

Working Together for Better Programs— DSM Collaborative Groups

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Agenda

First, some information.....

- An overview of DSM collaborative processes—Michele
- Today's Energy Efficiency Implementation Project (EEIP)—Therese
- The History and Evolution of the EEIP—Billy

Then, let the discussion begin!



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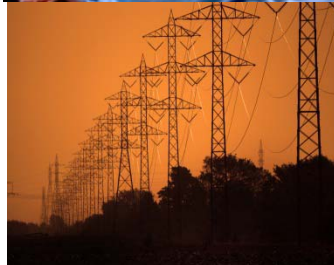
Primary Stakeholders



Utility Regulatory Bodies



**Consumer and Low Income
Advocates**



Utilities



**Environmental and Pro-EE
Policy Groups**



Additional Stakeholders

- Manufacturer/Industrial Associations
- Conservative Think Tanks
- Large Customers—Walmart, Freeport
McMoRan
- Deregulated Markets—Retail providers and
power producers
- Energy Efficiency Companies
- Contractors/ESCO's, Solution Vendors

Regulatory Collaborative Structures

- By Utility: Usually started to reach a settlement, often continues to meet
- By Issue: “Workshops”
- State-wide: Regulatory Commission Staff organizes, often with the help of an energy efficiency consultant

Energy Efficiency in Texas

Energy Efficiency Implementation Project

- Any interested party can request to join the EEIP
 - There are currently 342 subscribers on the EEIP listserv
- The listserv is used to distribute notices regarding deemed savings updates, new program offerings, and EEIP meeting agendas



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Structure

- Rulemaking formalized EEIP
 - Meetings held at the PUC—broadcast via TexasAdmin
 - May consider a regular schedule
 - Following energy efficiency plan and report (EEPR) filings, after energy efficiency cost recovery factor (EECRF) applications, and before and after legislative sessions

Role of EEIP

- Make recommendations regarding best practices
- Discuss modifications to programs, procedures
- Develop deemed savings estimates, program templates
- Determine the overall direction of the EE programs

Recent Meetings

- EE Summit
- EEIP Meeting for vendor presentations
 - Guidelines for presentation
 - Template for bringing new technologies to the Texas Market
 - Process and thresholds for getting energy efficiency conservation measures approved

Rule Changes to Functions

- All program design issues addressed by the EEIP
 - Includes launch of new programs
 - Procedural schedule includes Commission approval of program design changes by November 1st
 - Changes included in the next EEPR and EECRF filings

Functions

- Development/identification, discussion, and review of standard offer and market transformation programs
- Design of market transformation programs
- Determination of measures for which deemed savings are appropriate

