



focus on energysm

Partnering with Wisconsin utilities

Focus on Energy: Governor's Task Force on Climate Change

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What is Focus on Energy?

- Focus on Energy (Focus) has been the Wisconsin utilities' statewide program for energy efficiency and renewable resources since 2001
- Focus partners with 107 utilities across Wisconsin to offer utility customers (business and residential) opportunities to reduce energy waste and save money
- Current governing legislation is 2005 Wisconsin Act 141, which became effective July 1, 2007
- Funding is set by statute at 1.2% of investor owned electric and natural gas utility (IOU) revenues and \$8/meter for municipal and cooperative electric utilities
- Current funding is approximately \$100 million annually





How Much Can Focus on Energy Do? Current Program Model (Electric and Natural Gas)

- In May, Focus launched its Potential Study which is designed to provide the Commission with a detailed, up-to-date understanding of how Wisconsin uses energy, and how Focus can help customers use energy more efficiently.
- Results are expected in August 2021 ahead of the first phase of the fourth Quadrennial Planning Process
- Previous potential study (released 2017) found that Focus could cost-effectively deliver electric and gas efficiency savings up to a budget of at least \$200 million- twice the current annual budget.
- New study will update findings to reflect changing energy use in Wisconsin. Exact values remain to be seen, but it is probable that available savings will again be greater than what Focus can achieve on \$100 million budget.





How Much Can Focus on Energy Do? Including Other Fuels (Heating Oil, Propane, Diesel)

- In principle, Focus program delivery model could accommodate other fuels. Could align with current measures already offered for electric and natural gas (furnaces, grain dryers).
- Focus currently has a propane pilot for farm equipment funded with federal State Energy Program dollars
- Current Focus funding model matches participating utilities and fuels- electric and natural gas utilities contributing \$ for electric and natural gas efficiency.
- Participating utilities may have concerns about funding efficiency for other fuels
- Are there models for providers of other fuels to contribute funding? Discussed possibility with propane providers in the past





How Much can Focus on Energy Do?: Electrification

- Act 141 defines Focus programs as those that reduce the usage of energy or increase the efficiency of usage of energy.
- In historic practice, program model has defined energy savings on a single-fuel basis- more efficient electric measures replace less efficient electric measures, same with natural gas.
- Replacing gas (or other fuel) with electric may or may not save total (BTU) energy on a net basis. Efforts to pursue extensive electrification would require reviewing existing statutory definition and program model.
- Could also raise funding allocation questions- would participating gas utilities have concerns about using their contributions for projects switching gas to electric?





How Much can Focus on Energy Do?: Other Fuels and Electrification

- To effectively implement programming and identify impacts, Focus would need to research the following:
 - Current end uses for these additional fuels
 - What measures use these fuels
 - Which are the most efficient models of each measure
 - Energy savings and other benefits from electrification measures.
- This information would be required to develop reliable estimates of budget, customer incentives, energy savings, emissions reductions.
- To develop incentive levels for the propane program the above process was used





How Much Can Focus on Energy Do?: Electric Vehicles (EVs)

- Similar to electrification, it is unclear whether extensive EV support is consistent with Focus' current statutory program definition.
- Electric vehicles also far farther outside Focus' existing program framework. Other fuels and electrification can still involve delivering the same technologies Focus already does (furnaces, etc.). EVs represent a new industry with new technology and market dynamics.
- Focus does still have an established brand and framework for supporting clean energy.
- Vermont's statewide efficiency program recently reviewed this issue- concluded that program should not fully implement the program, but provide support in areas that reflect their distinctive strengths (educating and supporting dealerships, using its experience with contractors in other industries).





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