

Governor's Energy Efficiency Update

VAEEC 2016 Spring Meeting

Thursday May 26, 2016

University of Richmond, Jepson Alumni Center

Presented by : Hayes Framme, Chief Energy Efficiency Officer

Commonwealth of Virginia

- **2016 Legislation: HB1053/SB395**
- **2016 Budget**
- **GEC Update**
- **Questions**

HB1053/SB395 – Utility Energy Efficiency Incentive Program

- **Eliminate Lost Revenue Recovery Mechanism**
- **Create Performance-based incentive program**
- **Develop Standard EM&V protocols**

HB1053/SB395 – Utility Energy Efficiency Incentive Program

Be it enacted by the General Assembly of Virginia: 1. § 1. That the State Corporation Commission (the Commission) shall evaluate the establishment of uniform protocols for measuring, verifying, validating, and reporting the impacts of energy efficiency measures implemented by investor-owned electric utilities providing retail electric utility service in the Commonwealth and the establishment of a methodology for estimating annual kilowatt savings and a formula to calculate the levelized cost of saved energy for such energy efficiency measures. The Commission shall promptly commence such evaluation following the effective date of this act and shall receive input from interested parties and the Department of Mines, Minerals and Energy. The Commission shall submit to the Governor and the General Assembly a report of its findings and recommendations by December 1, 2016.

SCC Docket PUE -2016-00022

Further, since evaluation and verification of energy savings of energy efficiency programs typically are measured against the projected savings included in cost/benefit analyses, the Commission is of the opinion that the Evaluation also should encompass the methodologies by which utilities calculate the components of the cost/benefit tests³ in proceedings requesting approval to implement energy efficiency programs. In particular, the Evaluation should consider: (i) whether the application of costs and benefits is consistent across utilities; (ii) whether consistent application of costs and benefits across utilities is necessary or reasonable; and (iii) whether the application of the cost/benefit tests can be improved by enhanced evaluation and verification protocols for estimating savings actually realized (collectively, "Cost/Benefit Questions").

SCC Docket PUE -2016-00022

Key Dates

- **May 25, 2016:** Deadline to submit comment
- **June 24, 2016:** Staff Report filed with Commission
- **July 12, 2016:** Public Session to Receive Comments*
- **December 1, 2016:** Commission report released

The Governor tripled the state-level appropriations for the Division of Energy

3 New FTE's:

- EE Finance Position
- EPC Technical Expert
- Clean Energy Policy Expert

Pilot Program Funding:

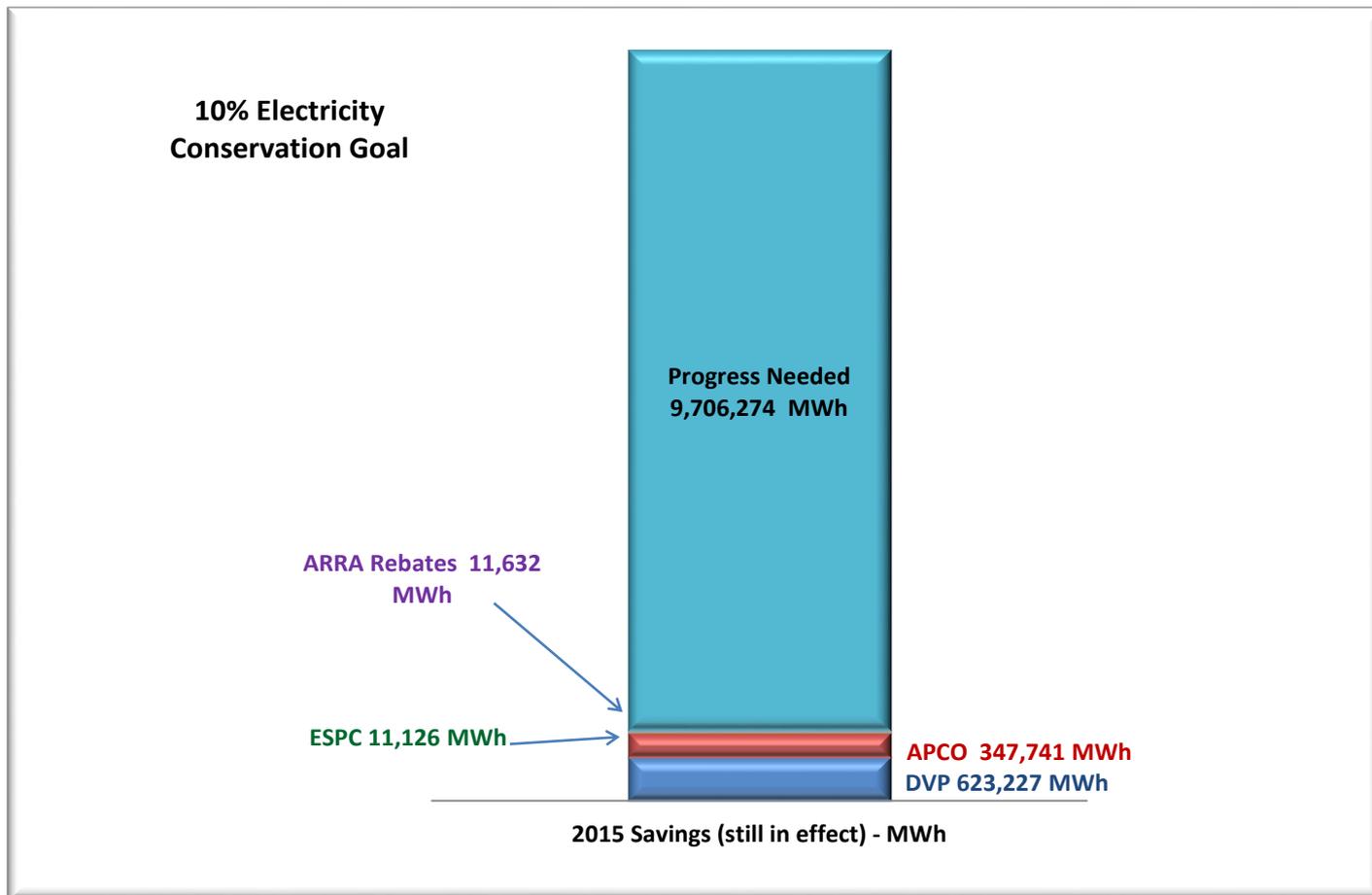
- State footprint energy tacking and management
 - \$275,000 per year
 - Test case fro tracking usage and developing interface

