



Chesapeake Utilities: 2016-2018 EE Plan (EEP) Development



January 13, 2016

Objectives

- Savings goals:
 - Year 1: 0.2% of forecast sales or 15,000 Mcf
 - Year 2: 0.3% of forecast sales or 22,500 Mcf
 - Year 3: 0.5% of forecast sales or 37,500 Mcf
- Chesapeake is looking at:
 - Enhancing participation in other Program Administrators' programs
 - Behavioral programs
 - Fuel switching and combined heat and power
- Our initial focus has been on the existing programs, meaning WAP and Home Performance, and also on behavior programs
 - We've started taking an early look at appliance programs

Data Sources and Mining

- Multiple TRMs: DE, Mid-Atlantic, Massachusetts
- Market research / EE potential:
 - Delaware EE potential study
 - Pennsylvania residential baseline study (2014)
 - US DOE building energy codes program prototypical DE home specifications
- Delaware draft EM&V regulations
- New England avoided cost study
- Massachusetts 2016-2018 EE plan filing data
- BizEE weather (CDD, HDD) data

Analytic Efforts Thus Far

- Completed Analyses:
 - Savings calculations to the measure level
 - Avoided costs for 2016, 2017, 2018 installations
 - Configuration of “Portfolio Model” to drive data tables and template

- High-level conclusion:

Avoided costs are very low, cost-effectiveness is very challenging to achieve

Behavior Program

- What is a Behavior Program?
 - “Non-widget” influence on how people do what they do as it relates to energy
 - “Home Energy Reports” or “Peer Comparison Reports” as the example
- Where are we now?
 - We have savings and cost data
 - Cost-effectiveness (TRC) < 1.0 with DE savings, avoided costs and TRC methodology
 - Options: avoided cost adders, lower costs, alternate or hybrid programs
- All-in cost “bogey” around \$5 per customer for pure, “non-widget” behavior program

Whole House Retrofit Program

- What is a Whole House Retrofit Program?
 - Multi-billion dollar sector of the economy
 - Variations: direct install, market-based, comprehensive, limited, etc.
 - Core: “audit” and “whole house”
 - Examples: WAP, Home Performance
- Where are we now?
 - We have savings and cost data
 - We consider experience in other jurisdictions
 - The cost-effectiveness is simply “not there”
- All-in cost “bogey” around \$80 per Mcf (for capital measure like insulation and furnaces)

Dryer Program

- What is a Clothes Dryer Program?
 - Simple and straightforward rebate

- Where are we now?
 - Reviewing and aligning thought processes with SB150/HA2 and EM&V regulations
 - Exploring existing utility gas dryer programs
 - Likely issues:
 - Treatment of fuel switching
 - Savings basis and calculation

Chesapeake Next Steps

1. Determine savings expected from existing non-utility programs and initiatives such as WAP and Home Performance
2. Define the savings gap Chesapeake must fill with incremental programs and activities
3. Develop and assess for cost-effectiveness alternate approaches to:
 - Behavior
 - Whole House Retrofit
4. Quantify other Chesapeake initiatives that may generate savings creditable to SB150/HA2 goals