

Update on DSM: 5 Years In

Jeff Ackermann

Section Chief, Research and Emerging Issues

**Colorado Department of
Regulatory Agencies**
Public Utilities Commission
1560 Broadway, Suite 250
Denver, CO 80202



Dora
Department of Regulatory Agencies



Who is Ed Thomas?



Bilbo Baggins

HB 07-1037

- Gas and electric DSM savings targets
- Programs for energy and demand savings
- Opportunity for all classes to participate
- Cost effective DSM programs
- Utility DSM investments are at least as financially beneficial as other investments

Electric DSM savings of 1,225 GWh by 2018

Gas DSM has no end date or savings goal.



Combined Electric Results

- Cumulative savings: 805.1 GWh
- Reported net economic benefits of \$729.2M
- Customers saved **\$3.29 per \$1 invested**
- Total investment to date: \$166.2 million





Combined Gas Results

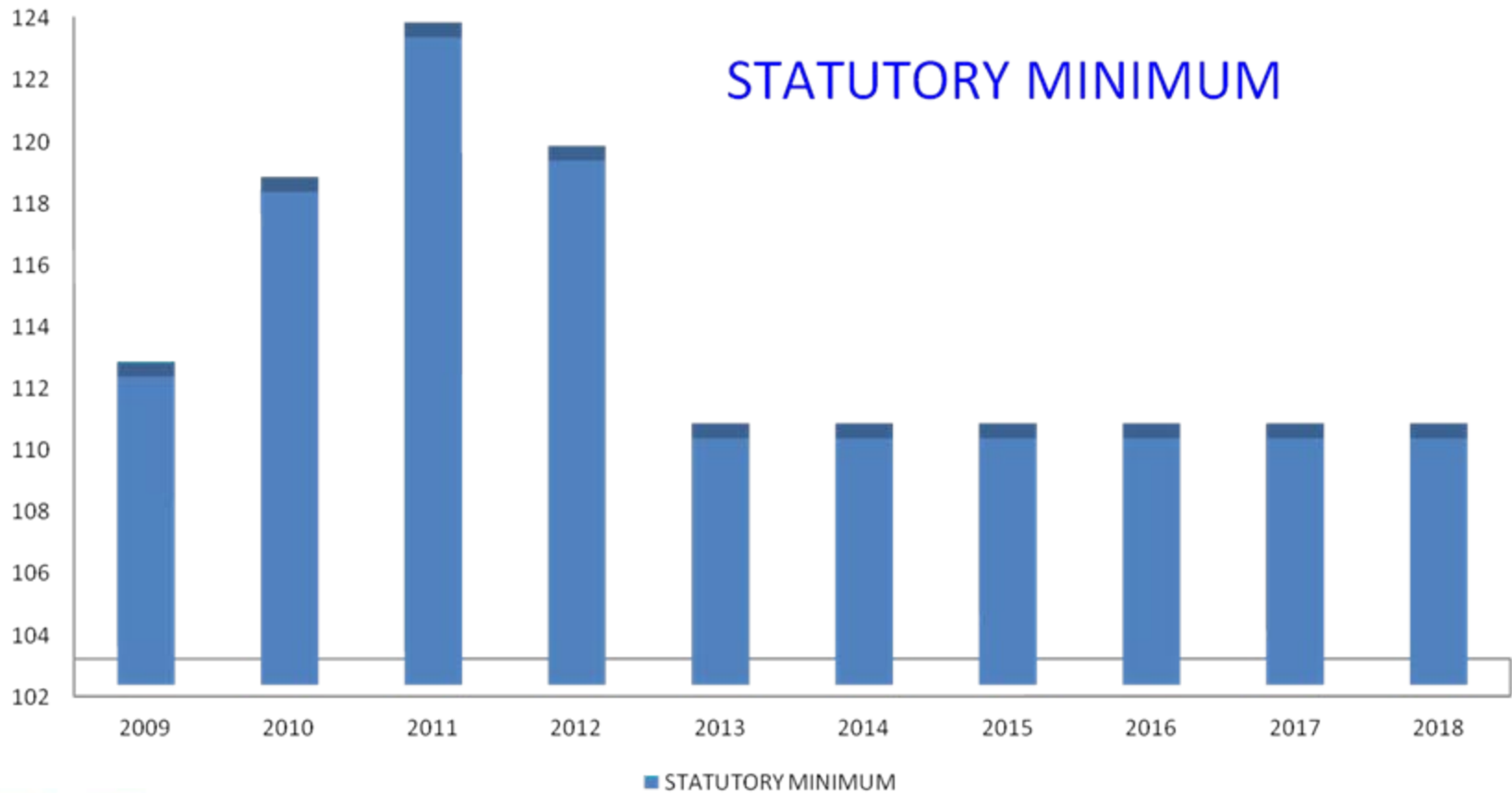
- Cumulative savings: 1.3M Dth
- Reported net economic benefits of \$34.8M
- Customers saved **\$1.29 per \$1 invested**
- Total investment to date: \$52.6 million