Purpose Summary

10% retail consumption reduction goal:

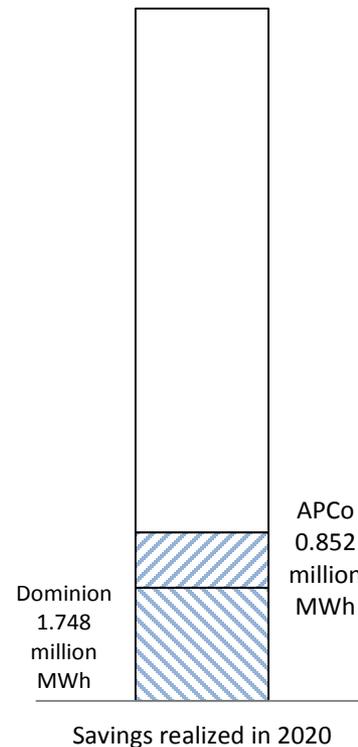
- **How is goal measured?**
- **Where is the Commonwealth in achieving goal?**

10% Electricity Conservation Goal Progress



Understanding Virginia's electricity consumption

- GOAL PROGRESS: What is currently planned by the two major utilities gets Virginia 24% of the way towards meeting the 10% conservation goal.



GEC Update

- 1. Develop a process to compile detailed data identifying electric consumption reductions realized from energy efficiency programs, both utility and non-utility, in Virginia. The goals of the process will be the following:**

DMME will work with relevant stakeholders, including but not limited to, utilities, electric cooperatives, VAEEC, and non-profit organizations to build the process.

- 2. Outreach to local governments about the value in replacing lighting to reduce consumption.**

- 3. The Virginia Energy Efficiency Council (VAEEC), in conjunction with DMME, will lead the development of a single-brand strategy for the marketing, education and outreach of all energy efficiency programs and information, both utility and non-utility, in Virginia. The goals of the strategy will be the following:**

Provide a single, statewide messaging campaign that informs and educates Virginians about the value and benefit of energy efficiency.

- 4. Recognition of champions of energy efficiency: Showcase successful energy efficiency projects and recognizing, possibly in the form of a contest, of the champions of successful projects. There also was discussion about sponsoring workshops and featuring case studies for local governments and others to learn more about energy management. Provide, as a reward, a recognition plaque that includes select savings data such as cost savings and emissions avoidance.**

- 5. Support enabling legislation to allow localities the option of requiring the commercial sector to report energy benchmarking data.**

- 6. Develop special curriculum to be used in schools to educate students about energy efficiency and its importance to Virginia.**

QUESTIONS?