



An Exelon Company

*Extending Success:
Achieving the Next Level
of Energy Efficiency
Gains*

Val Jensen, ComEd

The Agenda



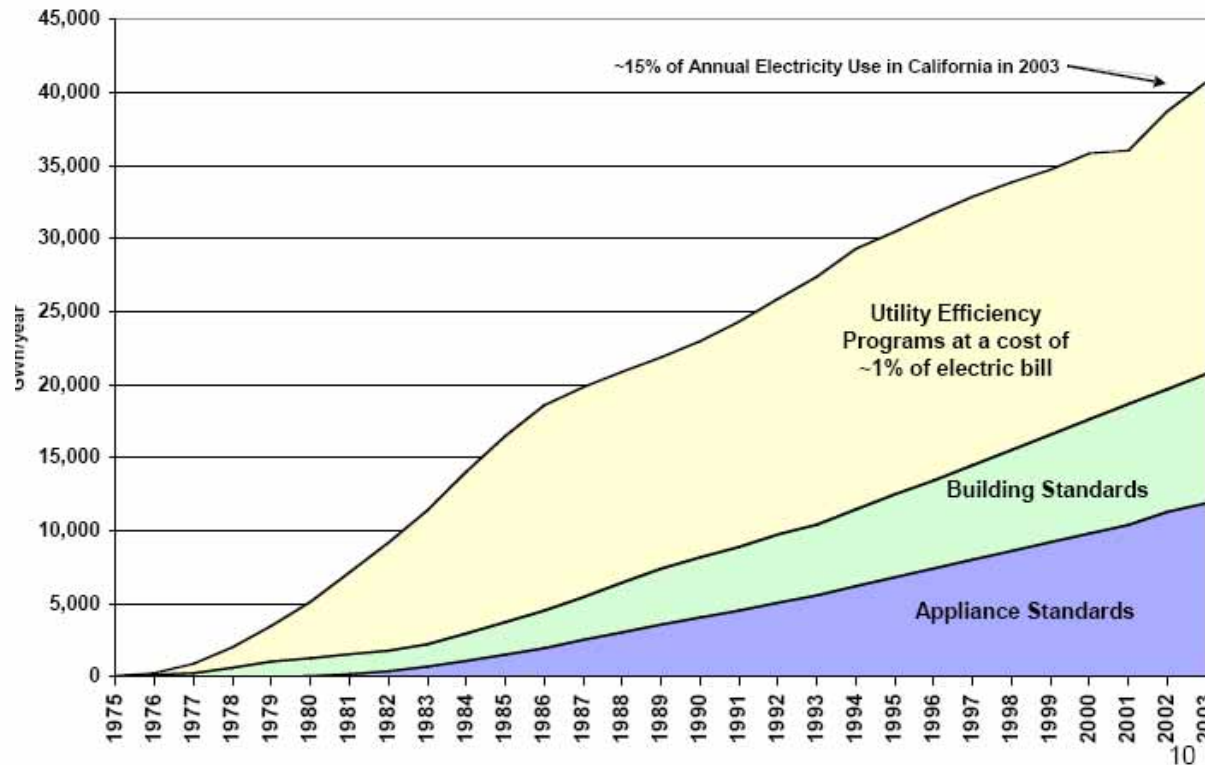
Good



Less Good

To-Date - Some Impressive Results

Annual Energy Savings from Efficiency Programs and Standards

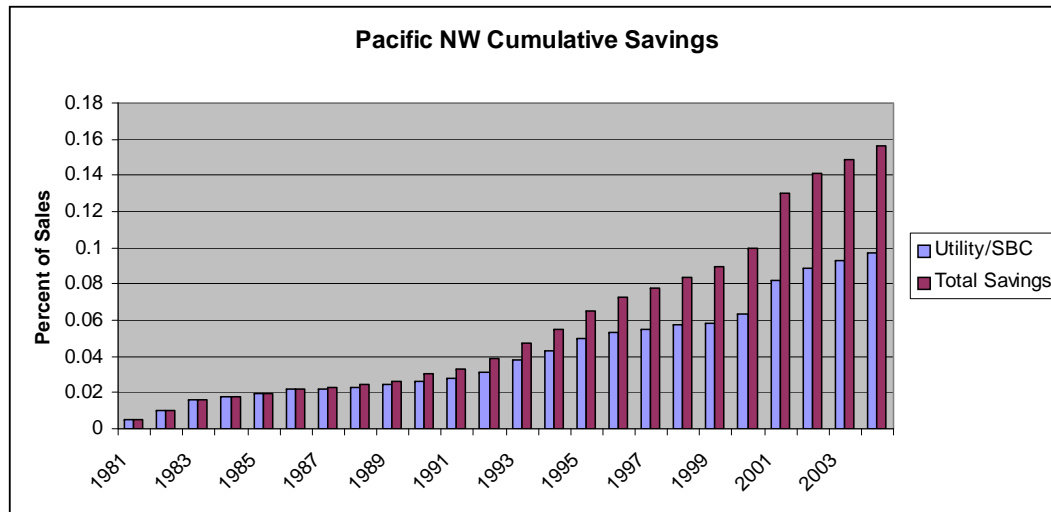


Since 2001 the California's Investor-Owned Utilities (IOUs) have incented over **55 Million CFLs**

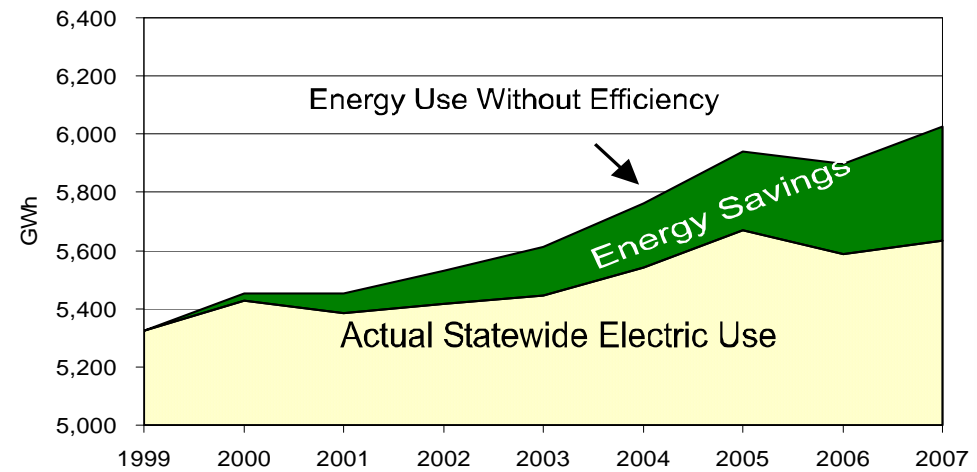
Over the past 15 years, California IOUs have given rebates for over **812,000 refrigerators**

Art Rosenfeld, *Energy Efficiency in California*, 2008, available at <http://www.energy.ca.gov/2008publications/CEC-999-2008-032/CEC-999-2008-032.PDF>

And Some More....



Vermont



The Attributes of Success

- ✓ Large veins of efficiency in easy-to-reach market segments (CFLs, refrigerators, commercial lighting, AC)
- ✓ Relatively simple, replicable program models to extract the efficiency
 - Appliance efficiency standards
 - Rebates
 - Energy Star builds consumer awareness

The Attributes of Success

- ✓ Reasonably supportive policy environments in some places
 - With respect to financial impacts of EE:
 - Clear path to cost recovery of prudently incurred costs
 - Recognition of the lost margins issues
 - Performance is incentivized
 - Policy stability and “line-of-sight”
 - Stakeholder commitment and participation