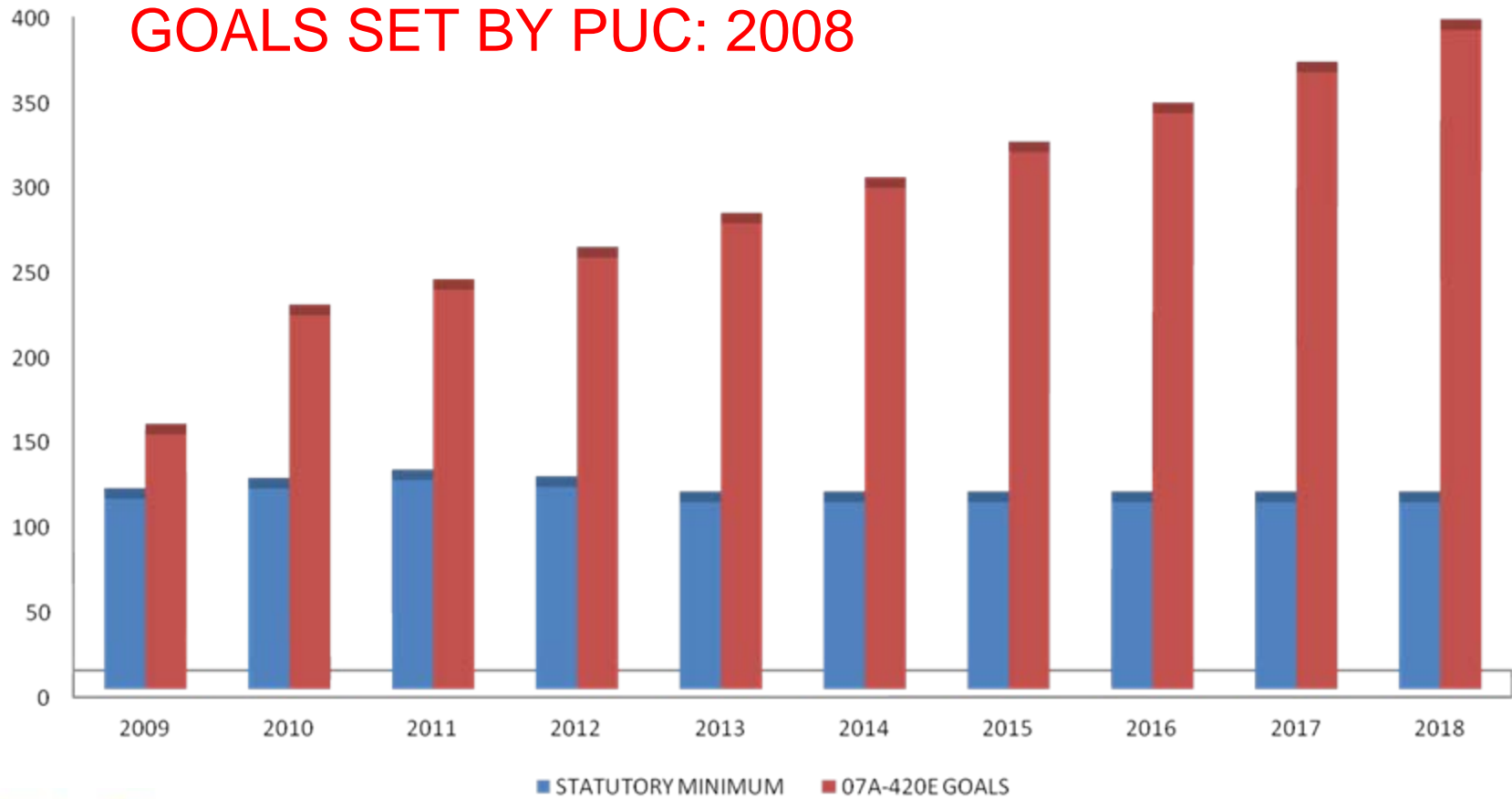




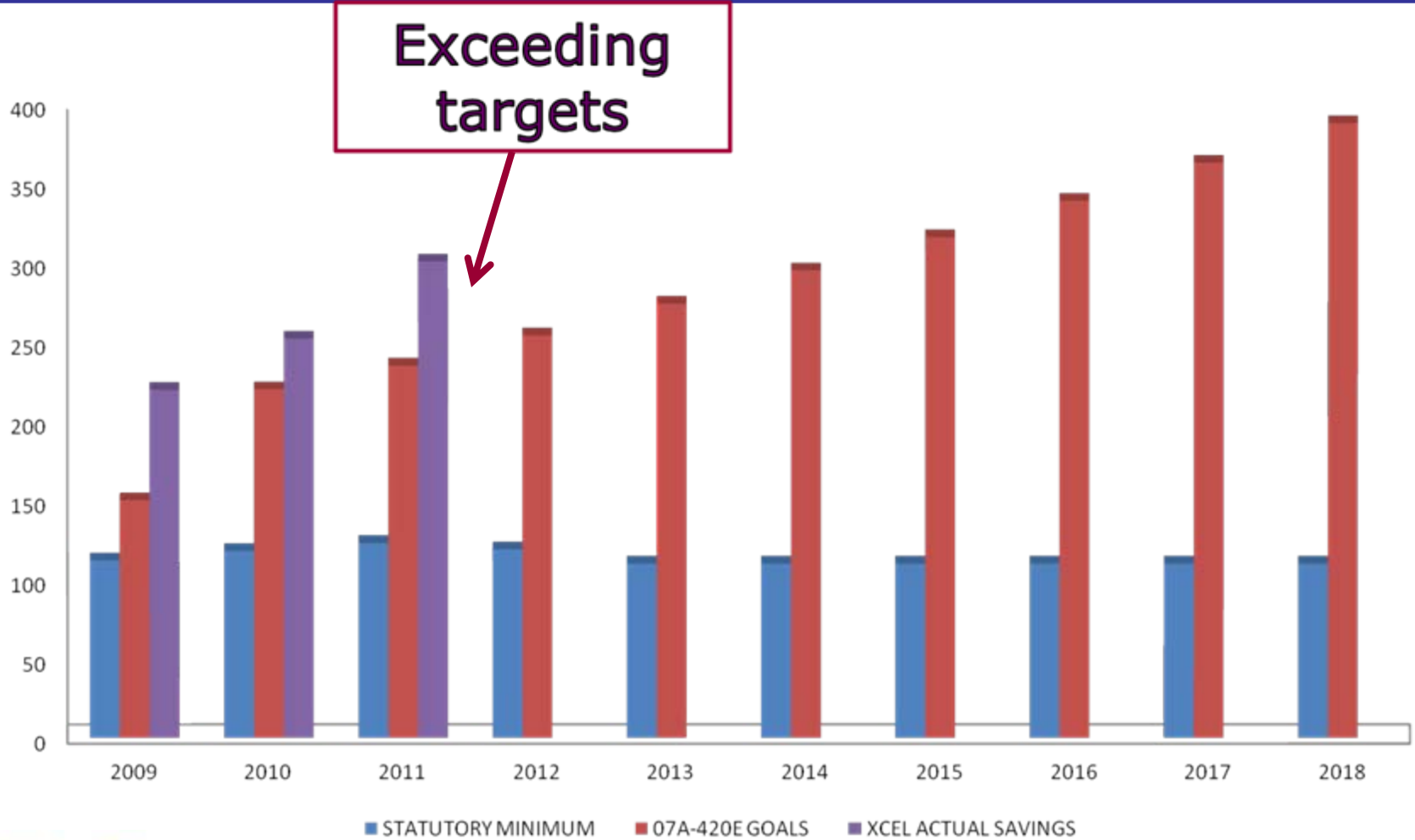
Goals & Actual Savings PSCo (GWh)



