

# Energy Efficiency Resource Standards: A New Policy Tool

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## Overview

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- What is an EERS?
- How does EERS differ from past approaches?
- What are the advantages of the EERS approach?
- Where are EERS being used?



## What is an EERS?

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- A quantitative target for a set of end-use efficiency programs
  - A top-down goal to drive program plans
- EERS “flavors”
  - Stand-alone policy target
  - Layered on top of a public benefits program
  - Blended with an RPS requirement



## How Does EERS Differ from Past Approaches?

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- Recent public benefits programs have been driven primarily by spending levels
- Earlier DSM programs were driven by an economic screening and integrated resource planning process, in a bottom-up approach
- EERS is more top-down, though analysis should shape the targets
- EERS timeframes tend to be longer, eg. 5-10 years vs. annual filings



## What are EERS advantages?

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- Sets a clear policy direction
- Helps guide long-term program planning
- Can be linked to other policy goals, eg. Emission reductions, reliability
- Can be based on sound quantitative analysis and accumulated program experience to set achievable and economically positive goals



## Where is the EERS Approach Being Used?

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- Eight U.S. States: IL, NV, and TX in today's panel, plus CA, CT, HI, NJ, and PA
- In Europe: UK, Italy, France
- ACEEE will have a report on this topic later this year



## Other State EERS

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- CA—set 10-year savings targets, on top on current PBF program commitments
- CT—2005 bill sets multi-year for end-use EE as % of base year sales
- HI—includes EE as part of RPS
- NJ—developing quantitative EERS targets as part of revamped Clean Energy Program
- PA—EE included in an Alternative Energy Portfolio Standard in a Tier 2 requirement