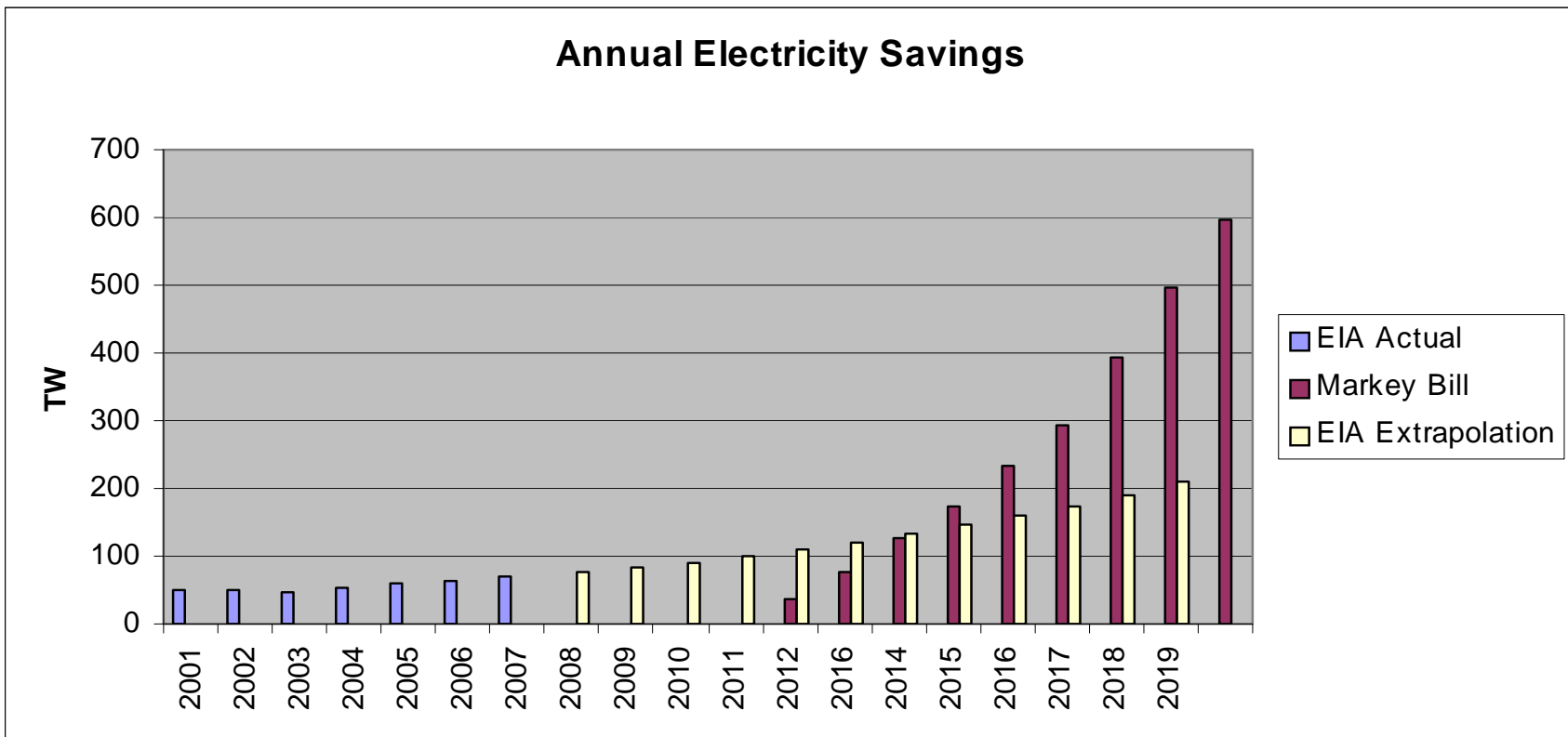
Now What?