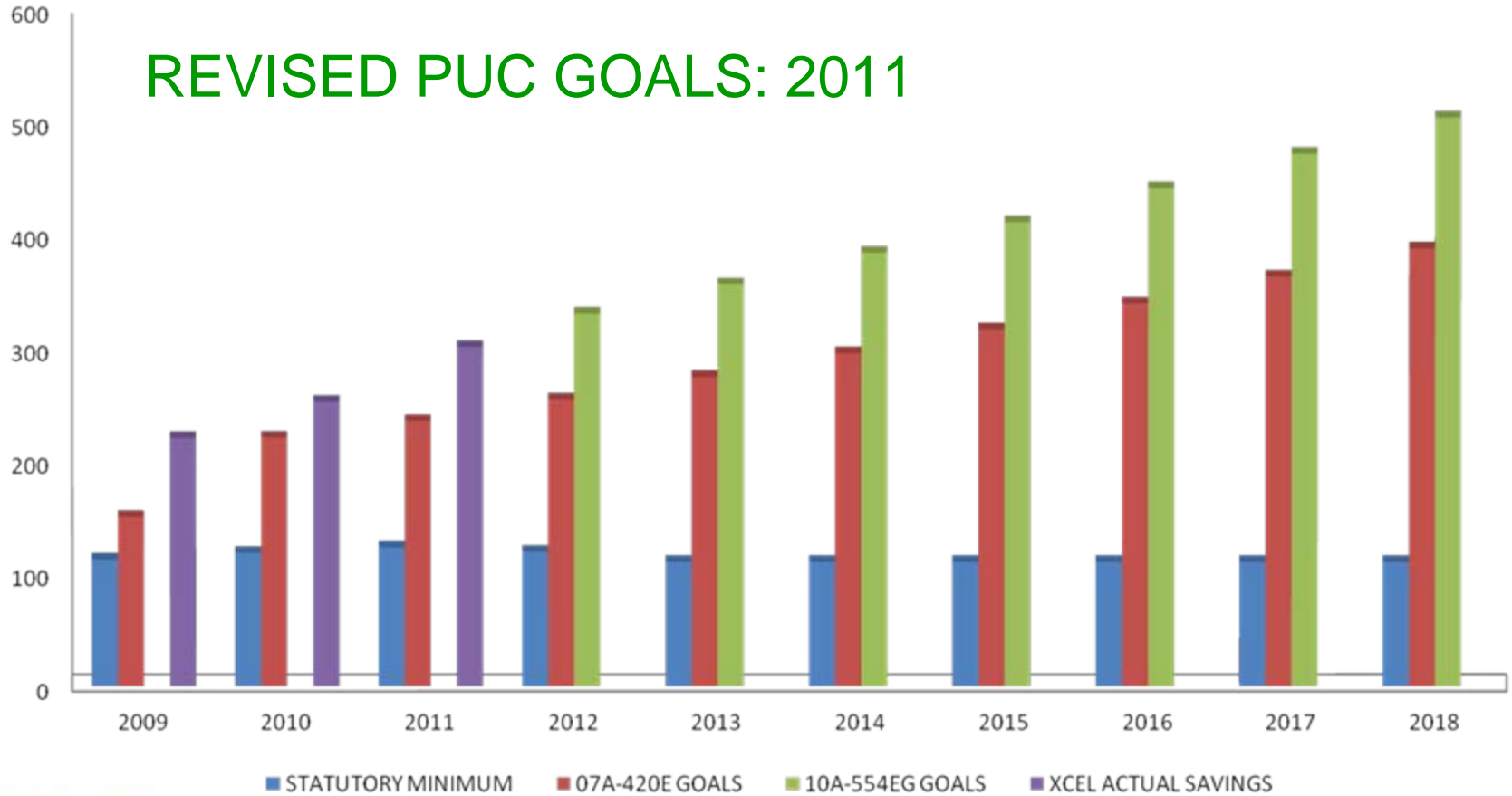
Goals & Actual Savings PSCo (GWh)



