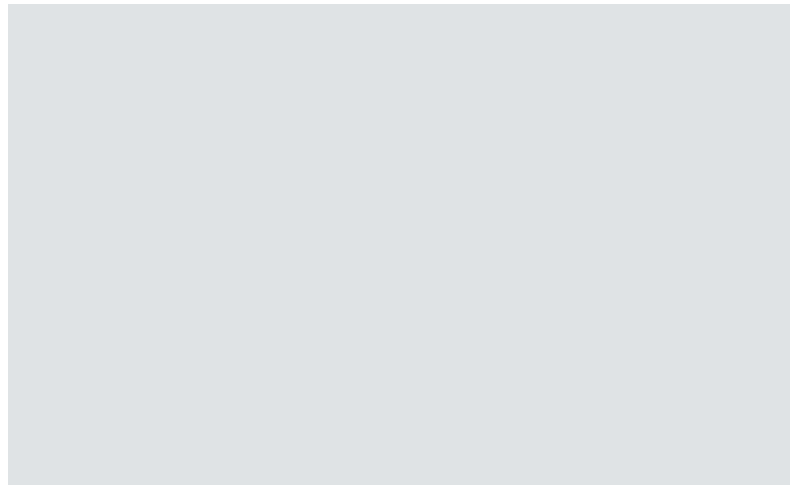
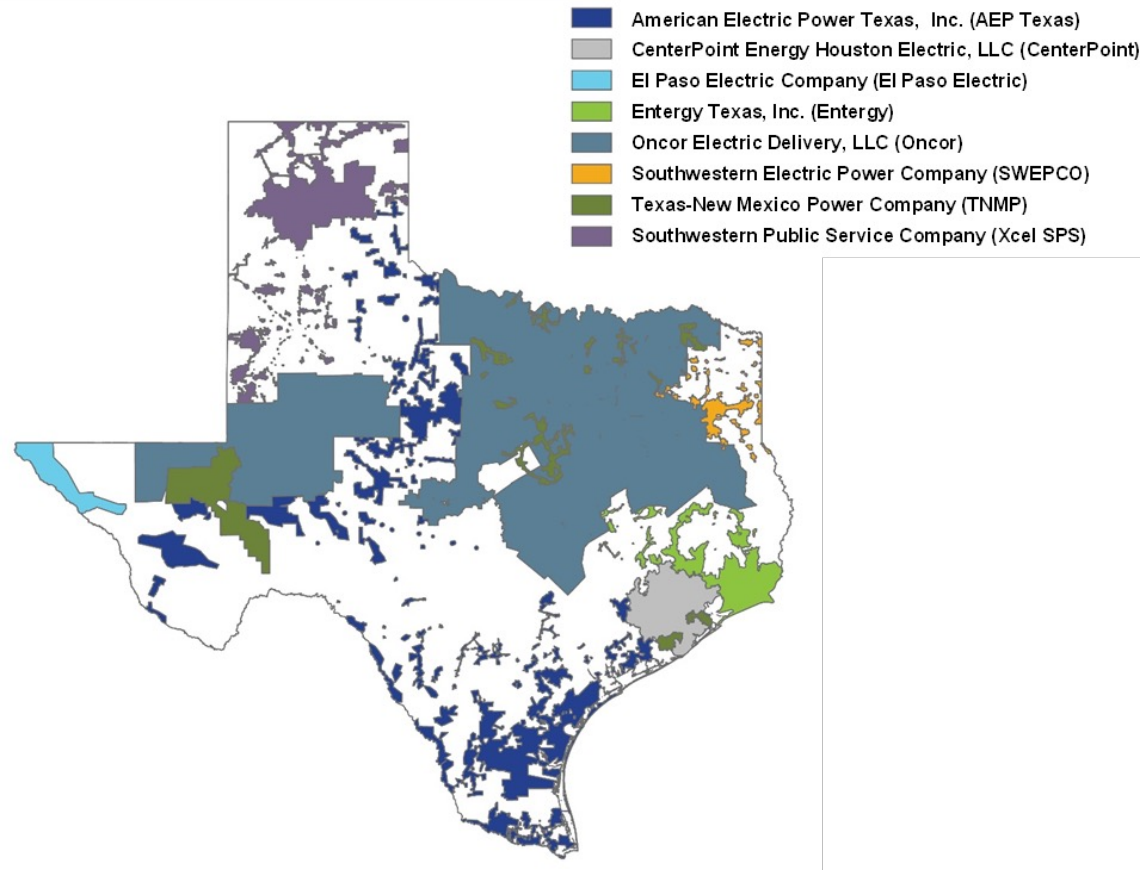


