BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Examine the Commission's Post-2008 Energy Efficiency Policies, Programs, Evaluation, Measurement, and Verification, and Related Issues	Rulemaking 09-11-014 (Filed November 20, 2009)

REPLY COMMENTS OF THE UTILITY REFORM NETWORK ON ASSIGNED COMMISSIONER'S RULING ON DRAFT STRATEGIC LIGHTING PLAN

Cynthia K. Mitchell
Energy Economics Inc.
530 Colgate Court
Reno, Nevada 89503
Phone: (775) 324-5300
Email: ckmitchell@sbcglobal.net

Marybelle C. Ang
Staff Attorney
The Utility Reform Network
115 Sansome Street, Suite 900
San Francisco, CA 94104
Phone: (415) 929-8876
Fax: (415) 929-1132
Email: mang@turn.org

July 23, 2010

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Examine the Commission's Post-2008 Energy Efficiency Policies, Programs, Evaluation, Measurement, and Verification, and Related Issues	Rulemaking 09-11-014 (Filed November 20, 2009)

REPLY COMMENTS OF THE UTILITY REFORM NETWORK TO ASSIGNED COMMISSIONER'S RULING ON DRAFT STRATEGIC LIGHTING PLAN

I. INTRODUCTION

Pursuant to the schedule adopted in the June 25, 2010 Assigned Commissioner's Ruling on Draft Strategic Lighting Plan (ACR), The Utility Reform Network (TURN) respectfully submits these reply comments. TURN supports the specific goals, strategies and milestones articulated in the lighting chapter for transformation of the lighting market in California. TURN responds very briefly to three issues raised by parties on cost-effectiveness, peak demand and CFLs.

II. RE-EXAMINING COST-EFFECTIVENESS

TURN recognizes the timeliness of PG&E's recommendation to re-examine the current role of cost-effectiveness in systems-based technologies. Cost-effectiveness metrics should be assessed to ensure greater success and acceptance of system-based approaches to lighting

technologies. TURN has offered and now recaps its methodology[1] to promote more comprehensive program and optimal energy savings from the array of energy efficiency opportunities with whole buildings and systems:

> To promote more comprehensive programs, the Commission could offer an avoided cost premium for comprehensiveness, similar in concept to what the utilities do for Standard Performance contracting comprehensiveness. Likewise, the Commission could modify the current cost-effectiveness methodologies to assign additional economic benefit to comprehensive savings that minimize lost opportunities and cream skimming. One way of doing this could be to subtract the net benefits lost due to cream-skimming from the benefits actually achieved when computing the TRC… In the example provided, the total potential net savings are $66.3 million for a $100 million cost. The actual utility programs had $44.7 million of net benefits, but left $21.5 million of net benefits stranded (not cost-effective), due to cream-skimming and/or lost opportunities not captured. Benefit calculations for utility incentives could be based not on the $44.7 million of net benefits but only on $23.2 million (the $44.7 million of net benefits achieved minus savings left untapped that are no longer cost-effective to achieve).

III. MOVING BEYOND CFLs

TURN agrees with NRDC's recommendation that "R&D strategic choices be made to accelerate the next generation of high efficiency bulbs and to ensure that more efficient, high quality, and affordable lighting options are developed and subsequently brought to market." As TURN explained in its opening comments, the data on GWh energy savings shows an alarming degree of dependence on CFLs that needs to be reversed. The table below summarizes the GWh energy data on four categories of lighting, basic CFLs, all CFLs, and "other interior" lighting.

TURN TABLE 1

Comparison of the IOUs EE Portfolio Emphasis on CFLs:

[1] In R.06-04-010, the Commission posed a series of questions arising from the Portfolio Composition and Development Rules workshop, held on June 21, 2007. The purpose of these rules will be to facilitate energy efficiency (EE) program design and portfolio balance that "promote innovation, new technologies, and effective, efficient program implementation." *See* Assigned Commissioner's Scoping Memo and Ruling on Issues Relating to Future Savings Goals, and Program Planning for 2009-2011 and Beyond, April 13, 2007, pp. 4, 8.

GWh Energy Savings 2006-08 (ED Evaluated) and 2010-12 (IOUs		
Lighting Categories	2006-08 GWh Savings	2010-12 GWh Savings
Basic CFLs	1,152	947
All CFLs	1,498	1,560
Other Interior Lighting		200
Total	2,650	2,707

Note that the IOUs' forecast of GWh energy savings from basic CFLs in 2010-12 is only about 100 GWh less than the ED's 2006-08 evaluated savings. IOUs' forecast of GWh energy savings from all CFLs in 2010-12 is slightly greater than the ED's 2006-08 evaluated savings.[2] On the whole, TURN is very concerned that the IOUs 2010-2012 lighting program has not changed significantly from previous program years, leaving us with the reality that ratepayer-subsidized CFLs reside on the shelves of large home improvement conglomerates.

IV. RESIDENTIAL LIGHTING AND PEAK DEMAND

As noted in SCE's comments, the statement that lighting in the residential sector "correlates strongly with peak demand" (Section 13.2, Lighting Chapter) should be revised. TURN offers data from the CEC's *Lighting Efficiency Technology Report, Vol. I, CA Baseline* (September 1999), http://www.energy.ca.gov/efficiency/lighting/lighting_reports.html, to shed light on this point of confusion. The data in the CEC's figures for "hours of operation per month" indicate that most of residential lighting is in non-summer months, while data showing the percentage for residential lighting per hour shows less than 10 percent of lighting operating at 6 p.m., and less than 30 percent operating at the peak lighting period of 10 p.m.

V. CONCLUSION

[2] It is not clear the extent to which the categories of "Upstream Specialty CFLs" and "Downstream All CFLs", Other Interior Lighting", contain Basic CFLs. While we know that "Downstream All CFLs" does include a considerable number of Basic CFLs, we were unable to derive an estimated amount.

TURN appreciates the opportunity to provide these comments and looks forward to continuing to work with the Commission on transforming California's lighting market.

Date: July 23, 2010

Respectfully submitted,

By: _____/S/_____

Marybelle C. Ang
Staff Attorney

The Utility Reform Network
115 Sansome Street, Suite 900
San Francisco, CA 94104
Phone (415) 929-8876
Fax: (415) 929-1132
Email: mang@turn.org