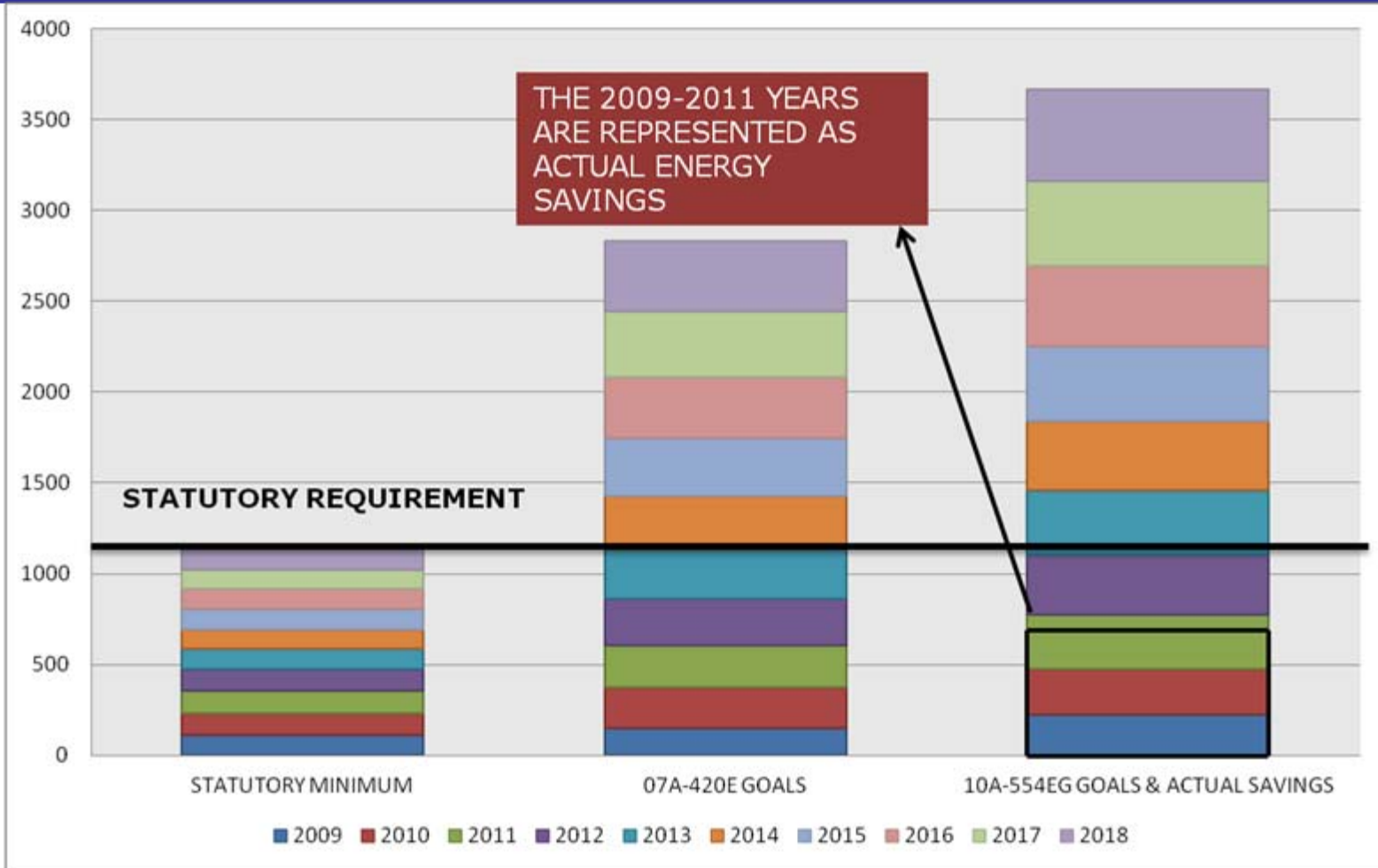
Goals & Actual Savings PSCo (GWh)



Goals & Actual Savings PSCo (GWh)



