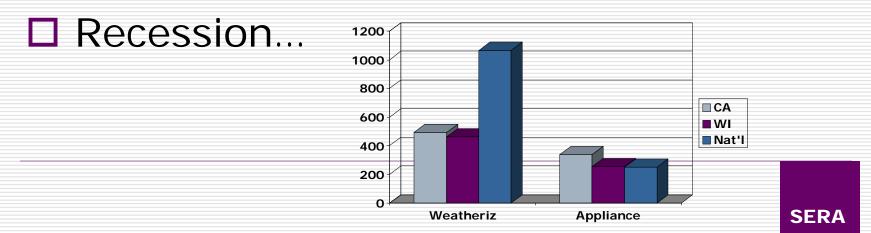
- EE programs are relatively cheaper per MTCE
- Variations from:
  - Program costs
  - Local generation mix
- Does anyone care about GHG- What matters now?



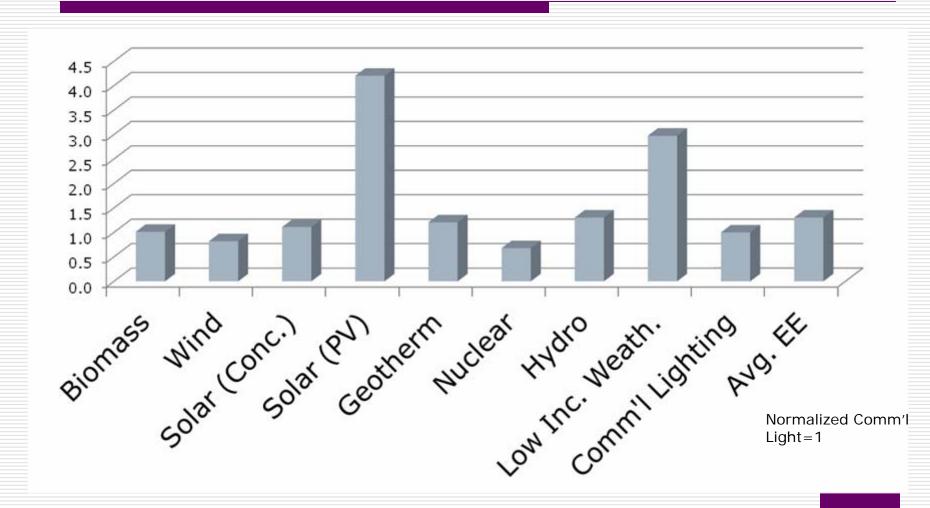


## JOB CREATION ALSO DIFFERENTIATES PROGRAMS

- Direct install, broad programs create more jobs
- □ Fewer jobs from appliance programs
  - No installation
  - Equipment not all made in US or the relevant state

