

# Creating a More Energy Efficient Future for Residential Customers

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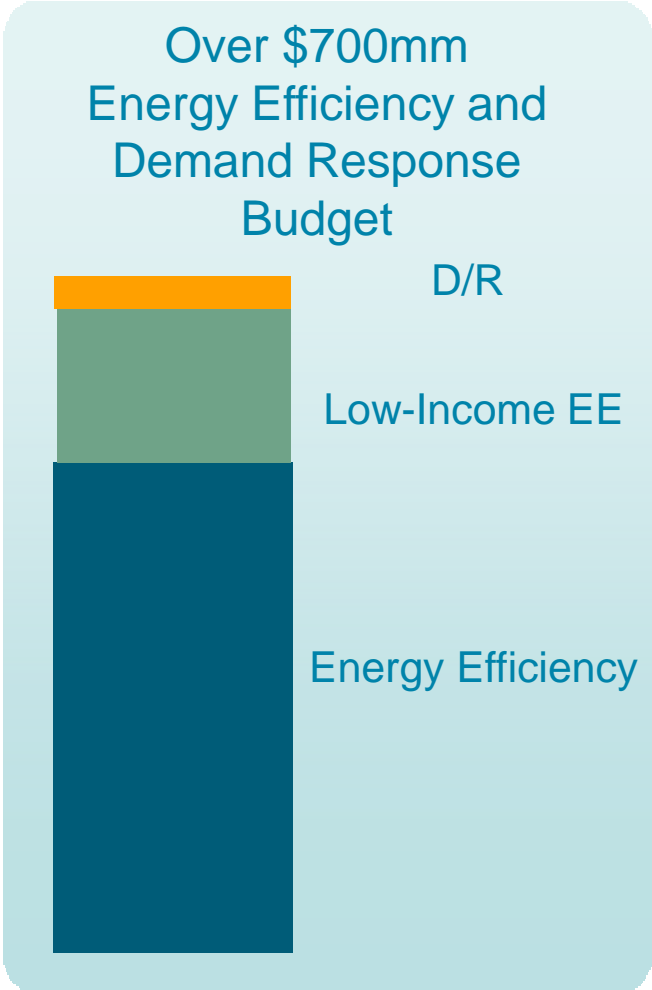


# Pacific Gas and Electric Company



Energy services to 15M people

70,000 square miles with diverse topography and climate zones



- Largest Annual Energy Efficiency Investments
- PG&E Serves Approximately 4% of the U.S. Households



## Strategic Drivers

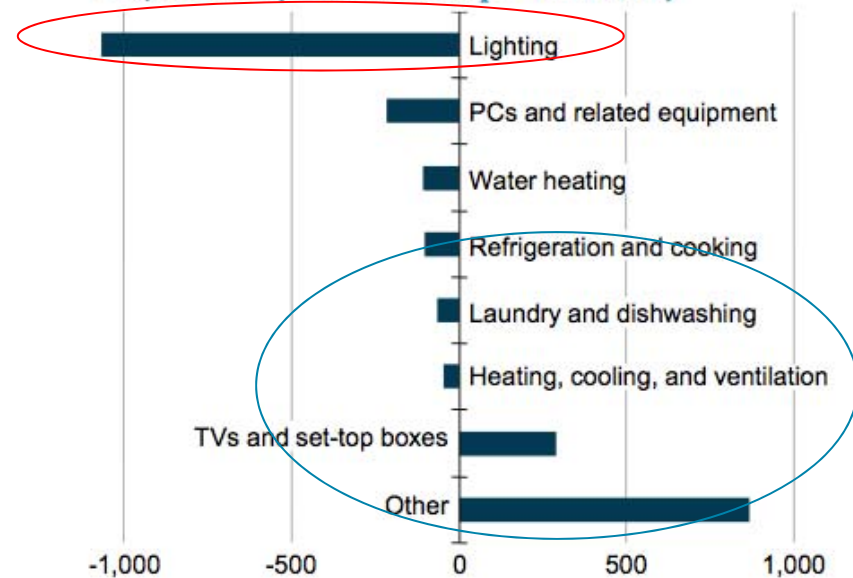
### EIA: The Annual Energy Outlook 2014

- Residential electricity demand to grow by 21%, to 1,657 billion kWh in 2040
- Growth comes from increasing market penetration of smaller electric devices (and cooling in warmer climates)

### California Direction

- Support market transformation of the EE industry
- Form partnerships to increase availability and adoption of energy efficient plug load solutions
- Increase energy savings accuracy through historic and current category sales data, opportunity to secure quantitative and qualitative market information
- Reduce plug-loads by 40%

Figure MT-11. Change in residential electricity consumption for selected end uses in the Reference case, 2012-40 (kilowatthours per household)



Big goals!