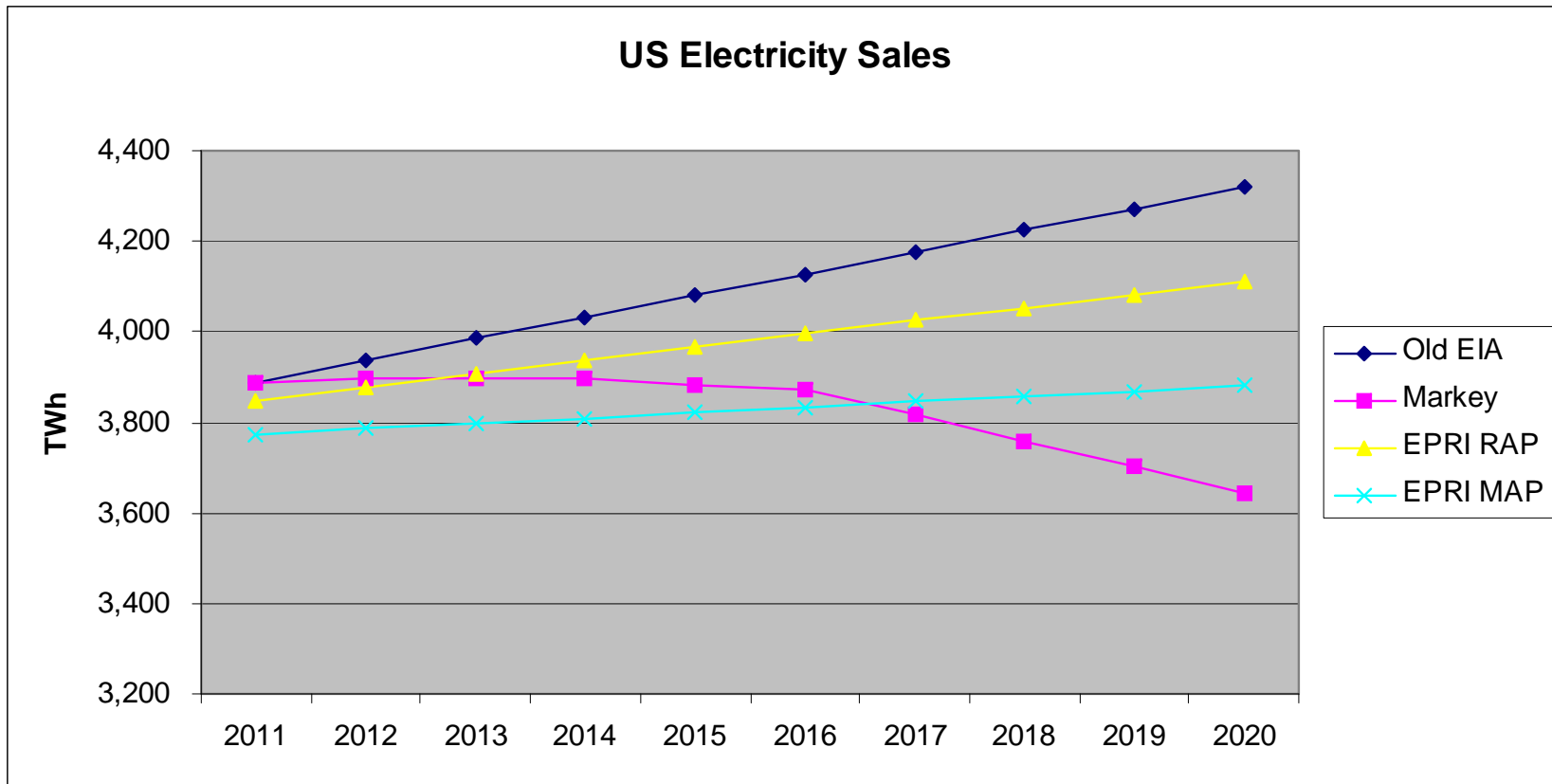
Surfing Lake Michigan



Surfing Mavericks



Another View



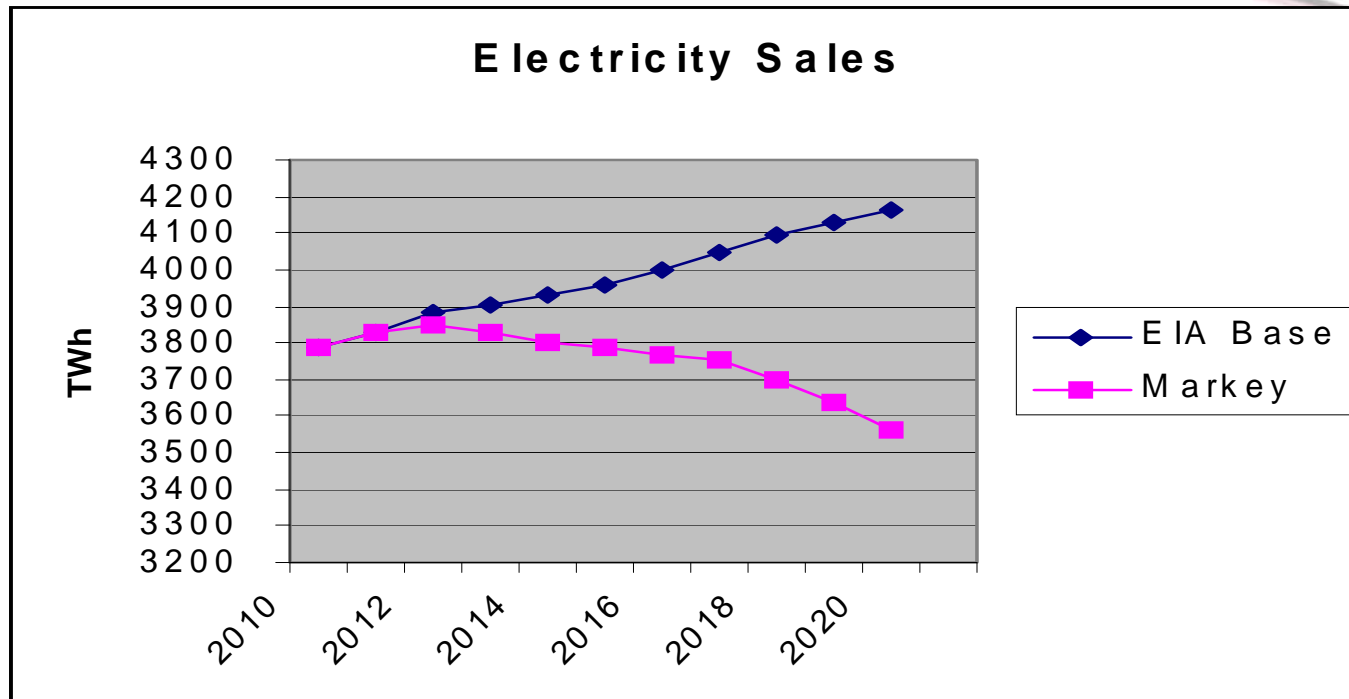
Learning to Surf the Big Waves

- ✓ Institutionalize knowledge transfer
 - Transfer early-stage model to those just beginning
 - Quick-to-market starter portfolio
 - Standardize business practices
 - Industry generally lacks rigorous business practices and that leaves money and savings on the table
 - General lack of benchmarks
 - This can no longer be a cottage industry
- ✓ Build the technology pipeline and integrate with portfolio management (CA Model)
 - More collaboration across administrators
 - Consumer electronics
 - LED applications

Learning to Surf the Big Waves

- ✓ Refine and propagate the “second-stage” model
 - Systems rather than devices
 - Modifying behavior rather than just changing light bulbs
 - Rethink evaluation attribution
- ✓ Design the “third stage” model
 - Integration of EE, pricing, in-home devices, and distributed energy.
 - Will require us to be more creative/thoughtful about the delivery model – WalMart, Sears, Best Buy, Google

And then there is this...



- ✓ The traditional utility business model has to change regardless of who administers programs
 - At these levels of EE, the business on the margin is as much a services business as a commodity business