

#### How Information and Communication Technologies will Change the Evaluation, Measurement and Verification of Energy Efficiency Program Performance

CCECE Industry Efficiency 2016 Berlin Panel 1, Paper: 1-009-16 Wednesday, September 14, 2016

Ethan A. Rogers Program Director, Industry American Council for an Energy-Efficient Economy

## American Council for an Energy-Efficient Economy (ACEEE)

- ACEEE is a nonprofit 501(c)(3) that acts as a catalyst to advance energy efficiency policies, programs, technologies, investments & behaviors.
- 50 staff in DC, DE, MI, WA & WI
- Focus on end-use efficiency in industry, buildings, utilities & transportation
- Other research in economic analysis; behavior; national, state & local policy.
- Funding:
  - Foundation Grants (52%)
  - Contract Work & Gov. Grants (20%)
  - Conferences and Publications (20%)
  - Contributions and Other (8%)





- Structure of North American Energy Efficiency Programs
- Evaluation, Measurement & Verification
- Using ICT to perform EM&V
- Case Studies
- Conclusions & Recommendations



## Structure of North American Energy Efficiency Program Sector

- State Public Utility Commissions
- Utilities
- Energy Efficiency as a Resource
  - Prescriptive Programs
    - Deemed savings values
  - Custom and Standard Offer Programs
    - Measured savings values
    - Education, Technical Assistance & Training



- Structure of North American Energy Efficiency Programs
- Evaluation, Measurement & Verification
- Using ICT to perform EM&V
- Case Studies
- Conclusions & Recommendations



## **Program Evaluation Types**

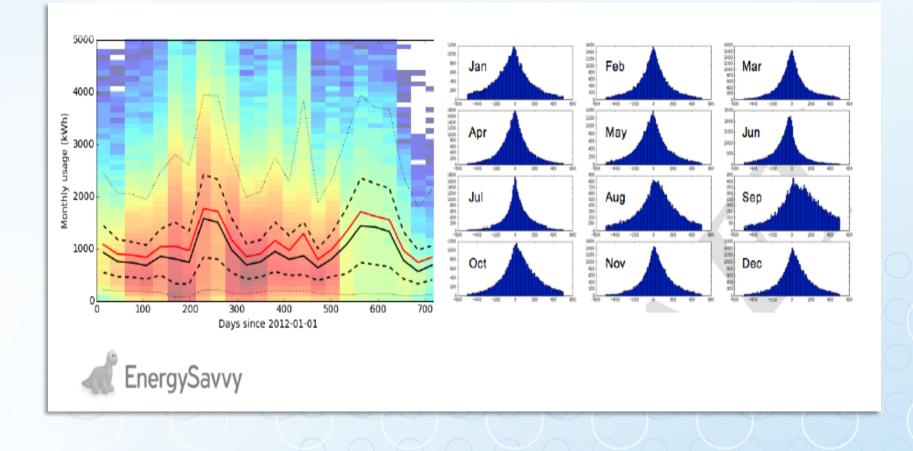
American Council for an Energy-Efficient Economy

	Analysis Type	Description	Examples of use
	Impact (M&V)	Quantifies direct and indirect changes associated with the subject program(s)	Determines the amount of energy and demand savings
	Process evaluation	Indicates how the procedures associated with program design and implementation are performing from both the administrator's and the participant's perspectives	Identifies how program designs and processes can be improved
	Market effects evaluation	Analyses how the overall supply chain and market for energy efficiency products have been affected by the program	Characterizes changes that have occurred in efficiency markets and whether they are attributable to and sustainable with or without the program
	Cost- effectiveness evaluation	Quantifies the costs of program implementation and compares them with program benefits	Determines whether an energy efficiency program is a cost-effective investment compared with other program and energy supply resources

- Structure of North American Energy Efficiency Programs
- Evaluation, Measurement & Verification
- Using ICT to perform EM&V
- Case Studies
- Conclusions & Recommendations