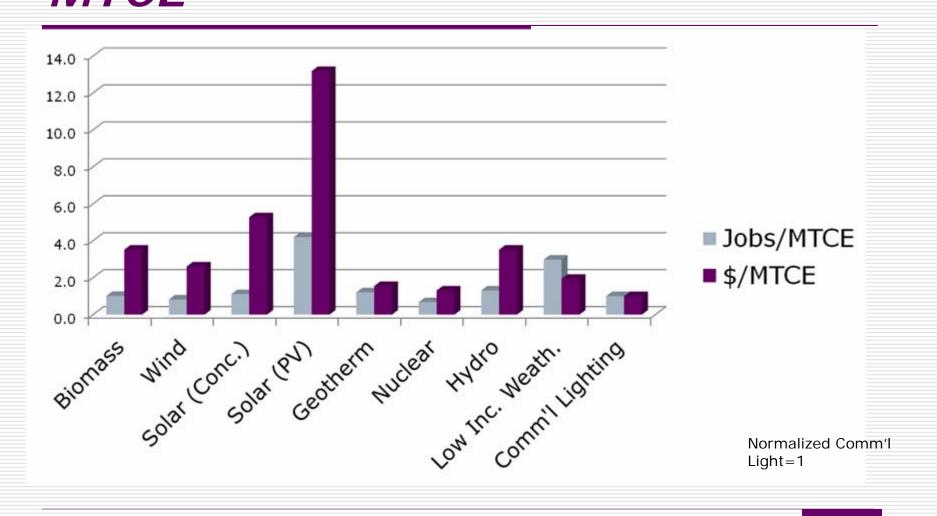


## **RELATIVE JOBS PER MTCE**



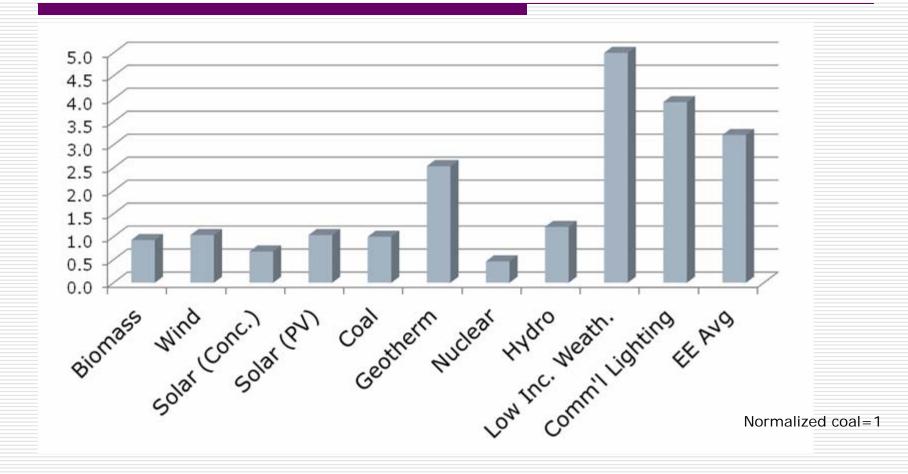
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### *RELATIVE COST & JOBS PER MTCE*



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### RELATIVE COST JOBS / \$1M



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## OTHER PERSPECTIVE / CONSIDERATIONS

City / County point of view...

## MULTIPLE WAYS TO ACHIEVE GHG REDUCTIONS

Cities / counties may also consider recycling, transportation, other strategies

Conducted similar analysis of recycling programs

## **PROGRAMS MODELED**

#### □ Solid waste:

- 1. Pay-as-you-throw (PAYT)
- 2. Residential curbside recycling (CS Recy.)
- 3. Yard waste (composting not AD)

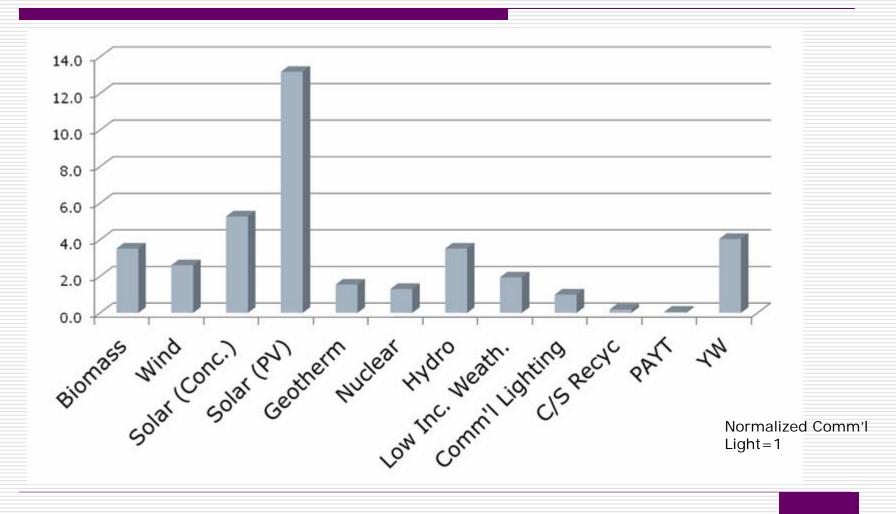




## **CALCULATION APPROACH**

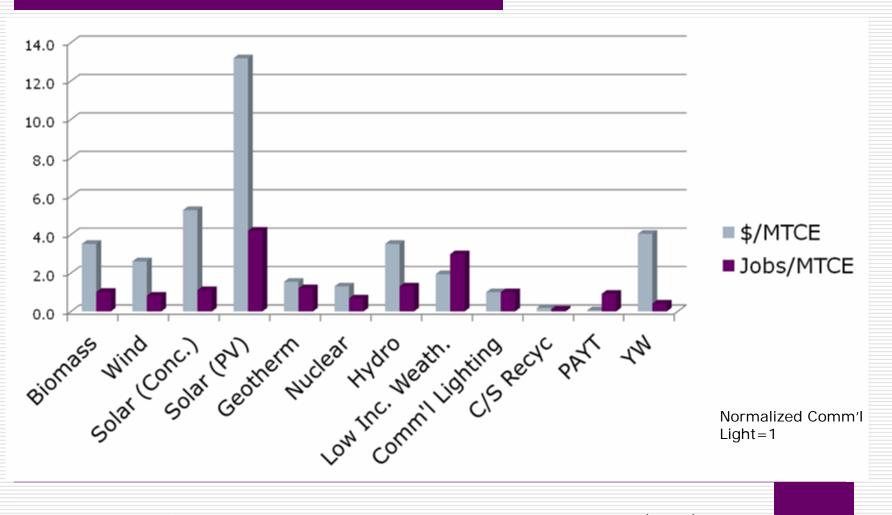
- Collected data on impacts and costs
  - Tons
  - kWh
- GHG
  - Modeling approaches
  - Base (landfilling)
- Results "normalized" for policy focus