UPDATE ON INVESTOR-OWNED UTILITIES (IOU) ENERGY EFFICIENCY PROGRAMS

September 2023



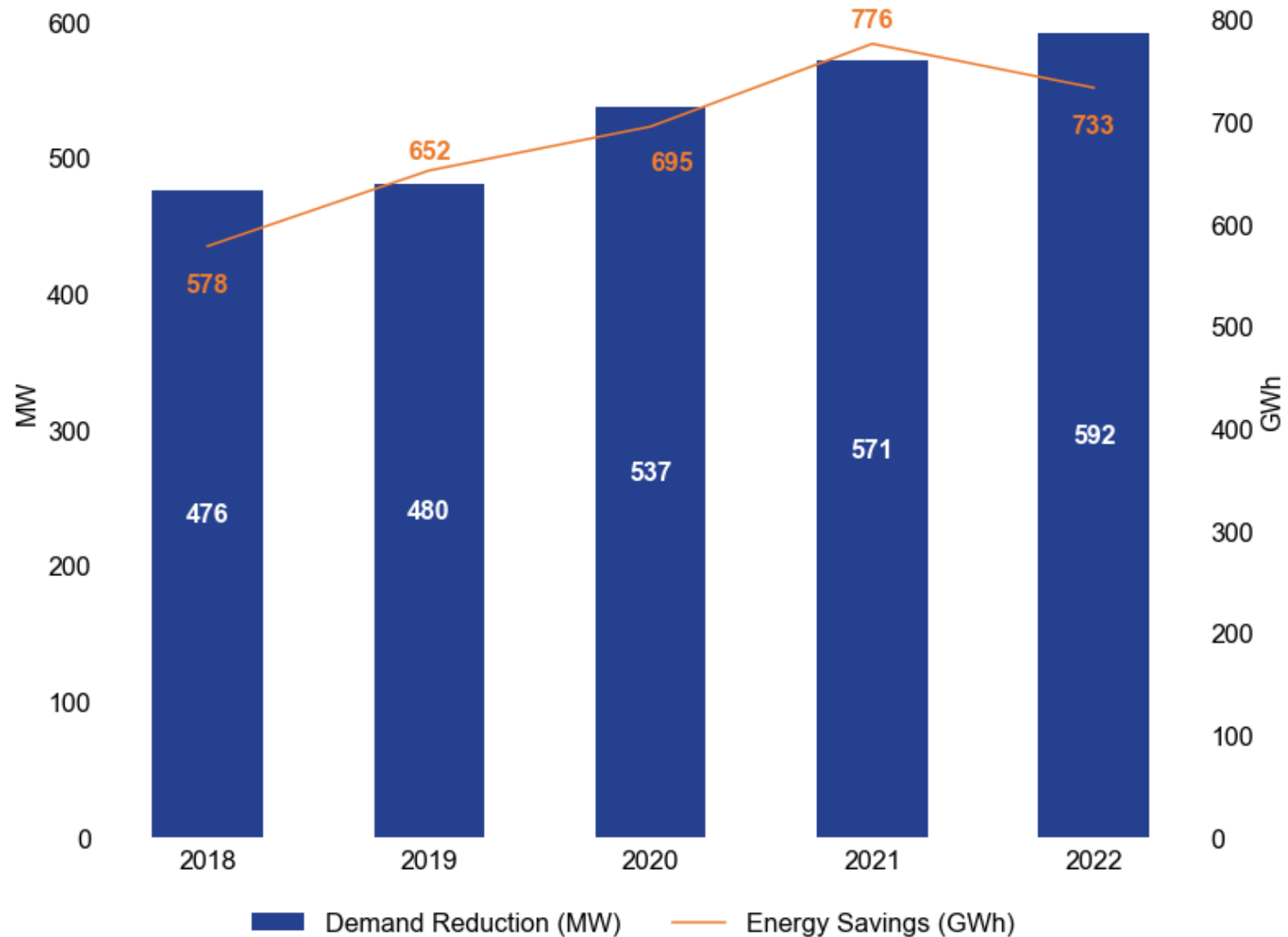


TEXAS IOU ENERGY EFFICIENCY HISTORY

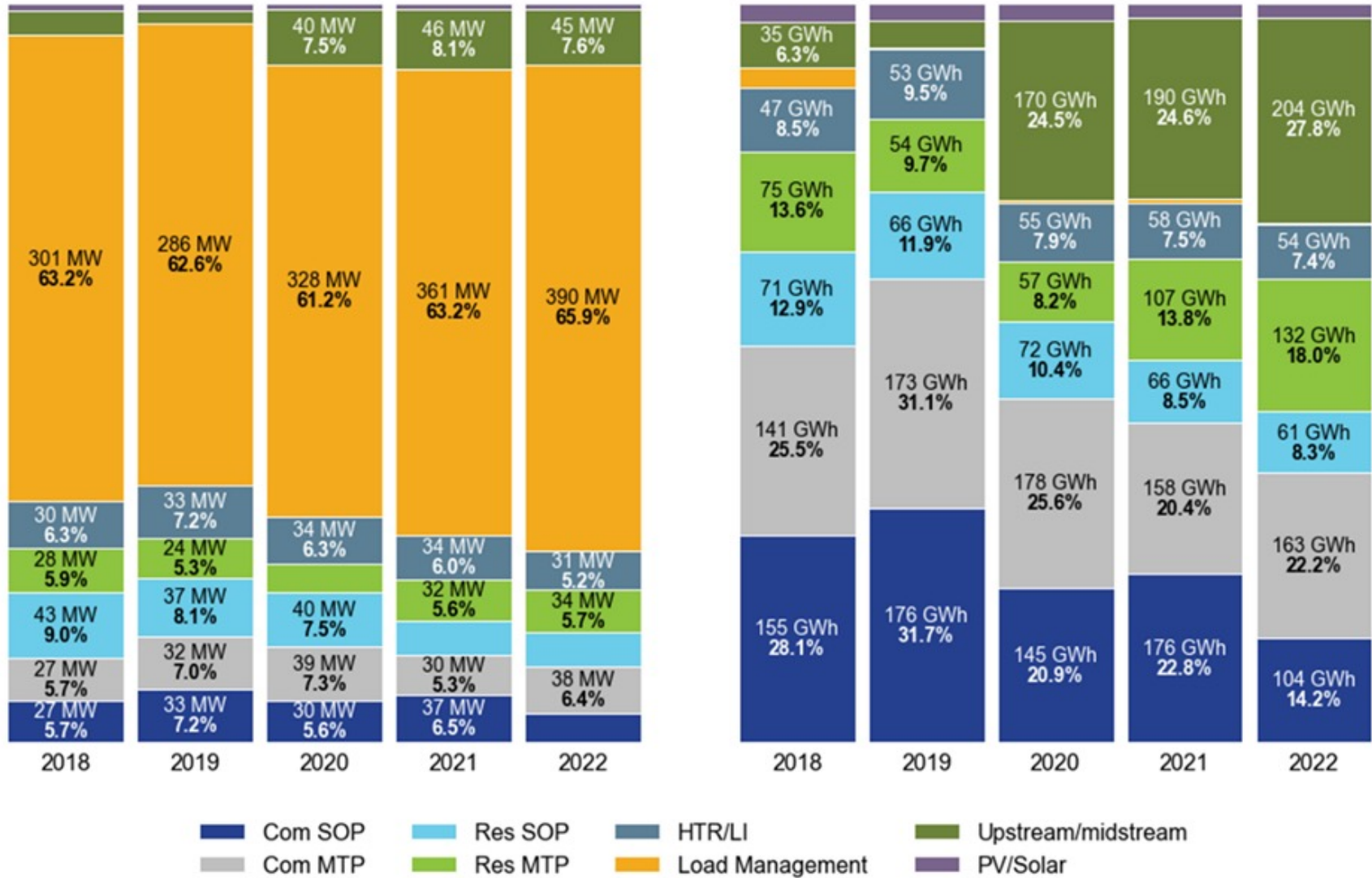
- The Public Utility Regulatory Act (PURA) Section 39.905 first established long-term goals in 1999 for the IOUs
 - Since 2013, “floor” of 30 percent of demand growth or 4/10th of 1% of summer peak
 - Due to consistent demand growth, IOUs are generally pursuing larger kW and kWh reductions

