# *REV Committee Briefing*

## *New Efficiency: New York*
### *NYS 2025 Energy Efficiency Target*

*May 23, 2018*

# *New Efficiency: New York*

The state is catalyzing the innovation needed to bring energy efficiency into homes and businesses with new tools such as:

- Energy benchmarking to measure progress
- New state appliance standards and building codes
- Advancement in building electrification and heat pumps

New York's utilities are called to achieve more in-scale and innovation in energy efficiency

# New State Energy Efficiency Target

- 2025 NYS energy efficiency target-185 trillion British thermal units (Tbtu)*
  - Set across all fuel sources (electricity, natural gas, heating oil, and propane)
  - Relative to 2025 forecast
  - Deliver 1/3rd of greenhouse gas emissions reductions needed to reach state's "40x30" climate goal
  - Equivalent to the energy consumed by 1.8 million homes
- Cumulative Annual Carbon Dioxide equivalent (CO2e) reduction of 22 million metric tons
- $36.5 million to train19,500 New Yorkers for clean energy jobs
- 30,000 GWh reduction from forecasted electricity sales in 2025
  - Approximate 2% reduction in annual sales in 2019-2025
  - Approximate 3% reduction in annual sales in 2025

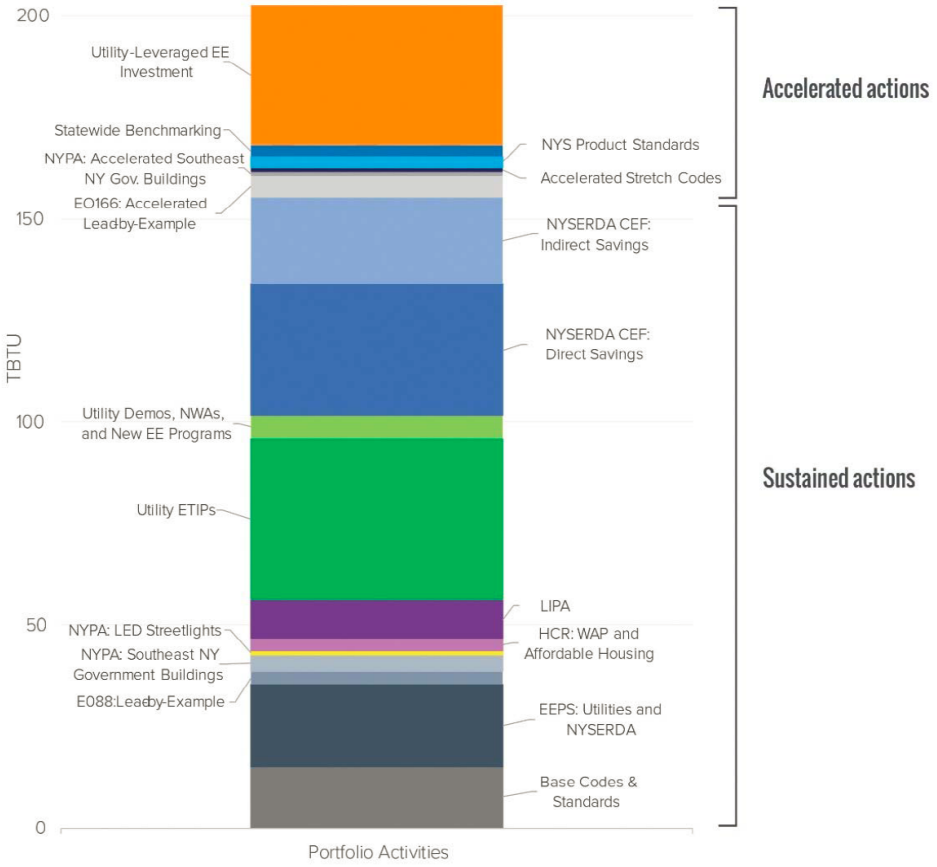
* 300,000MWh in electric savings is approximately 1 TBtu

# Accelerated Actions 2019-2025

- Meeting the 2025 target requires sustaining New York's commitments and new actions to increase and accelerate energy efficiency market
- New and accelerated actions are expected increase site energy savings by at least 40% above the state's current commitments
- Increased EE investment would be used to catalyze innovation and benefit low-to-moderate-income (LMI) communities

**Figure 4. New York State Energy Efficiency Activities – Total TBtu Savings by 2025 (Cumulative Annual, 2015-2025)**

*Note: Energy savings in the figure sum to more than the 185 TBtu target because the figure does not incorporate certain discount fact that were applied to adjust for overlap across complementary activities. See Tables 3 and 4 for a description of overlap adjustments.*