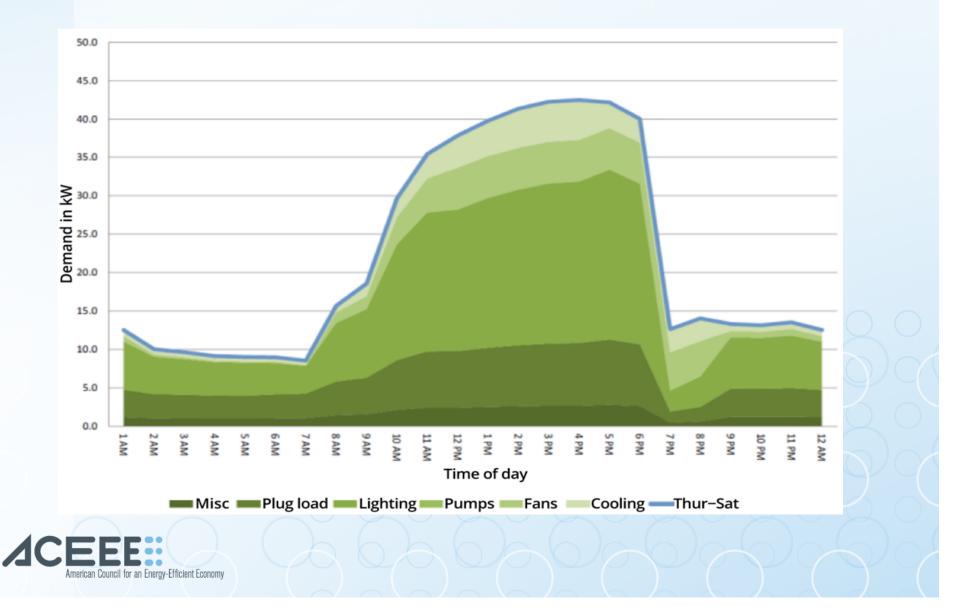


## **Customer Identification**



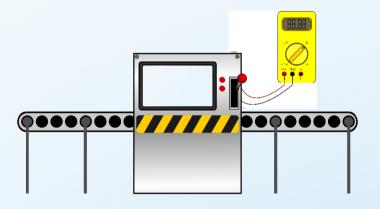


## **Project Identification**



## **Conventional M&V**





Manual collection and comparison of pre- and postenergy consumption



## **Sensors and Wireless Networks**





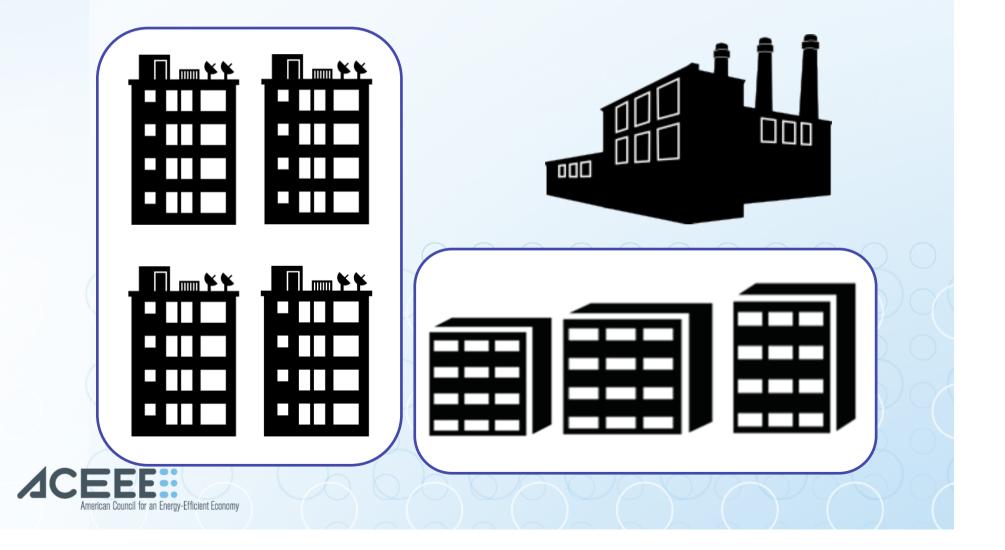
Automated collection of energy consumption