PSCo Savings Goals (GWh)



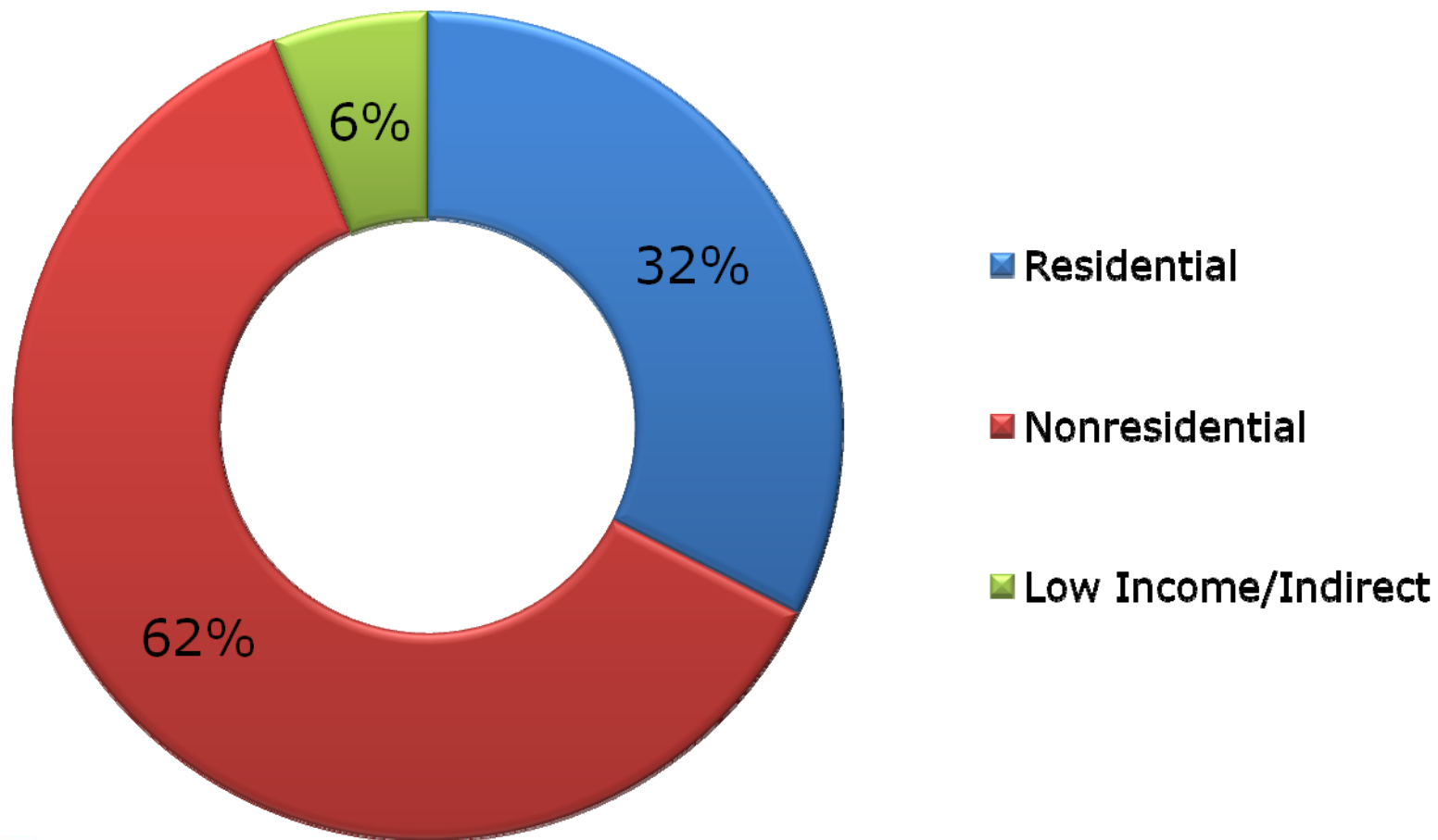
Bilbo, what about Frodo?



