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## **Quantifying Emission Impacts**

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# **Evolution of Energy Efficiency**

- Advance Plan Wisconsin's integrated resource planning process
- Focus pilot
- 1999 Wisconsin Act 9
  - Full third-party delivery
  - DOA oversight
- 2005 Wisconsin Act 141
  - Change in funding source
  - Increased funding
  - PSC oversight



# Environmental Value of Energy Efficiency



#### Advance Plan

- Monetization of greenhouse gases
- Values used to compare resource options

#### Act 9

Proposals for providing energy conservation or efficiency services shall give priority to proposals directed at the sectors of energy conservation or efficiency markets that are least competitive and at promoting environmental protection, electric system reliability or rural economic development

#### Act 141

The purpose of the programs should be to help achieve environmentally sound and adequate energy supplies at reasonable cost.

## Why Determine AQ Benefits?



- Document objective of statute is met
- Reflect environmental benefits in the valuation of energy efficiency programs
  - Use of Expanded Resource Cost Test began under DOA oversight
  - Continued and later reaffirmed by the Commission in its Quadrennial Planning process

## Development of approach



- DOA requested LBNL to develop method for the Focus pilot
- Enhancements under Act 9
  - Development of multiple load duration curves
  - Identification of marginal generators during different periods (peak and off-peak for each season)
  - Üse of additional plant-specific data for heat rates and NO<sub>x</sub> emissions
  - Use of a subset of power plants that more closely models only Wisconsin generation sources
- Enhancements under Act 141
  - Apportion savings over each hour of year
  - Base on data specific to plants estimated to be operating on the margin

## Key approach considerations

- Data availability
- Cost of obtaining/developing data
- Realism/accuracy in the estimation of avoided emissions
- Alignment with the Greenhouse Gas Protocol Initiative
  - Broadly accepted
  - Lends credibility to results



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