### **RELATIVE COST MTCE**



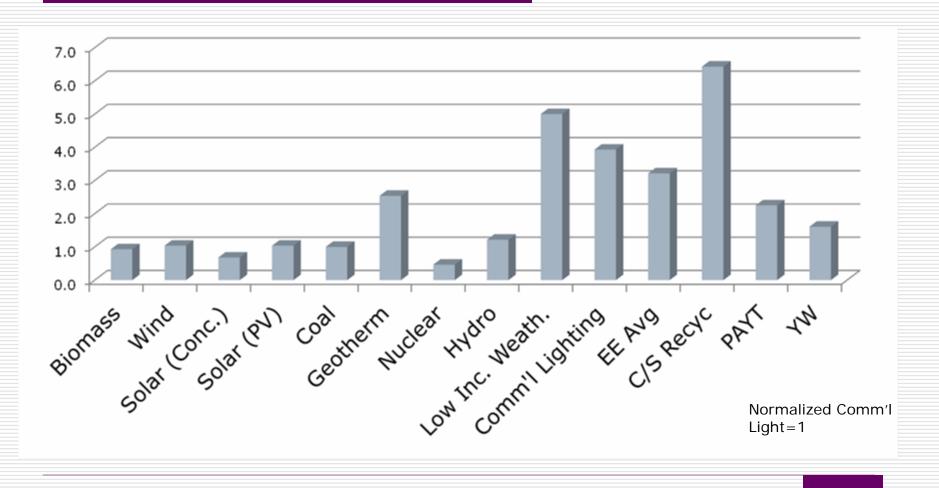
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### RELATIVE COST, JOBS PER MTCE FOR RECYCLING & ENERGY



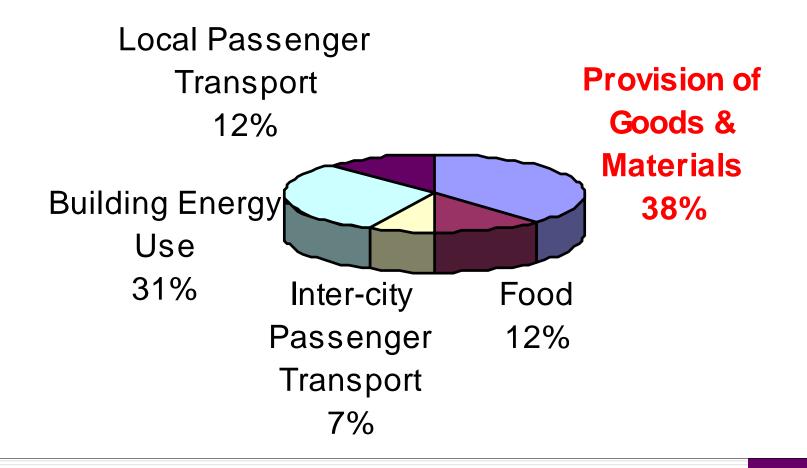
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### RELATIVE COST, JOBS PER MTCE FOR RECYCLING & ENERGY



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## US GREENHOUSE GAS EMISSIONS (REVISED)



Source: USEPA, from Allaway (ORDEQ)

## OTHER PROGRAM CONSIDERATIONS

Do you really think we'll save any money with those new EFFICIENT lightbulbs?

## How do behavior based programs stack-up

I dunno. Did we tum off the lights?

## CONCLUSIONS / IMPLICATIONS

## CONCLUSIONS / IMPLICATIONS

- Other considerations
  - Generation mix, region, ramp-up, behavior, EUL
- GHG objectives
  - Move beyond B/C and consider optimization
- Measurable, variable results for different programs
  - GHG,
  - Job performance

## **CONTACT INFORMATION**

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