

THE \$20 BILLION BONANZA



Best Practice Electric Utility Energy Efficiency Programs and Their Benefits for the Southwest

Utah Highlights

The Bottom Line: Households and businesses in Utah can save \$1.7 billion through greater commitment to energy efficiency.

Energy efficiency is the lowest-cost, cleanest, and least risky resource available to electric utilities in Utah.

By implementing best practice energy efficiency programs, electric utilities in Utah would:

- Save their customers **\$1.7 billion net**
- **Cut electricity use in 2020 by 20%** and peak demand by 18%
- **Avoid 3 large power plants**
- Save 6.2 billion kilowatt hours per year by 2020, equivalent to **the electricity use of 590,000 typical households**
- Support **3,100 new jobs** and boost retail sales
- Cut air pollution and **improve public health**
- Reduce CO₂ emissions by 2.4 million metric tons per year by 2020, equivalent to taking **470,000 passenger vehicles off the road**
- Reduce water consumption by **3.2 billion gallons** per year by 2020

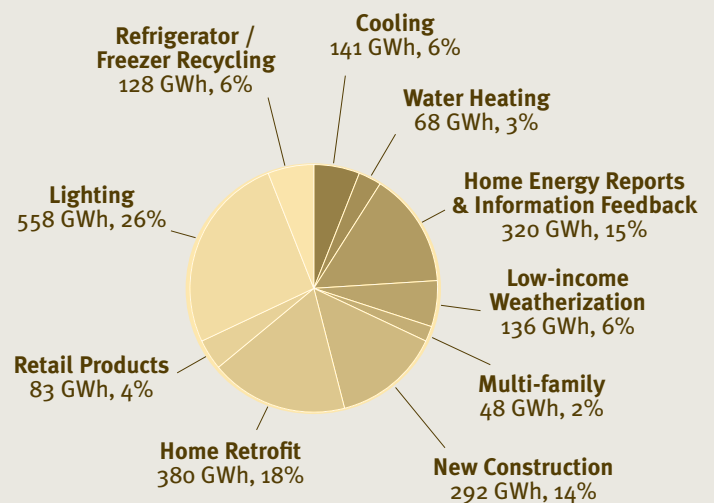
We'll Get There by Employing Best Practices

To reap the benefits listed above, Utah utilities should ramp up their energy efficiency funding significantly during 2013–2020.

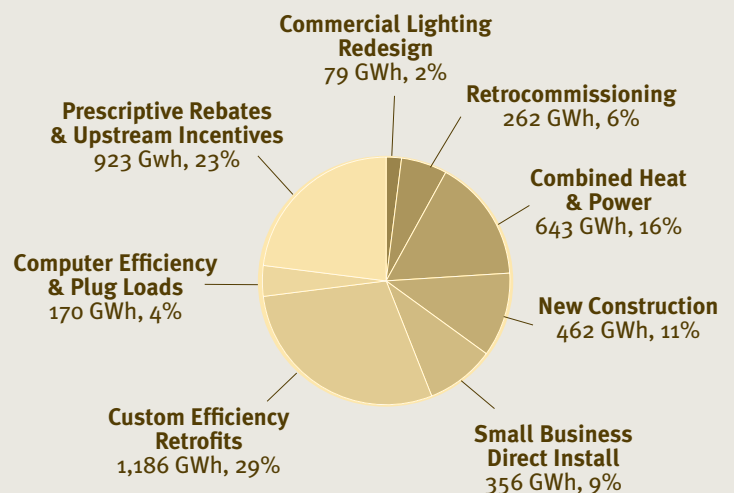
Best Practice utility energy efficiency programs include education, technical assistance and financial incentives for all customers.

Utilities should promote all cost-effective energy efficiency measures including energy-efficient lighting, appliances, air conditioning systems, electronic devices, control systems, building envelope retrofits and better performing new homes and commercial buildings.

TOTAL RESIDENTIAL ELECTRICITY SAVINGS IN 2020 BY PROGRAM (GWh)



TOTAL COMMERCIAL & INDUSTRIAL ELECTRICITY SAVINGS IN 2020 BY PROGRAM (GWh)



THE \$20 BILLION BONANZA — Utah Policy Recommendations

Utah Should Continue Its Progress in Expanding Energy Efficiency Programs. Utah should adopt the following policies to ramp up energy savings and achieve the benefits summarized below:

- **Adopt Energy Savings Goals:** Utah's Public Service Commission (PSC) should act upon a 2009 legislative resolution and adopt energy savings goals for PacifiCorp, the state's large investor-owned utility, that increase over time.
- **Remove Disincentives:** The PSC should separate electricity sales from utility fixed-cost recovery for PacifiCorp just as it did for Questar Gas Company.
- **Reward Performance:** The PSC should establish performance-based incentives that enable utility shareholders to earn a reasonable profit when the utility implements effective energy efficiency programs for its customers.
- **Maximize Participation and Electricity Savings:** Utah's utilities and PSC should fully fund all cost-effective efficiency programs.
- **Involve All Utilities:** All utilities in Utah should provide robust energy efficiency programs to their customers.

