



# SB 350 Energy Efficiency Savings

## DAWG Meeting

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# SB 350 Status

- SB 350 requires a doubling of projected AAEE electricity and natural gas savings in the 2015 CEDU report and comparable savings from a 2013 POU study
- Programs evaluated:
  - Extensions of traditional utility programs
  - Future ratchets of T24, T20 and federal standards
  - PACE, Prop 39, AB 802 benchmarking, asset rating
  - GGRF programs, and numerous other programs with smaller scale savings



# SB 350 Status, Cont'd

- Process Steps Along the Way
  - Several workshops in 2016 and 2017
  - Staff papers and a draft commission report
- A final Commission report is proposed for adoption November 8
  - Electricity and natural gas statewide goals
  - First round of sub-targets for utility programs, codes & standards, and other EE programs
  - Numerous recommendations for followup work



# How Does SB 350 Affect AAEE?

- The Basic Question
  - How should the analyses undertaken in the SB 350 energy efficiency target setting process be used in developing AAEE projections?
- Staff Proposal
  - Augment traditional method of AAEE development with selected analyses from SB 350
  - Limited additions in AAEE scenarios 1-5 with most additional savings in a new scenario 6



## Scenario Design & Analysis

| Component                                      | Quantitative Source                                     | 1-2   | 3   | 4-5   | 6   |
|--|---|---|---|---|---|
| IOU Programs, BROs, and Low Income             | Navigant P&G results-excluding savings in baseline fcst | 2018 P&G mTRC GHG#1 (with selected modifications) | 2018 P&G mTRC GHG#1 (with selected modifications) | 2018 P&G mTRC GHG#1 (with selected modifications)           | 2018 P&G PAC aggressive (with selected modifications) |
| C & S (in mTRC GHG#1 scenario)                 | Navigant P&G model (total savings not attributable)     | 2018 P&G common C&S assumptions                   | 2018 P&G common C&S assumptions                   | 2018 P&G common C&S assumptions                             | 2018 P&G common C&S assumptions                       |
| C & S (additional ratchets in SB 350 analyses) | Post processing of Navigant and Noresco study results   | None  | 2019 T24 A&A                                      | T20 < 2025<br>Fed < 2025<br>2019 T24 A&A<br>T24 NC ratchets | Scaled SB 350 Results *                               |
| Other SB 350 Programs                          | Scaled down savings from SB 350 results                 | None  | None  | None  | Scaled SB 350 Results *                               |

\* Savings from all SB 350 programs using staff proposed scaling methodology



# Why Special Treatment for SB 350 Savings?

- SB 350 EE projections were developed to understand how existing and foreseeable EE programs could be scaled up to meet the SB 350 doubling goal by 2030
- AAEE projections modify a baseline demand forecast to develop a managed demand forecast - used by the CAISO for transmission studies and by the CPUC in its IRP process to guide procurement of resource additions



# SB 350 Program Evaluation

- Evaluate each program using three criteria:
  - Program Scalability Likelihood
  - Potential for Double Counting
  - Year-Specific Savings Pattern Credibility
- Create a Energy Scaling Factor based on judgment that would reduce published SB 350 savings projections



**QUESTIONS?**