

INSTITUTE FOR  
**Electric Efficiency**

# Potential for Energy Efficiency in the Power Sector and Role of IEE

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# The Institute for Electric Efficiency

- **Mission**

- To advance energy efficiency practices and demand response among utilities

- **Role of IEE**

- Provide resources/share information and best practices/clearinghouse/discussion groups
- Identify key issues & barriers/enablers
- Collaborate with advisory committee to advance EE

- **Funding**

- IEE member electric utilities. Launched in 2008.

# IEE governance structure – a who's who in energy efficiency

- Management committee of 17 CEOs of investor-owned utilities
  - Chair, Jim Rogers, President & CEO, Duke Energy
- Advisory committee of leading energy efficiency advocacy organizations and policy makers including NARUC
  - ASE, ACEEE, CEE, DRAM, EPRI, NRDC, NARUC, NASUCA, RMI, Sierra Club
  - DOE, EPA, FERC
- Strategy committee of VPs overseeing energy efficiency in IOUs

# Power industry challenges

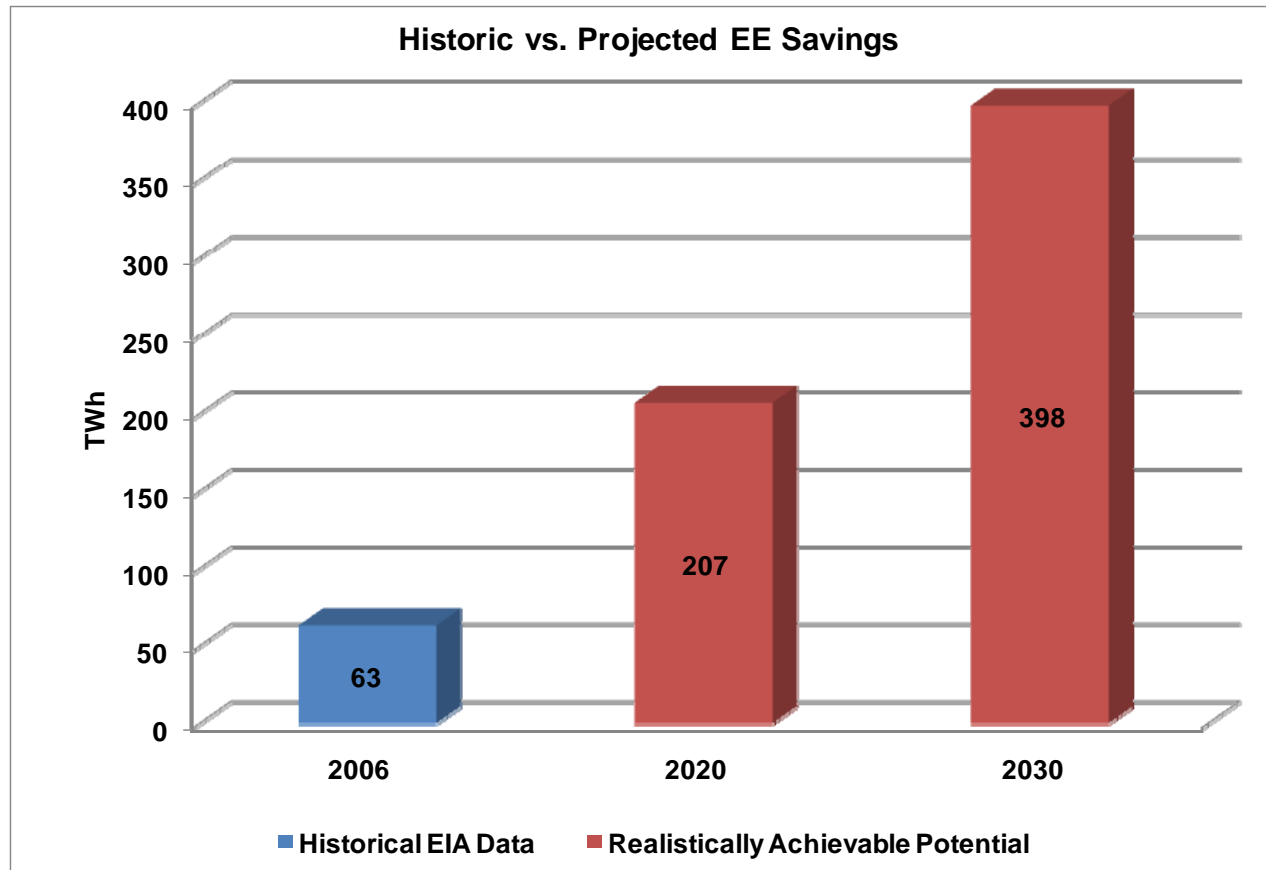
- Rising demand
- Rising construction costs
- Rising fuel costs
- Shrinking generation reserve margins
- Climate change
- Difficult lending environments

# Energy efficiency is fundamental to the power business – “1<sup>st</sup>” fuel

- EE is a cost effective way to:
  - Reduce carbon emissions, and
  - Significantly moderate the expected growth in electricity demand
- US power demand (i.e., usage) expected to increase by 30% by 2030 (EIA forecast)
  - EE programs can offset about **35% of expected growth** in electricity usage between 2008 and 2030 (EPRI), and
  - EE and DR programs can offset about **50% of expected increase** in summer peak demand between 2008 and 2030 (EPRI).

Note: EE potential estimates based on report, Assessment of Achievable Potential for Energy Efficiency and Demand Response in the U.S., EPRI Report No. 1016987. November 2008.