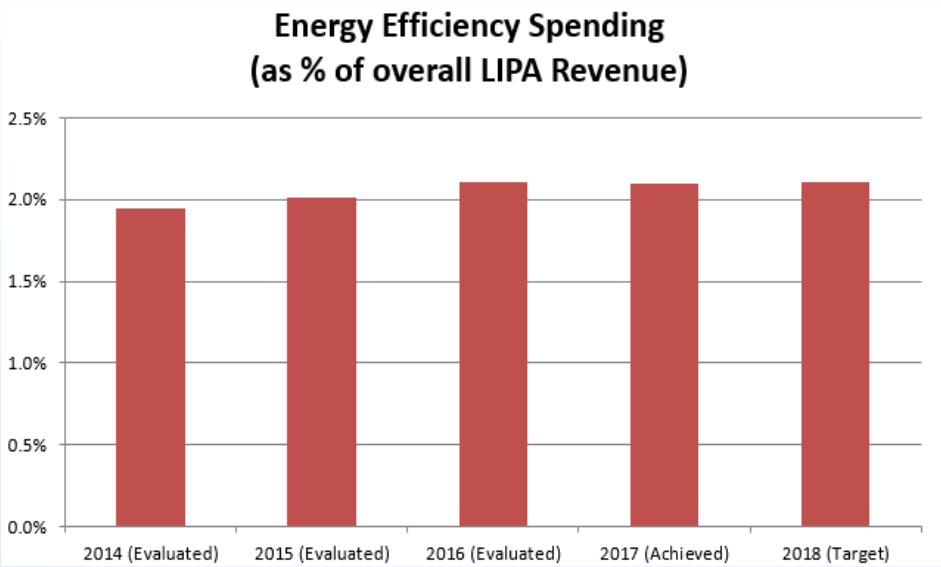


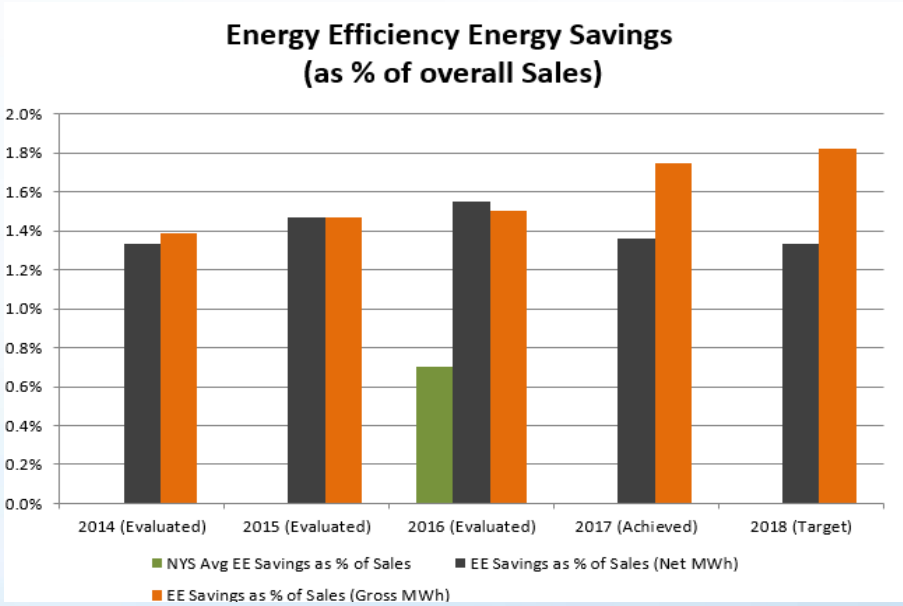
# *Key Recommendations, Strategies & Actions*

- Reduce costs of energy efficiency retrofits to enable greater market adoption
- Drive energy efficiency as a resource to benefit the system
- Deploy technology and data
- Pull in from the market, sources of innovation and investment that have not yet engaged, by assuring stability and markets at scale
- Advance energy affordability by developing initiatives for LMI consumers
- Strengthen building codes, appliance standards, and provide financing
- Deep energy savings in building retrofits and construction and cost-effective heat pump adoption
- Lead by example in the state's own facilities and construction activities

# LIPA's Drive for Energy Efficiency

- LIPA is a state leader achieving savings of 1.8% of annual sales spending about 2.1% of gross revenues on customer energy efficiency programs



# LIPA's Drive for Energy Efficiency

***New Efficiency: New York (p.9)***

*"PSEG Long Island's current energy efficiency initiative invests more than $70 million annually achieving 300,000 MWh (1 TBtu) in annual electric savings in recent years, in five programs that provide residential and low-income incentives for energy efficient products and services, as well as incentives and services to non-residential customers, including incentives for renovations of existing buildings and new construction projects, rebates for energy saving measures, and technical assistance to offset the cost of engineering and design services. LIPA has programs that are delivering energy efficiency solutions to targeted areas in load pockets to provide maximum grid value."*

# *LIPA Actions to Drive Energy Efficiency*

## Mix of energy efficiency investments to achieve REV goals

- Advance multi-measure EE services to include, but move beyond lighting
- Integrate with other distributed energy resources
- Incorporate locational and peak pricing to recognize grid value
- Advance shared savings models leveraging third-party capital
- Implement AMI metering, rate modernization and conservation voltage reduction
- Streamline resource acquisition allowing for market innovation and explore long-term contracting models as a means of procuring energy efficiency
- Leverage data and customer/asset information to reduce soft costs
- Build on energy efficiency pilots to innovate and replicate
- Partnerships with NYSERDA, NYPA, and the market for collective offerings to help move the market

# *Next Steps for New Efficiency: New York*

- PSEGLI has commissioned a technical, economic, and achievable potential study for energy efficiency on Long Island that will inform the process
- Stakeholder engagement and deliberation of the white paper will be initiated with a technical conference
  - Initial technical conference will be convened by DPS as process and schedule is set to support further development of the strategies, policies, programs, and actions incorporated in the white paper
  - Process is expected to include additional technical conferences, as well as topical working groups, and a formal written stakeholder comment process with the goals of:
    - Ensuring stakeholder views are heard;
    - Helping drive development and implementation of strategies and specific elements of the white paper; and
    - Developing an adequate record for Commission action, including benefit, cost, and practical implementation information.
- LIPA and PSEG LI staffs have been and will continue to be engaged throughout this process.