



# Energy Efficiency as a Resource

ACEEE Panel Discussion

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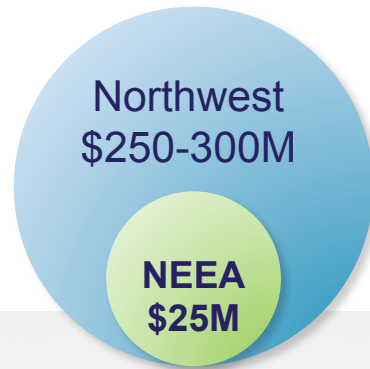
NORTHWEST ENERGY EFFICIENCY ALLIANCE

# Northwest Spending on Energy Efficiency

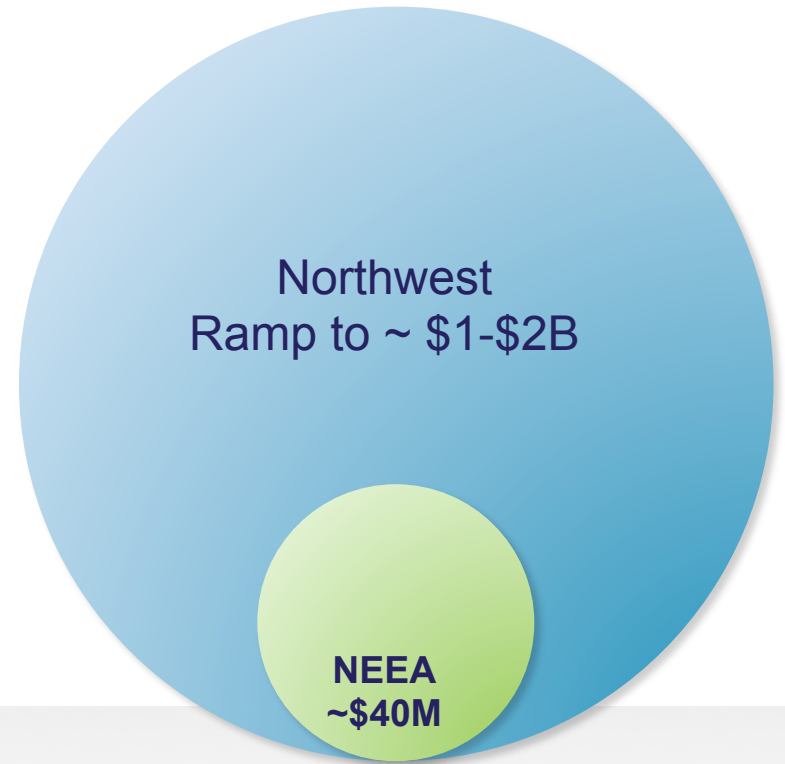
NEEA funding doubled in 2010



**1995**  
Deregulation



**2005-2009**  
Codes and standards accelerate  
climate change awareness

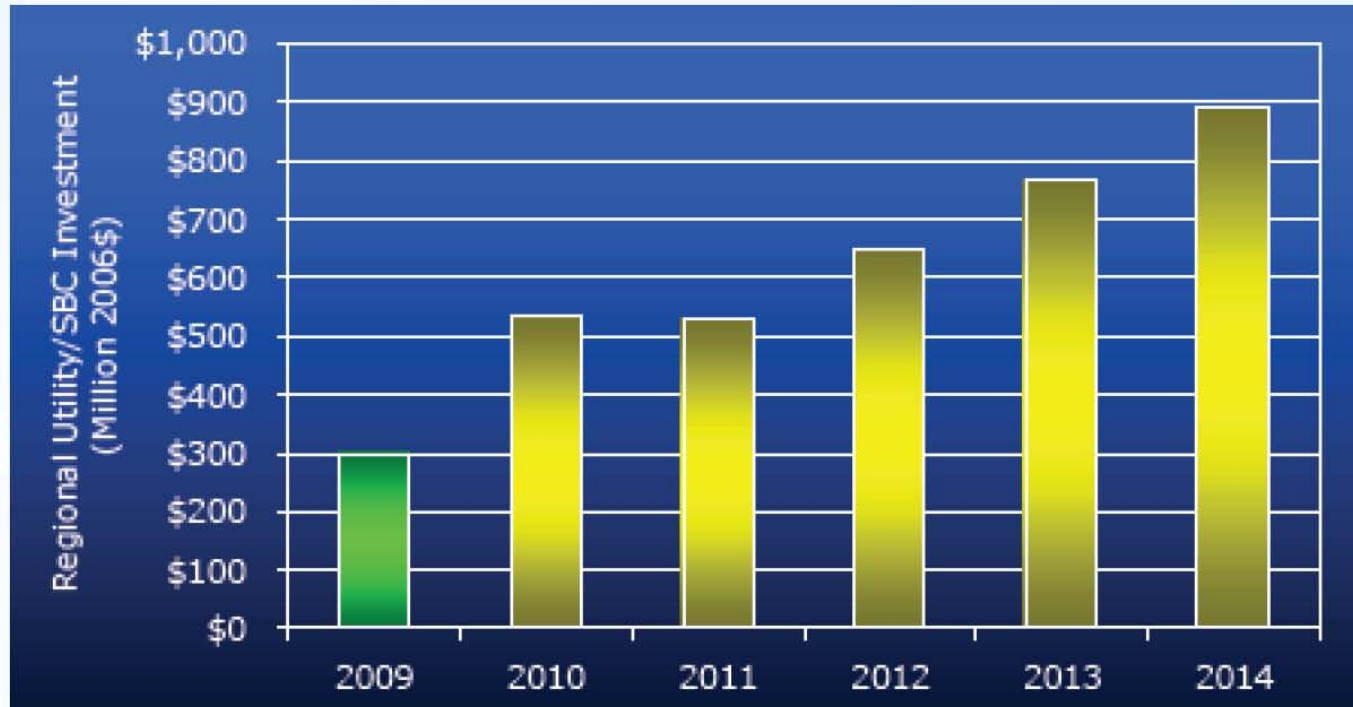


**2010-2014**  
Economic challenge  
Climate change  
Increased EE investment  
and awareness

# Utility Investment in Energy Efficiency

## Northwest 6<sup>th</sup> Power Plan

- Increase efficiency spending 2-3X



Source: Tom Eckman, Northwest Power and Conservation Council

# Energy Efficiency Opportunities and Threats

## Opportunities

- Large sources of capital investment in the commercial sector (Deutsche Bank, US Bank) (with barriers)
- DHPs
- HPWHs
- Consumer Electronics

## Threats

- Declining marginal market prices for electricity; increase in confidence in gas supply
- Growth in spending on energy efficiency has increased attention and regulatory scrutiny



# Energy Efficiency as a Resource in the Northwest



- 85% (52.5M MWh) of new demand for electricity over the next 20 years can be met with efficiency
  - *Northwest Power and Conservation Council*
- NW Power Plan projects we can save 10.5M MWh of electricity thru 2014
- Investing in NEEA's work has created a virtual power plant that saved 707 aMW for the region since 1997
- NEEA Savings Goals:
  - 200 aMW (2010-2014) (1.7M MWh)
  - 550 aMW (2010-2019) (4.8M MWh)



# Advances in the Northwest

Idaho Commission included energy efficiency program funding in rate base