## Why a “Midstream” Approach?

- Energy efficiency programs increased market share and performance of energy efficient products, driving down per-unit energy savings resulting in smaller per unit incentive offerings relative to incremental cost
- Small incentives do not influence customer purchasing

### Then



- 30% energy savings economical
- Mail-in rebates up to \$200 available

### Now



- Soon, cost-effective rebates may be closer to ~\$25

**Cost effective “downstream” programs becoming rare!**



## ENERGY STAR RPP Creates Market Leverage

Program Sponsors requested ENERGY STAR to facilitate the midstream RPP process:

- Outreach to create scale
- EM&V to overcome regulatory concerns
- Improve operational efficiencies
  - Legal / Participation Agreements
  - Implementation and Field Services
- More accurate and cost effective data
  - Support for seamless data transfer
- Harmonize product selection
  - Forum for program sponsors to agree on products and specifications

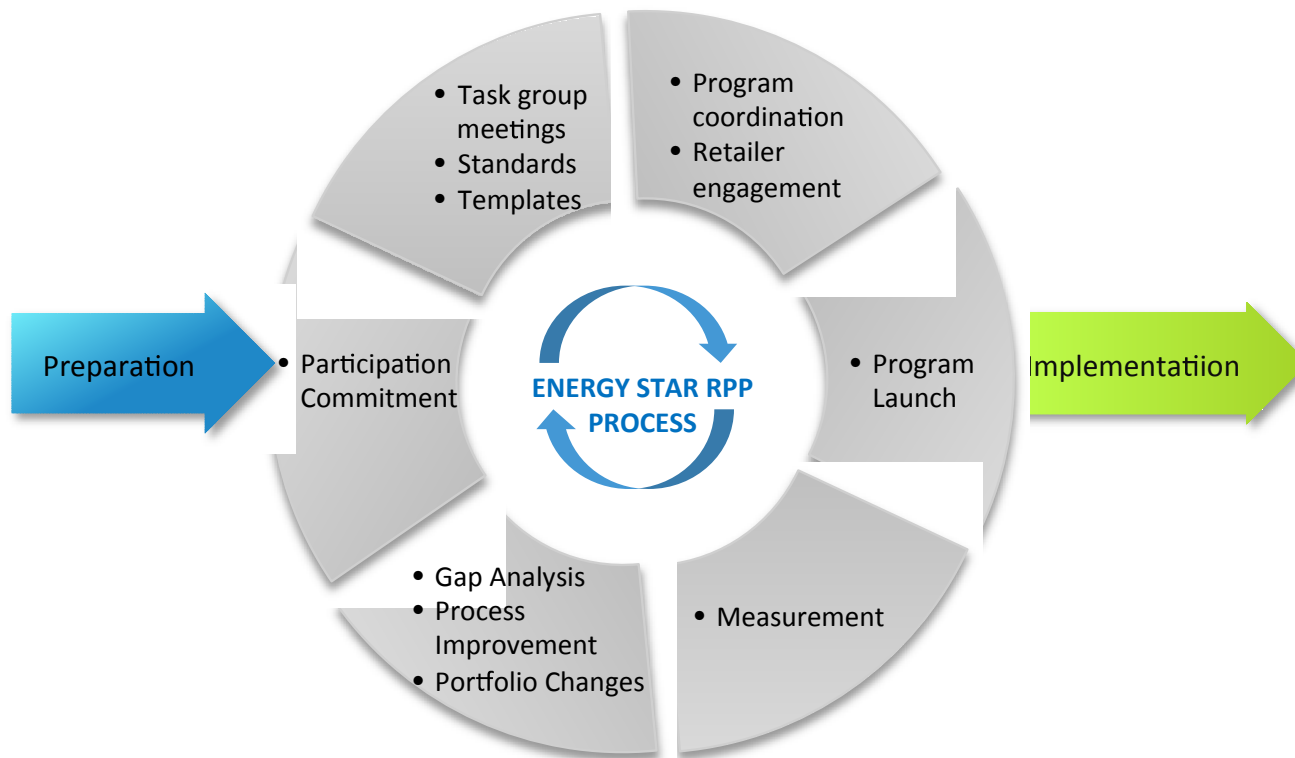


Lower cost, more impact!



# ENERGY STAR Retail Products Platform

- A grassroots, coordinated approach to align energy efficiency programs with retailers' business models
- A collaborative national effort to address energy savings opportunities in growing "miscellaneous/plug load" through consistent program design





## 2016 Plans

- Launch a coordinated ENERGY STAR RPP Program
  - pilot with 3 retailers and 5 products
    - Best Buy, Sears and The Home Depot
    - Electric and gas dryers, Air cleaners, Freezers, Sound bars, Room air conditioners
- Build scale with other Program Sponsors
- Drive cost effectiveness



## 2017

More retailers, more program sponsors and more products  
Market Transformation!