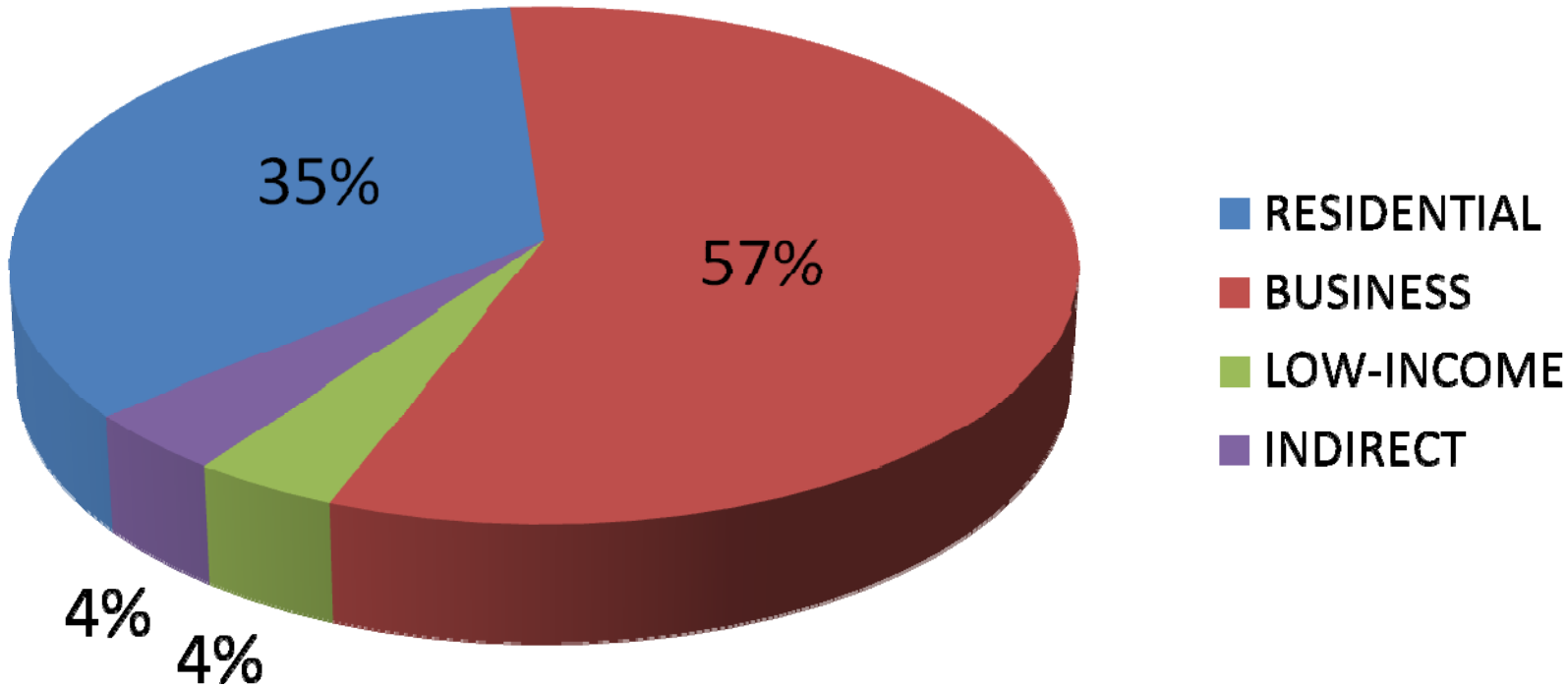
Is Frodo in our midst?