- Acknowledges energy efficiency the same as any other resource acquisition

Other commissions may follow suit

- Idaho, Oregon and Washington support all cost effective energy efficiency



# Advances and Innovations



NEEA in and of itself IS a regional initiative – unique in our region

- Voluntarily funded to \$38+ MM/year (2010-2014)
- 2010-2014 plan includes investment in emerging technologies and regional stakeholder support
- Examples:
  - Developed the region's first Northern Climate heat pump water heater
  - Conduit
  - **EFFICIENCY CONNECTIONS NORTHWEST**
  - Ductless Heat Pumps

# Biggest Challenges for EE

- Higher cost of efficiency (per kWh)
- Limited capital availability causes unhealthy competition between renewables and efficiency to meet RPS vs EEPS
- Not one clear “winner” for EE (i.e. CFLs) – the “ask” for the consumer is getting more complicated
- Current model around measurement and reward for utilities is convoluted





# Biggest Opportunities for EE



## Existing Building Renewal

- Significant interest in large capital organizations investing in retrofits
  - Example: Empire State Building

## Emerging technologies

- Project portfolio with an estimated 20-year potential savings of 300 aMW (2.6M MWh): Ductless Heat Pumps, Solid State Lighting, Heat Pump Water Heater

## Increased collaboration



# Biggest Opportunities for EE (cont.)

## C&I

- Behavior change and Strategic Energy Management

## Residential

- Consumer Electronics



# Questions & Comments

Filling the  
Energy  
Efficiency  
Pipeline

Accelerating  
Market  
Adoption

Delivering  
Regional  
Advantage



Thank You!

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