Functions, continued

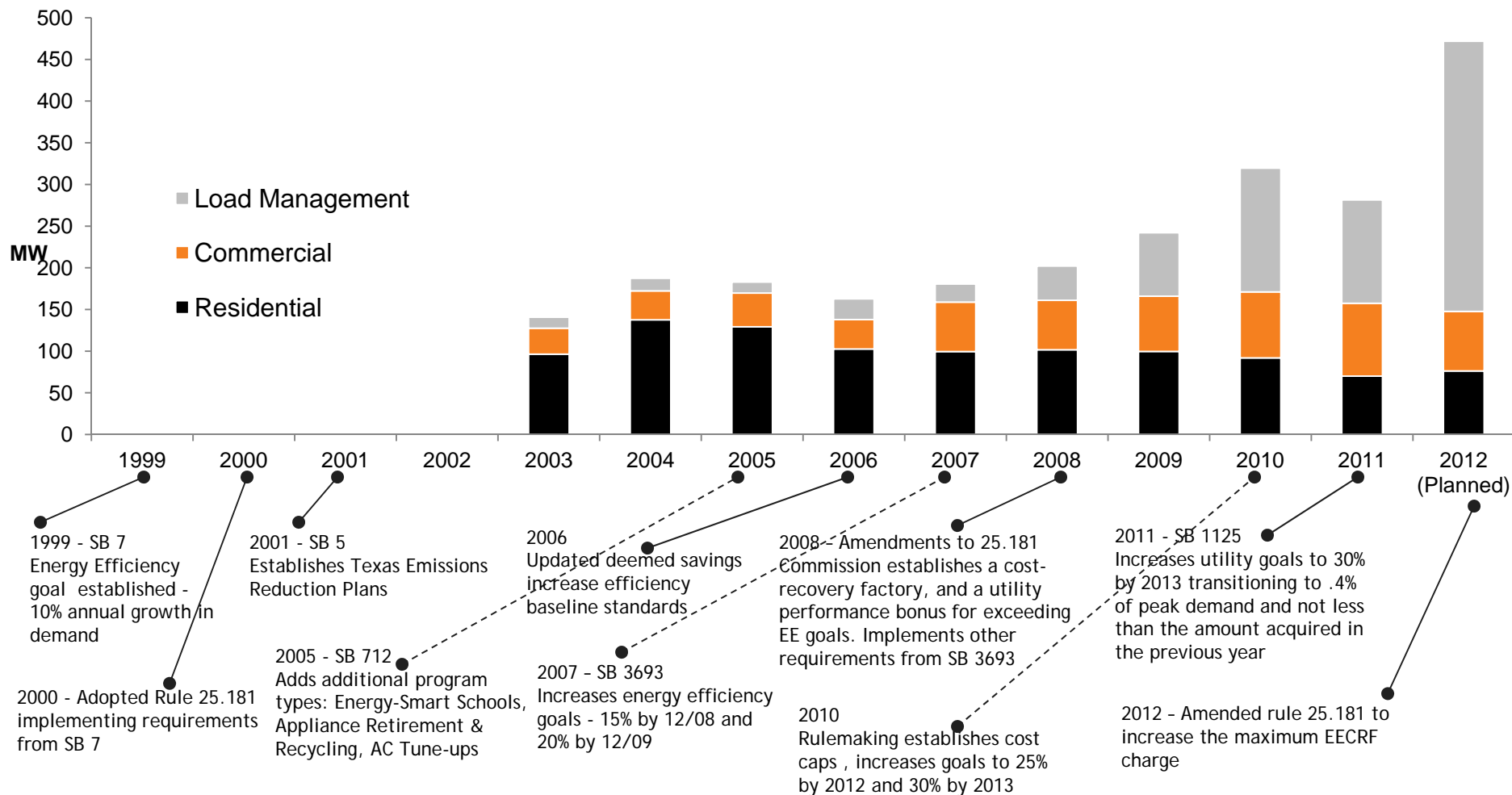
- Review of utility program portfolios and proposed energy efficiency spending levels
- Review of the cost-effectiveness methodology
- Other activities identified by PUC staff

The History of the Texas EEIP

- Initial effort was to be inclusive rather than exclusive (all 'perceived' stakeholders)
- Increased risk of non-contributors
- Initial efforts were 'geeky' issues (i.e., deemed savings values, eligible measures, etc.)
- Vehicle to inform & educate

Program Benefits (2003 - 2011):

- Total Utility Spend \$ 832M
- Avoided Cost of Generation \$2,366M
- Participant Bill Savings \$3,296M



Early EEIP Weaknesses

- Some stakeholders dropped out
- Special interest advocates were loudest
- Bulk of the work (& expense) was left to the utilities
- EEIP meetings were sporadic and infrequent
- EEIP unclear purpose and priorities

The Evolution of the Texas EEIP

- Additional clarity of purpose in recent years
- Transformation of stakeholder participation (i.e. engaged stakeholders)
- Greater commission staff guidance
- Broader range of pertinent issue topics
- Better vehicle to inform and educate
- Still have miles to go before.....

Discussion Topics

- Participants
- Successes and Accomplishments
- Obstacles to EEIP's Effectiveness
- Future Directions



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Lessons Learned

“It’s an evolution, not a revolution.”



- Clearly define objectives of collaborative groups
- Define membership in relation to objectives
- Establish clear processes and guidelines
- Be ready for continuous improvement!



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