## **Remote Tracking of Energy Use**



## **Use of Comparison Groups**



- Structure of North American Energy Efficiency Programs
- Evaluation, Measurement & Verification
- Using ICT to perform EM&V
- Case Studies
- Conclusions & Recommendations



#### Commonwealth Edison Custom Incentive Program

**Project Energy Savings M&V** 

Silver Beauty Warehouse and Digital Lumens

- 177,000 sq. ft. warehouse
- Replaced metal halide with LED system controlled by a reactive and predictive intelligent control system
- Document savings of 1.2 million kWh/year
- 92% of previous annual consumption
- Results confirmed by third party evaluator



### Efficiency Nova Scotia Energy Management Information System

#### Manufacturing Facility Savings M&V

- Efficiency Nova Scotia offers financial incentives to cover up to 50% of the cost to develop, design, and implement an EMIS.
- Program includes a training program and developing a management protocol for entering data into the EMIS,
- EMIS translates various data streams into actionable information that operators and management can use to develop and carry out operational energy efficiency measures and optimize facility energy use.
- Savings reported by the EMIS program, which, after three years, total more than 4.5 million kWh



#### Pacific Gas & Electric Company Commercial Whole Building Demonstration

#### **Program Evaluation**

Comprehensive, performance-based program designed to deliver 15% post-installation energy savings.

- Remote tracking and analysis
- Parallel conventional on-site analysis
- Up-front incentive payable after implementation
- Performance incentive 1-year later based on achieved savings



- Structure of North American Energy Efficiency Programs
- Evaluation, Measurement & Verification
- Using ICT to perform EM&V
- Case Studies
- **Conclusions & Recommendations**



# Summary

- ICT is changing how the programs
  - Engage customers
  - Identify opportunities
  - Track savings
  - Evaluate projects
  - Evaluate programs
- ICT provides program administrators with the potential to collect energy savings data in near real-time.



## Conclusions

# Using ICT in energy efficiency programs can:

- Increase the scale of M&V
- Add context to energy savings data
- Enable harmonization of energy data with other information
- Improve analysis of program effectiveness
- Provide greater transparency
- Remove barriers to greater adoption of energy efficiency measures



## Recommendations

- Analyze and update policies to eliminate barriers to innovation and market growth
- Allow experimentation and demonstration
- Conduct research into the accuracy and specificity of performance measurement
- Establish guidance for best practices for:
  - Making assumptions
  - Data cleaning and interpreting
  - Integrating external data sources
- Set goals for cost effectiveness, accuracy, and precision



#### Thank you!

Ethan A. Rogers Program Director, Industry 202-507-4751 erogers@aceee.org

Save the Date! 2016 ACEEE Intelligent Efficiency Conference December 4-6, 2016; Hilton Austin, Austin, Texas aceee.org/conferences/2016/ie

Visit us on the web at: <u>www.aceee.org</u> Follow us on Twitter at: @ACEEEdc



#### **Related Reports**

Rogers, et al. 2015. *How Information and Communications Technologies Will Change the Evaluation, Measurement, and Verification of Energy Efficiency Programs.* 

aceee.org/research-report/ie1503

Goldberg, et al. 2015. *The Changing EM&V Paradigm*. Northeast Energy Efficiency Partnership, Regional Evaluation Measurement & Verification Forum. Prepared by DNV GL.

http://www.neep.org/changing-emv-paradigm

Rogers. 2014. The Energy Savings of Smart Manufacturing. aceee.org/research-report/ie1403

Langer and Vaidyanathan. 2014. *Smart Freight: Applications of Information and Communications Technologies to Freight System Efficiency*, ACEEE White Paper.

http://aceee.org/white-paper/smart-freight-ict.