EE is a serious investment for the future. EE savings potential 398 TWh in 2030 (realistically achievable – EPRI report) vs. actual 63 TWh in 2006 (EIA)



# IEE focus: Key issues surrounding significant growth in EE nationwide & making EE scalable.

1. EE business scalability/sustainability
  - EE cost recovery, incentives, disincentives.
  - Measurement and verification of EE savings important
2. Dynamic pricing/demand response/AMI rollout
  - Dynamic prices/demand response important at retail level
3. Well defined roles for utilities vs. 3<sup>rd</sup> party EE administrators
4. Effective programs for low income customers

# Institute for Electric Efficiency – Role, Focus, Vision

- Educate
- Communicate
- Collaborate with advisory committee members
- Advance EE practices and demand response in power sector
- Facilitate discussion/innovation between industry, regulators, EE groups

# IEE website – issue briefs, reports, databases, news/events

*www.edison  
foundation  
.net/IEE*



INSTITUTE FOR  
**Electric Efficiency**

*Advancing energy-efficiency practices and  
efficient pricing among electric utilities.*

ABOUT IEE

ISSUE BRIEFS

NEWS & EVENTS

REPORTS

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ONLINE ROUNDTABLE

## What's New

- [Upcoming Events Register Now!](#)
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## Ask IEE

Program cost recovery?  
Lost margins? Decoupling?  
If the resources on this site  
have not answered your  
questions about program  
design and best practices,  
please contact us.



JOIN THE COMMUNITY

EXTERNAL LINKS

ASK IEE

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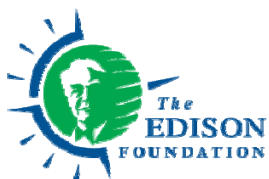
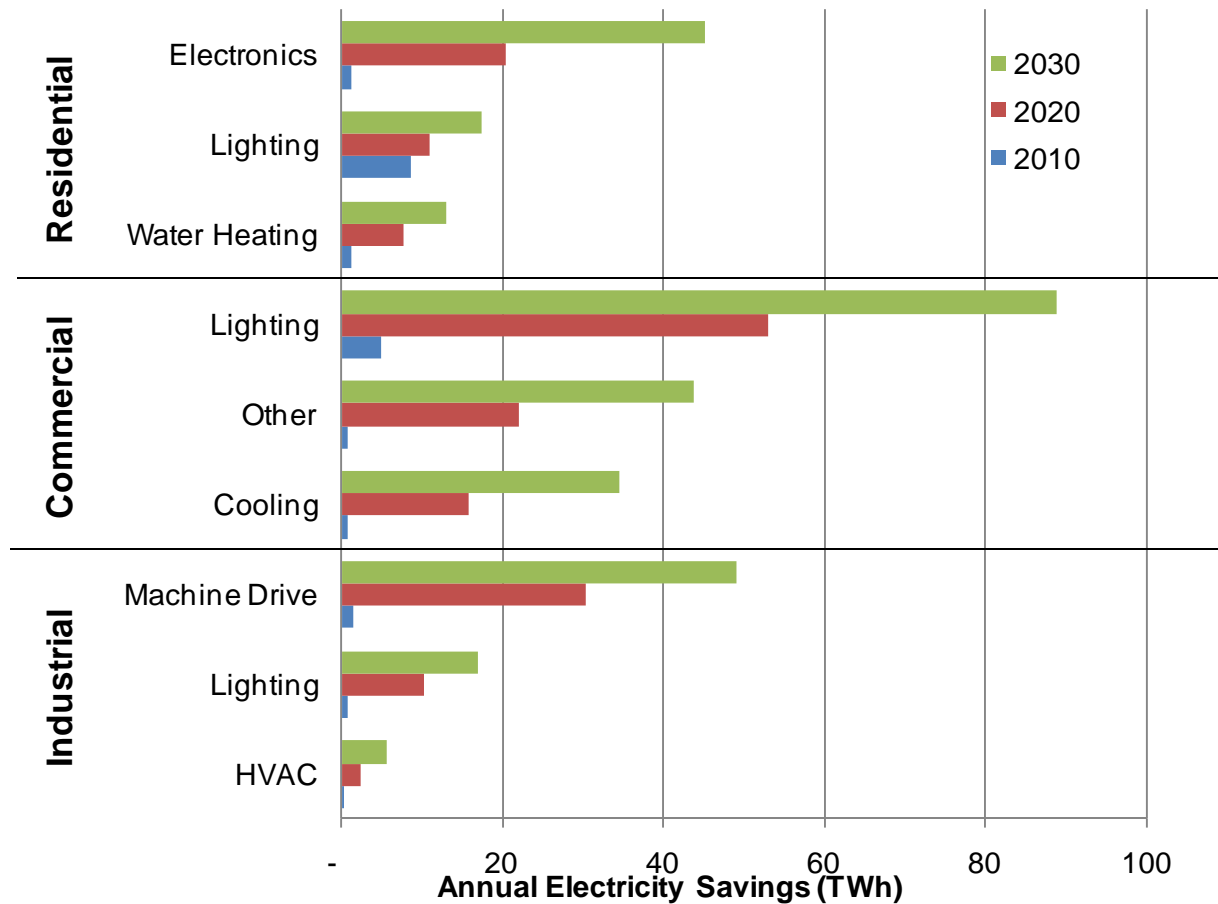
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# Top “3” end uses for EE savings potential (EPRI report)



# Portfolio of sources for peak demand savings (EPRI report)