In 2022, the Texas electric utilities achieved statewide:
demand reductions of 592,192 kilowatts (kW) at a lifetime cost of \$13.70 per kW.

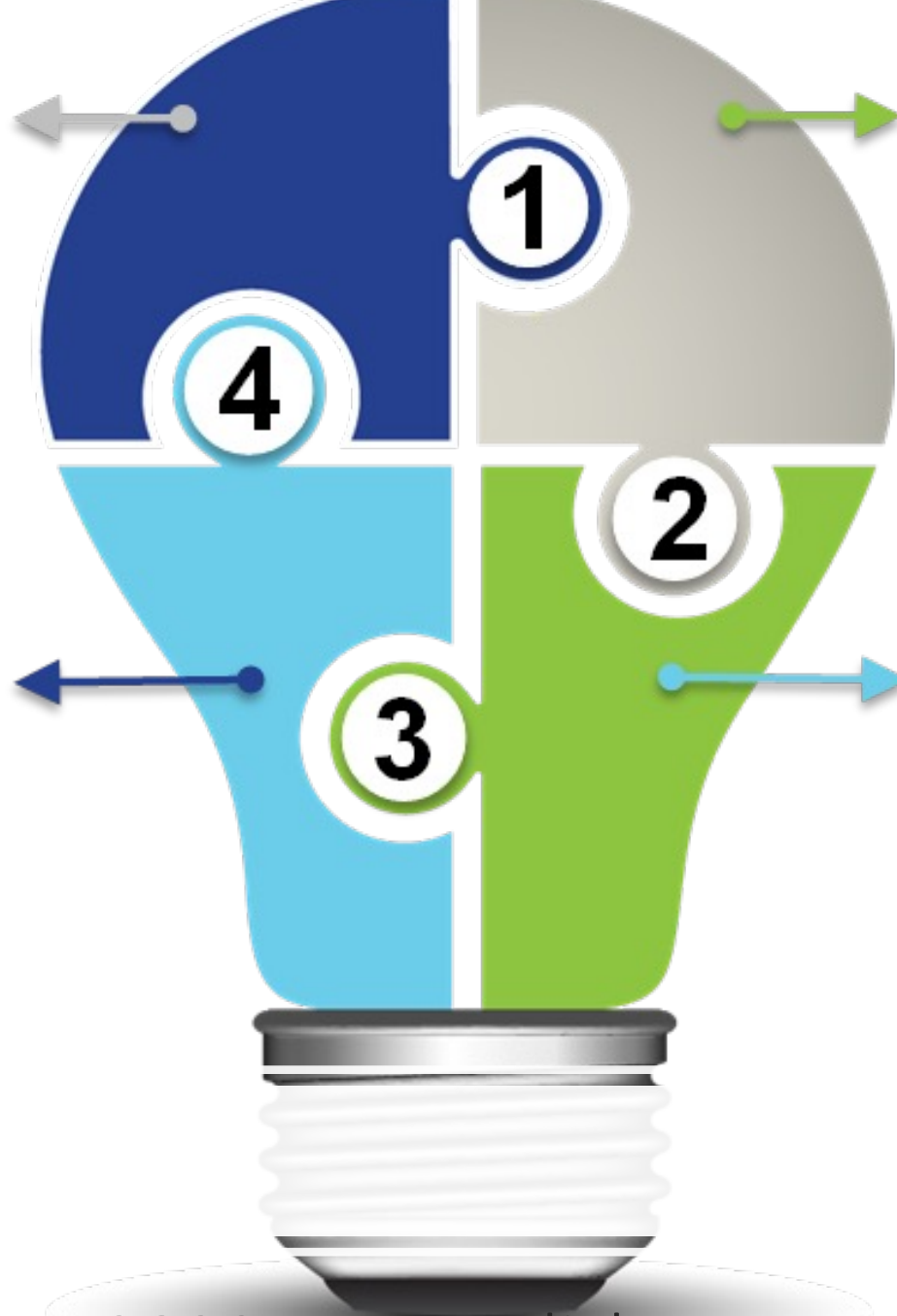
Electricity savings of 732,844,925 kilowatt-hours (kWh) at a lifetime cost of \$0.014 per kWh.