Percent of Savings by Program (09-12) (BHE & PSCo)

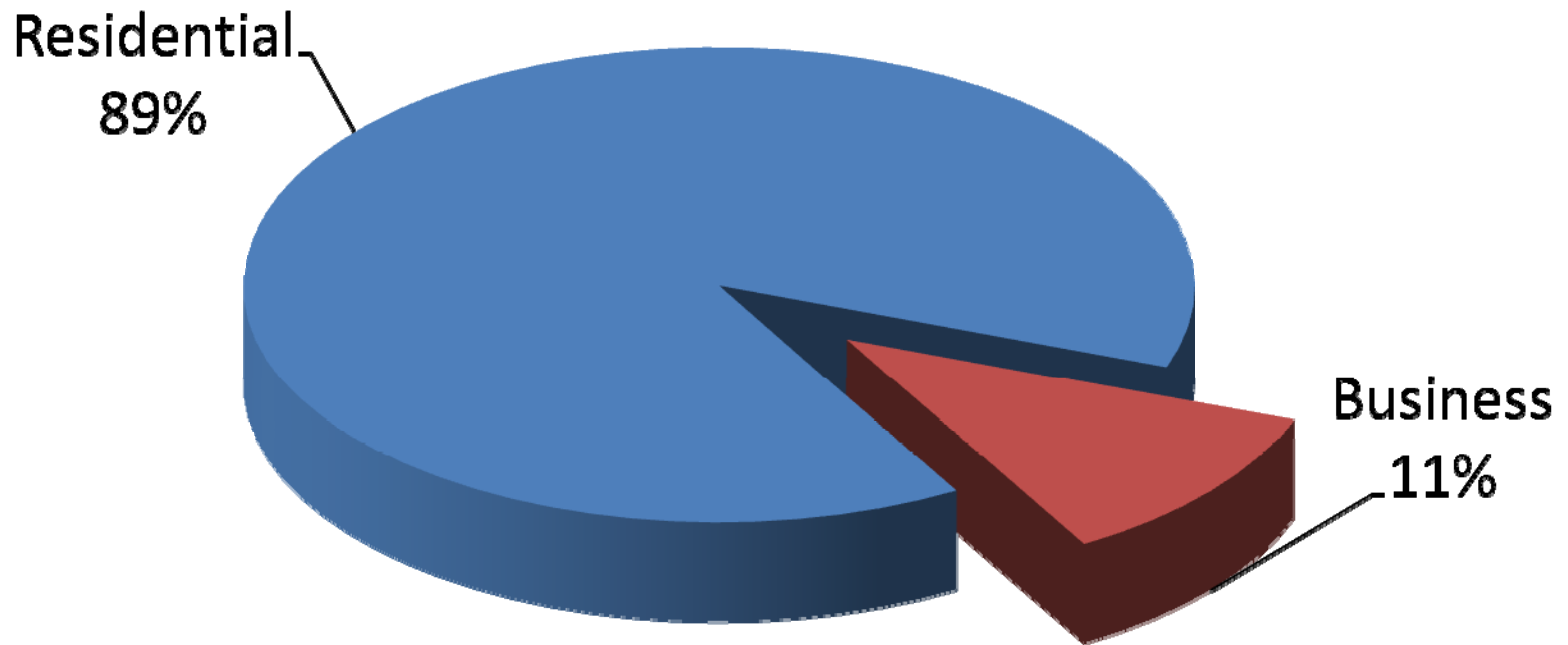


PSCo 2011 Electric Savings by Program





Percent of PSCo Customers





Future Filings

- November 2012 – PSCO files notice addressing 11 GWh “shortfall” in their 2013 DSM plan
- June 2013 – PSCO files a strategic issues docket that will address EE and DR



Bilbo, Frodo... Gollum?



Has anyone seen this person?... (He might be trying to steal the ring.)

