

Problem Statement:

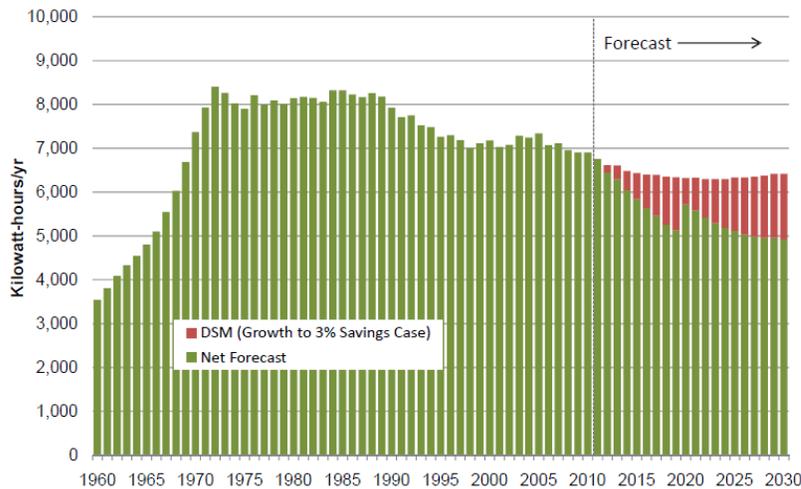
There is a mismatch between what EEU's are able to claim for savings at the end of a product's "measure life", and the forecasted appliance efficiency in a given year, resulting in unlikely abrupt changes in forecasted load.

- Engineering useful life of an energy efficiency measure is different from regulatory "measure life". These things are often based upon same assumptions, but in some cases (lighting extreme example) – are different.

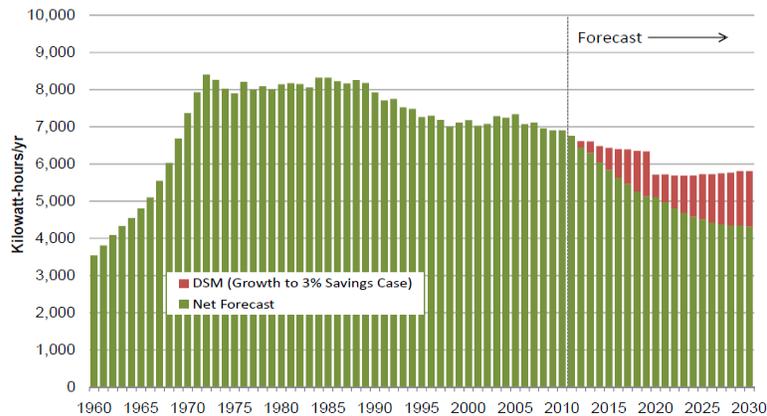
Analysis/Data/Root Cause:

- Base forecast accounts for some appliance efficiency (codes and standards)
- EE Measures "decay" from a regulatory perspective
- Previous forecast included assumption of 50% of future EE.
- The first chart shows an abrupt spike in load in 2020, when lighting efficacy standards take effect. The reduction in estimated EE savings is due to limited allowable regulatory savings claims. The second chart shows a potential adjustment to the forecast to assume actual load on the grid.

Vermont - Avg Use Per Customer Forecast



Vermont - Avg Use Per Customer Forecast (adjusted)



Goal/Desired Future Condition:

- Develop a clear Definition of “decay” depending on context (regulatory or actual appliance efficiency)
- Forecast Load consistently accounting for end use efficiency as affected by energy efficiency regulatory and engineering “decay”, and impact of future codes and standards.
- Understand difference between economic life of measure v. engineering life of measure

Ideally the determination of how to treat this issue will be incorporated into the VELCO LRTP forecast, and DU forecasting as appropriate.

Action Steps:

Action	Person	Start	Plan Finish	Actual Finish
Clean up A3, Send to committee	TJ	14-May	17-May	17-May
Committee Review	Committee	17-May	24-May	(no comments)
Review how changes for codes and standards are modeled in base forecast	Andrew w/Eric	24-May	4-Jun	
Written description of how EE decay is treated by EVT	Carole/Mike	24-May	4-Jun	3-Jun
Forecast Committee Meeting	Committee	20-Jun	20-Jun	20-Jun

Results:

Committee framed issue 5/14, developed action plan.

Issues:

- Timing. Load forecast may be utilized this summer/fall as a basis for one or more EE Resource Plan Scenarios in budget setting. Uncertainty as to how this will be incorporated, and the impact on that process.
- Disconnect between ISO-NE EE forecast methodology and VELCO/VSPC/Itron methodology.

Next Steps:

See Action Plan.