163,691 residential households
55,612 commercial customers
plus retailer point of purchase discounts



Delivered the most peak demand reductions to date as a result of increased load management participants and new winter 24/7 offerings. A solid demand response infrastructure is in place that could be quickly expanded if needed.



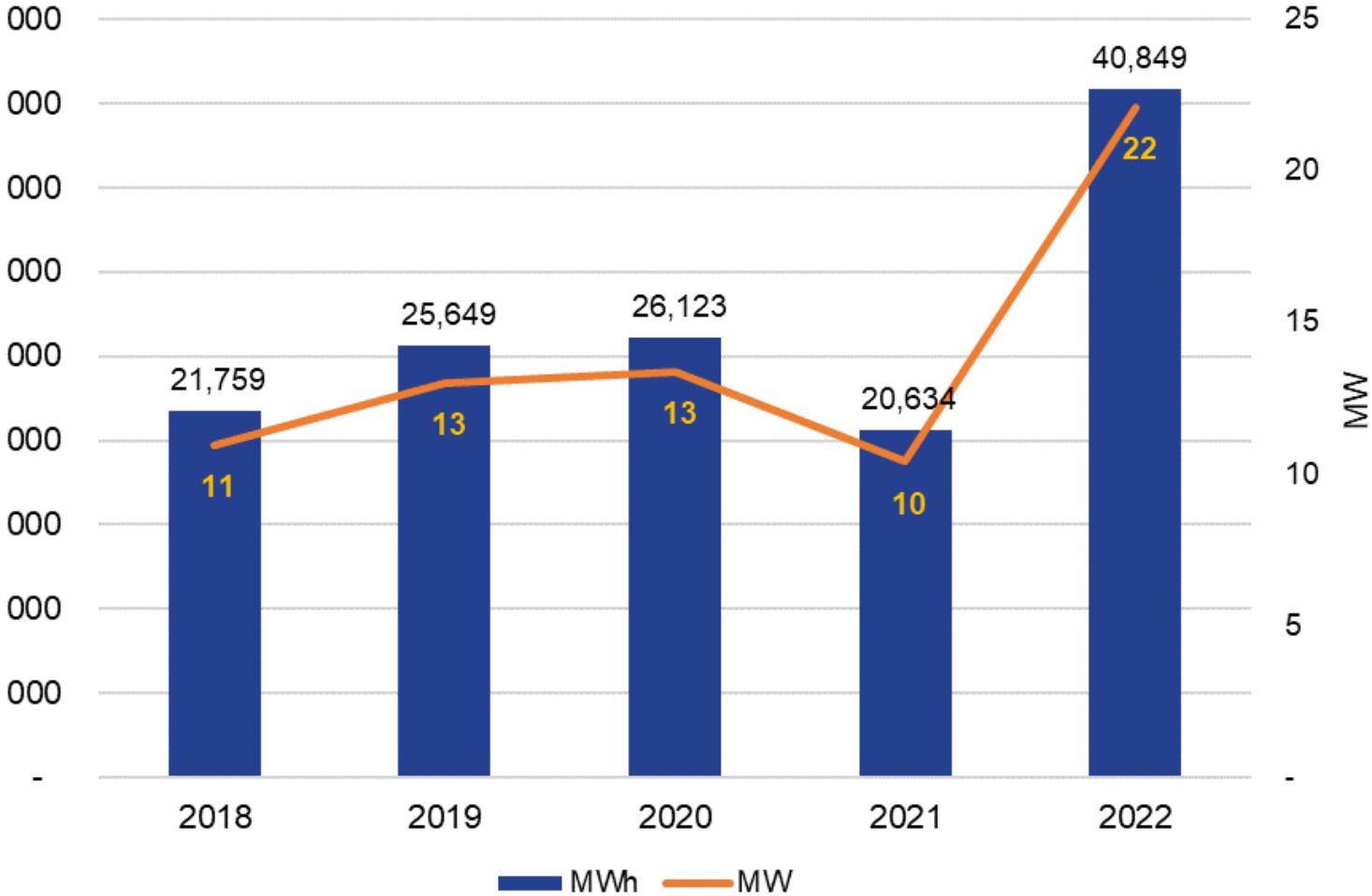
Increased Stakeholder Input
Organized Energy Efficiency Implementation Project (EEIP)
Stakeholder Working Groups that prioritized key issues to achieve desired best practices.

Targeted strategies to under-tapped measures and segments continued to reach less-served segments such as food services and multifamily, residential heat pump, and commercial HVAC project savings doubled from prior years.

