

Support Legislation that Lowers Barriers to Cost-Effective EE

Ensure Regulatory Transparency

Problem: A lack of clarity in SCC decisions regarding demand-side management (DSM) proposals stifles the growth and evolution of utility EE programs.

Background: Transparency in the evaluation of DSM proposals is essential. It ensures both that regulators are consistent in their evaluations and utilities know how their DSM proposal is evaluated – so they can better design EE programs. In SB. 966, legislators provided the SCC with specific guidance regarding how DSM proposals should be evaluated. The General Assembly should improve the transparency of decisions from the SCC to ensure they follow this guidance.

Solution: **Support SB.1662 / HB.2292.** *This legislation will increase the clarity of SCC decisions around EE programs, ensuring regulators follow the GA’s lead.*

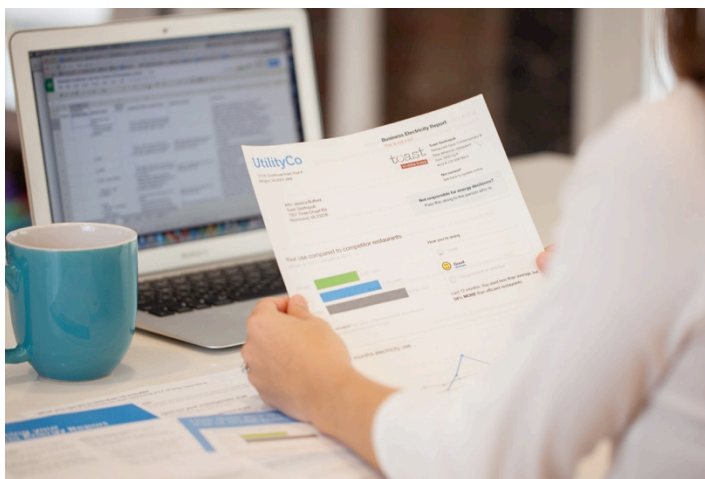
End “Stop-Start” Efficiency Programming

Problem: Misaligned budgets and timetables set by the SCC can result in less effective, start-stop efficiency programs.

Background: Currently, when the SCC approves a DSM program, they specify its budget and duration.

Unfortunately the budgets and timetables don’t always line-up, so a program may still have money to spend when it runs out of time. The utility is then forced to shutter the program, reapply to the SCC, and restart it only after it gets approval. External contractors run many of these programs, and may have to lay-off staff in the interim. The “stop-start” process can cause months or even a year of lost implementation, corresponding energy waste, and customer confusion as programs are periodically unavailable.

Solution: **Support SB.1662 / HB.2292.** *This legislation allows the SCC to approve a program simply with a set budget and not impose an artificial timeline. So long as the program remains cost-effective, it will run until the budget is exhausted.*



Home energy reports, like the one pictured above produced by Virginia-based Oracle Utilities, are one cost-effective efficiency program to help Virginia achieve its EE potential. *Photo: Oracle*



Strengthen the Stakeholder Process

Problem: The energy efficiency stakeholder process established in the Grid Transformation and Security Act (SB. 966) may not achieve its underlying intent.

Background: SB. 966 establishes a stakeholder process, administered by an independent facilitator, to aide in the development of utility DSM programs. This was intended to create a forum where the utilities, efficiency providers, regulators and other stakeholders could discuss portfolio components and collaborate to develop a robust, cost-effective, and reliable set of efficiency programs.

In SB. 966 the IOUs committed to spend over \$1B on DSM and low-income home weatherization. The stakeholder process can help assure these funds are used effectively, helping save money and reduce the need for new plants, poles and wires. This sort of process has worked in other states, but it takes time and repeated engagement to succeed. Right now the legislation does not specify the scope and duration of this stakeholder group, nor are there reporting standards laid out to ensure transparency.

Solution: **Support SB. 1605 / HB. 2293.** *This legislation will ensure the stakeholder process runs through the full duration SB. 966 and that the independent facilitator provides regular reports regarding the groups progress.*

Improve Energy Data Access

Problem: Modernization of Virginia's energy grid will create a wealth of useful data for consumers and third-party service providers to save and generate energy, but the Commonwealth lacks the policies to facilitate sharing of this data.

Background: Deploying distributed energy resources (DERs) effectively requires access to data. Consumers must know how much energy they use, how, and when to benchmark their savings, make sound investments, and improve their behavior. Data can also be a source of significant value to third party companies, whether they're energy performance contractors, rooftop solar installers, or data analysts. All of these activities spur economic growth and job creation in Virginia. Unfortunately Virginia does not currently have policies in place governing access to energy usage data by consumers or third parties. Some utilities have made data available to specific customers through online platforms and services like "Green Button." But this problem will only become all the more acute as Dominion rolls out 1.4 million "smart meters" over the next four years as part of their grid transformation plan.

Solution: **Support HB. 2332.** *This legislation will ensure consumers are aware of the energy data the utility is collecting and have the ability to access and manage it, improving efficiency and saving money while protecting privacy.*