
PUCT's Energy Efficiency Implementation Project Recap

On Tuesday, October 18th the Public Utility Commission of Texas (PUCT) convened its biannual Energy Efficiency Implementation Project (EEIP) meeting ([EEIP Docket 38578](#)) which [SPEER](#) attended. For those not familiar with these public meetings, they were developed as a forum for utilities, PUCT and EM&V staff, and stakeholders to learn about, discuss, and report back information on the various energy efficiency programs that utilities provide in the ERCOT market. The first half of Tuesday's meeting followed this normal agenda format, including a review of key findings from the state's and EM&V contractor, updates on the technical reference manual draft changes, and a discussion on a forward looking low-income geographic tool used by Oncor Electric. All very helpful in their own rights. However, the second half of the meeting was different than typical information provided in recent history. In the afternoon, a brainstorming session on what a future energy efficiency rulemaking process should consider was held, and that is very big news for Texas and our energy market.



Commissioner Kathleen Jackson



Lark Lee, Tetra Tech, Commission's EM&V contractor lead

Why was this afternoon brainstorming session big news for the state? It has been over a decade since the last substantive changes have been made to the goals and rules for energy efficiency programs offered by the state's Transmission & Distribution Utilities (TDUs). In that time, the Texas population has grown over 16%, businesses continue to relocate to the state, and the weather is becoming more extreme, all causing significant strain on the electric grid. The state set over 11 peak demand records this past summer alone. Texas' current electricity demand record is roughly 79 gigawatts (GW) and it is projected to increase to over 86 GW by 2030. To put that in context, 7 GW of additional demand is equal to powering roughly 1.4 million homes in the state. Couple these staggering numbers with volatile energy pricing and Texas consumers could see their electric bills skyrocket even higher in the not-too-distant future. This is why energy efficiency is so vital to our future.

Energy efficiency programs, such as HVAC updates, building envelope upgrades, and efficient appliances aim to lower the total demand to the grid by using electricity more efficiently. In peak times, demand response programs can help reduce energy consumption quickly. The key to both energy efficiency and demand response programs is they are very cost effective to the consumer and rather simple to implement.

Afternoon Energy Efficiency Rule Session:

Two presentations were given. One by Oncor Electric's Garry Jones and another by the Sierra Club's Cyrus Reid reviewing their recent petition ([Sierra Club Petition Docket](#)). Both Oncor Electric and Sierra Club sought to find areas of focus for a potential rulemaking. Oncor organized these areas into six focus items: policy/legislative, goal changes, financial aspects, program design, customer impacts, and the Texas energy market. Themes of equity, increased resiliency, and ample opportunities for substantive changes to improve the performance of these important programs were heard throughout the afternoon.

The purpose of this session was for stakeholders across the sector to provide input on what changes should be considered if the rule should open in the future. No guarantees were made that a rulemaking process would follow, however if one does, commission staff will have a head start on working with utilities, advocates, and other interested parties on these topics and have the ability to incorporate their feedback into any future staff proposals. Following this meeting, the EM&V contractor plans develop a survey for stakeholders to review specific topics discussed at the EEIP meeting, provide feedback, and rank their respective priorities. Now is the time to get involved.

If you would like to watch the full session, you can do so on the [PUCT ADMINmonitor Website](#). SPEER will continue to provide updates on energy efficiency policy changes in the region, especially as we prepare to enter the 88th Texas legislative session scheduled to begin on January 10th, 2023. You can follow these updates as well as our filings with the PUCT [here](#).