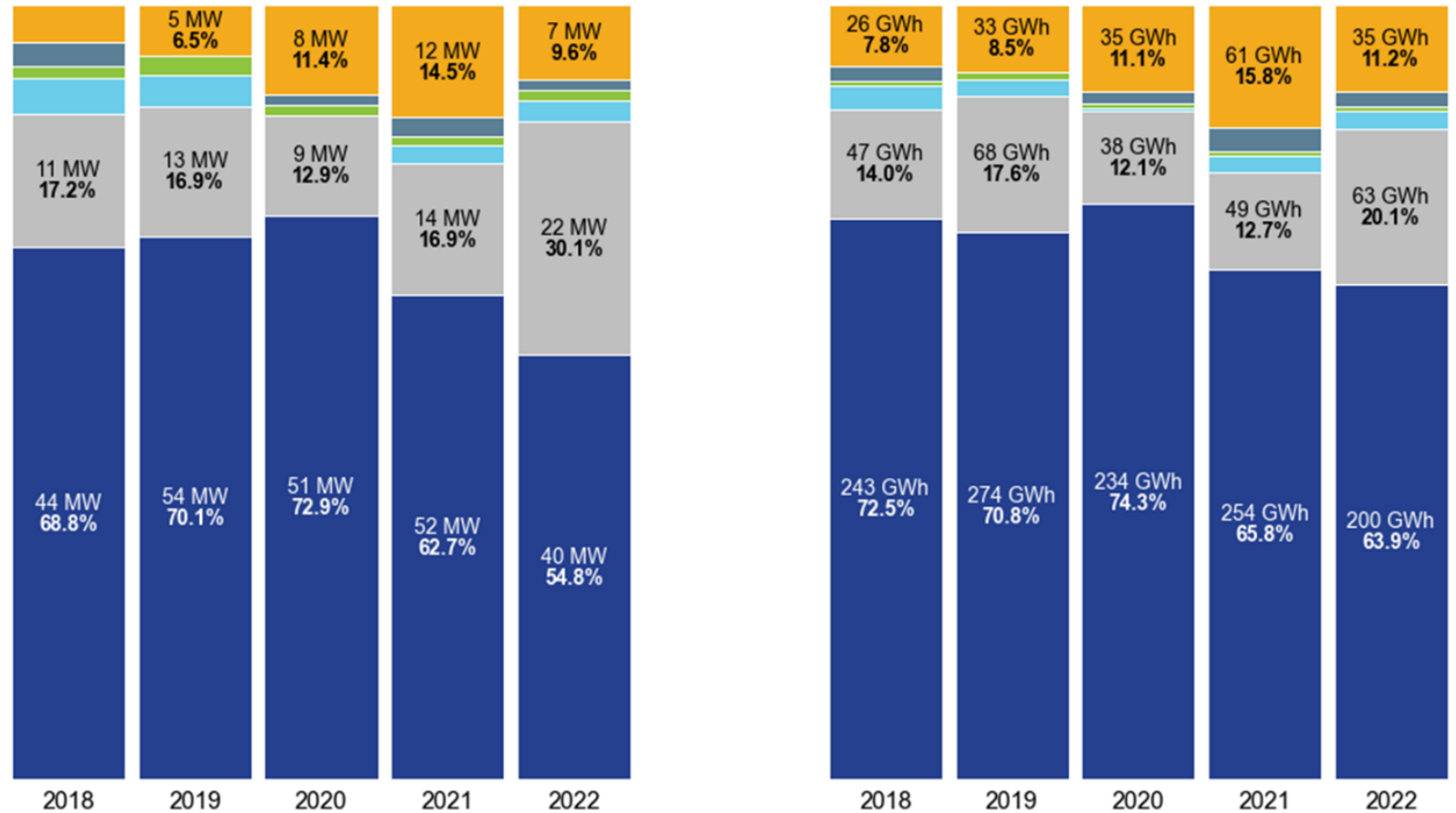
Conducted research to inform future offerings identifying less-served areas in service territories, tracking variable speed heat pump projects, and assessing the potential for commercial fleet electric-vehicle-managed charging.

2022 Accomplishments

Residential Heat Pump Projects



Commercial HVAC is taking off too



Other: Other, Custom M&V, Food service, Motors, Whole Building, Water heat, Refrigeration, Appliance

■ Lighting ■ HVAC ■ Solar PV ■ Shell ■ Behavior ■ Other



Challenges

- Heat Pump Water Heaters
- Implementation of air sealing
- Coordination with other funding sources
- Understanding of EV managed charging
- Persistent and evolving market conditions—supply chain issues, staffing shortages and inflationary pressures

Connecting the Dots

-
- Program Delivery Feedback
 - IRA tax credit education and outreach
 - Technology input----coming up next

Role of Energy Efficiency Implementation Project (EEIP)—Statewide Collaborative Group



Make recommendations regarding best practices.

In addition to regular EEIP listserve communications (300+ recipients), Commission Staff host at least two EEIP meetings a year:

- Fall EEIP covers at a minimum EM&V key findings and recommendations and TRM updates for next program year
- Winter EEIP covers at a minimum IOU energy efficiency plans and call for next TRM update
- The next meeting is just around the corner!
 - September 26, 9:30 am – 3:00 pm
 - Commissioners' Hearing Room, 7th floor of the William B. Travis Building
- Thank you for your time today!
 - Lark Lee, Commission's EM&V contractor lead, lark.lee@tetrattech.com
 - For more information on the IOU programs, please visit texasefficiency.com