#### New York State's Energy Efficiency Portfolio Standard



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> ACEEE-Workshop on Evaluation of Non-Energy Benefits July 19, 2007



## 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 level where it otherwise would have been in 2015 is 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.

Achieving Aggressive Energy Efficiency Targets Has Numerous Benefits

- Forestalling the building of new generation.
- Reducing the use of finite fossil fuels.
- Lowering customers' energy bills.
- Reducing energy imports.
- Mitigating the environmental impacts of burning fossil fuels.
- Fostering economic development and jobs by encouraging in-state technology advances.

### The DPS Staff Team Is Preparing a Proposal For Comment

- The proposal will be a high level look focusing on program design and program delivery.
- Staff is gathering information about programs that are currently available and programs that have potential for significant energy efficiency savings.
- A list serve and web page have been established to allow information to be shared among all interested parties.
  - 25 questions were sent to parties responses due 7/11.

# Some Relevant Questions

- How should the expected benefits and costs of various design options be measured and compared?
- What externalities should be included and why?
- What expenditures or benefits should be characterized as transfer payments and perhaps excluded from the analysis? Why?

# More 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?
- Can we trust the data? -- A regulatory dilemma.

### **To Contact Us About the EPS Proceeding**

Visit our Web site:

http://www.dps.state.ny.us/Case\_07-M-0548.htm

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