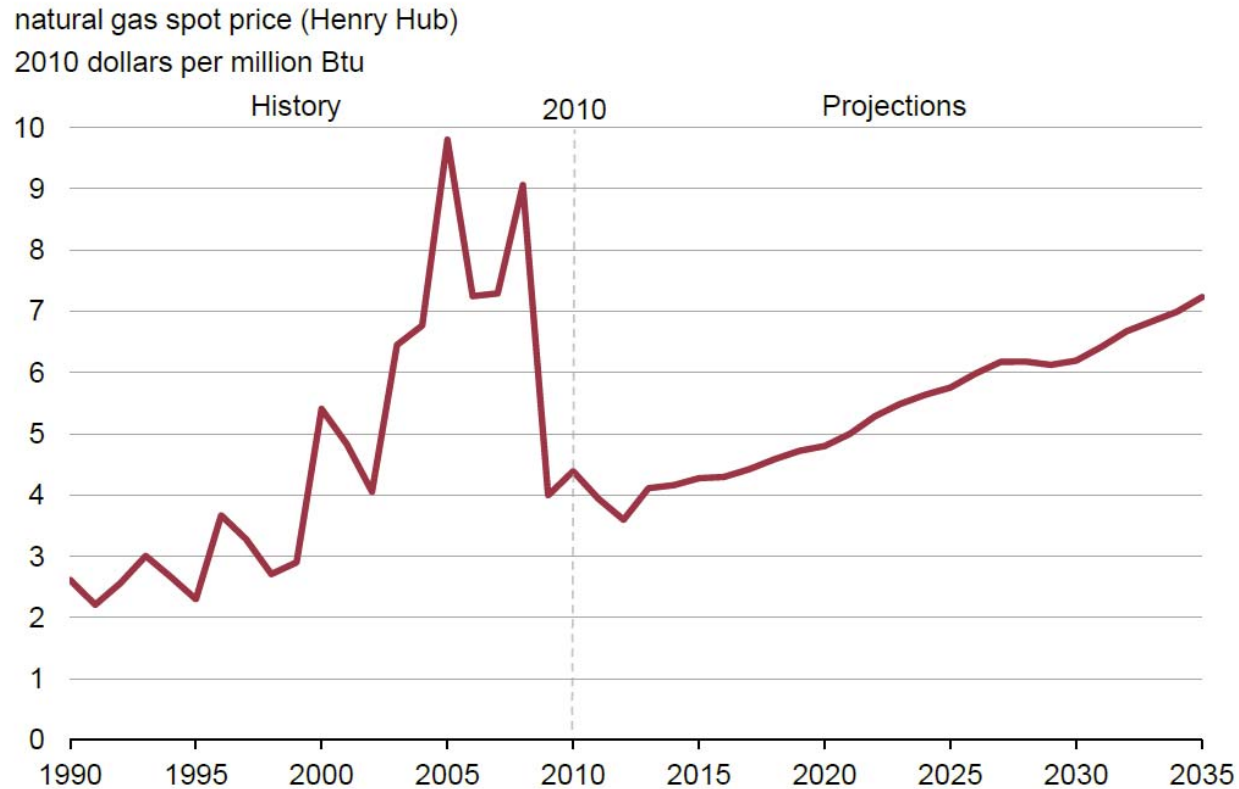


DSM: Looking Forward

- Challenges and Opportunities
 - Changing Economic and Market Dynamics
 - Learning (quickly) from each other, & other states
 - Public Policy... now, 2018 and beyond
 - A statewide perspective

Gas DSM and Low Gas Prices

EIA's natural gas price projections are slightly lower than in *AEO2011*, consistent with recent market developments



Sources: EIA, Annual Energy Outlook 2012 Early Release and EIA, Annual Energy Outlook 2011

Electric DSM 2.0

- Moving Beyond Rebates
 - Performance-based incentives
 - Behavioral programs
 - Rate design/advanced metering
 - Market transformation



Defining Market Transformation

Commission Gas DSM rules:

Define market transformation as: “a strategy for influencing the adoption of new techniques or technologies by consumers. The objective is to overcome barriers within a market through coordinating tactics such as education, training, product demonstration and marketing, often conducted in concert with rebates or other financial incentives.”

4 CCR 723-4-4751(n).

Commission Decision on MT

We also reaffirm our general support for market transformation efforts and maintain our reference that market transformation activities continue to be included in the Company's DSM portfolios in accordance with approved biennial DSM plans.
(Decision No. C11-042, Docket 10A-554EG at 22)



DSM (Electric IOU) After 2018

- Role of the Legislature
- Authority of the PUC
- Initiative of the Utilities

Truly Statewide DSM...

- Concept
- Opportunity
- Strategy

Thank you!

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