



Energy Efficiency Rulemaking

Brainstorming Discussion

EEIP Meeting

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October 18, 2022

Session Purpose

A brainstorming session to gather topics and issues that should be discussed in a future rulemaking.

- Input into a prioritization survey
- Topics for stakeholder workshops

Session Guidelines

- We will discuss six topic areas related to the energy efficiency rule
- There will be a open discussion session at the end
- If its of concern, or an area that you feel should be discussed during the rulemaking, please present it
- We aren't trying to solution topics, just capturing the ideas that should be discussed during upcoming stakeholder meetings
- Speak up and bring your ideas
- Build on other ideas presented
- If you prefer not to speak, but have topics, please write them on the paper left on your chair, and leave them in the tray outside the room

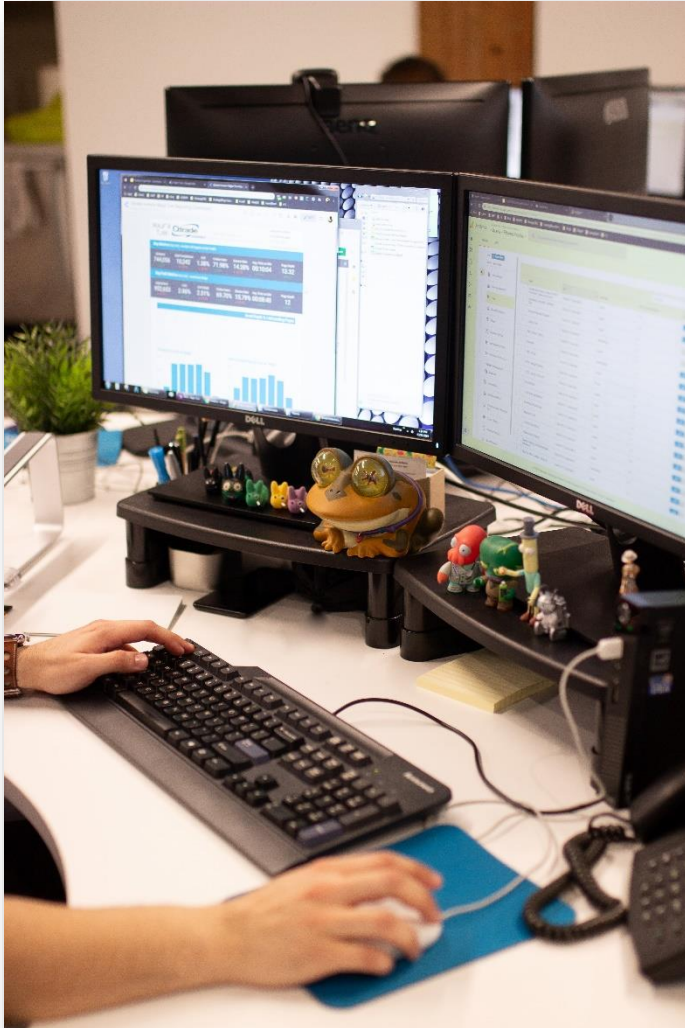
Energy Efficiency Policy



1. What is the role of TDU energy efficiency programs in the current and future Texas energy market structure?
 - Should the role be expanded to support City and Regional climate action plans by including greenhouse gas reduction as a criteria in program design or determining cost-effectiveness?
 - Should energy efficiency programs support / manage electrification and distributed energy resources?
2. Should fuel switching from natural gas / propane to electricity be allowed in TDU energy efficiency programs?
3. Should TDUs be allowed to participate in competitive services related to the energy efficiency market?

What other EE policies should be discussed during a rulemaking ?

Energy Efficiency Goals



1. Existing energy efficiency program goals are based on peak demand (1) at least 30% of the utility's annual growth in demand of residential and commercial customers and (2) at least 0.4% of the utility's summer weather adjusted peak demand for residential and commercial customers.
 - Should these metrics be adjusted?
 - Should other, simpler metrics be used?
 - How should program savings be calculated if winter and summer peaks are impacted?
2. The current rule creates an energy goal based on the demand goal, and is calculated using a 20% conservation load factor. Is this goal still appropriate? (Demand Goal (kW) * 8760 hours / year * 0.20)
3. Should low income goals be consolidated into a single goal?

What are your thoughts on program goals?

Financials



1. Should portfolio cost caps be adjusted to allow for program expansion?
2. Is the TDU performance incentive calculation methodology appropriate?
3. Do avoided demand and energy cost calculations reflect the actual value of energy efficiency programs?
 - Could the avoided energy cost averaging period be expanded to five years to reduce annual fluctuation?

What other financial aspects of EE programs should be discussed as part of a rulemaking?

Program Design



1. Existing law specifies a number of program options for utility energy efficiency programs, including customer energy management and demand response programs. Are each of these options still appropriate? Identify any options that should be added or deleted and explain why.
2. Existing energy efficiency programs are required to be (1) market-based standard offer programs (2) targeted market-transformation programs.
 - Describe any other criteria that should be used to determine energy efficiency program designs.
3. Are current cost-effectiveness methodologies (utility cost test) still appropriate for program evaluation?

Are you aware of other innovative program design / delivery strategies that should be considered during a rulemaking?

Customers



1. Would it be more cost-effective for TDUs offer direct-to-customer energy efficiency programs? Provide examples.
2. Certain industrial customers are allowed to opt-out of EECRF
 - Should energy efficiency programs for industrial customers continue, be expanded, or be eliminated?
 - Should industrial opt-out customers be required to submit an energy efficiency plan for their business. If so, why?
3. Given that the NEAT audit is outdated and under review, should the EE Rule continue to require the NEAT audit for low income customer qualification?

What rule changes would help TDU EE programs better serve their customers?

Texas Energy Market



1. Existing energy efficiency programs may use distributed renewable generation and must be neutral to thermal, chemical, mechanical and electrical storage technologies. Given changing market dynamics, should these technologies continue to be part of EE portfolios?
2. Should TDU load management programs be limited to emergency conditions or should they be available to provide local grid support during periods of high congestion?
3. What types of programs would encourage REP participation in TDU energy efficiency programs?

How do TDU EE programs fit into the evolving Texas electric market and what rule changes are necessary?

Open Discussion



What other topics relating to the energy efficiency rule have we not discussed this afternoon?

Thank you for your feedback and participation!

Please remember to leave any written comments
in the tray outside the room