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## Behavior and Market Transformation Overview



Nicholas Janusch, Ph.D. Demand Analysis Office, Energy Assessments Division 2018 IEPR Commissioner Workshop on Doubling Energy Efficiency Savings June 7, 2018 California Energy Commission



#### 2017 SB 350 Final Report: Behavioral and market transformation comprise 2% of total savings



Figure 1: Proposed SB 350 Doubling Target for Electricity (GWh)

Source: Senate Bill 350: Doubling Energy Efficiency Savings by 2030. California Energy Commission. Publication 2 Number: CEC-400-2017-010-CMF. Based on work in Appendix B by NORESCO. August 2017.



Are we adequately capturing the potential of using "behavior as a resource"?

- Does the Energy Commission's SB 350 methodology adequately capture the potential of behavior and market transformation?
  - Disagreement about definitions (Ignelzi et al., 2015; Lutzenhiser et al., 2017)
  - Institutional barriers exist that hamper innovation (Vine et al., 2014)
  - Existing uncertainty and challenge in evaluating behavioral impacts (Vine et al., 2013; Vine et al., 2014)
- Today's talk will help further this discussion; we seek stakeholder engagement and comments

#### **Today's presenter**



•Dr. Sam Borgeson, Partner at Convergence Data Analytics

- •Received his doctorate in Energy and Resources at UC Berkeley
- •Worked for Lawrence Berkeley National Laboratory for over seven years
- •Currently consults for organizations as diverse as PG&E, Lawrence Berkeley National Laboratory, Stanford Sustainable Systems Lab, and others.



# **Supplemental Material**





### **Helpful references**

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Supplemental resources provided by staffvarious interpretations and definitions of "behavior"

Definition	Sources
<ul> <li>"BROs" – Behavior, Retrocommissioning, Operational savings</li> <li>2018 PG study: Behavior-based initiatives are those providing information about energy use and conservation actions, rather than financial incentives, equipment, or services.</li> </ul>	<ul> <li>CPUC's 2018 Potential and Goals Study (Tower and Francisco, 2017)</li> <li>SB 350 Final Commissioner Report (Jones et al., 2017)</li> </ul>
<b>"Behavioral wedge"</b> – behaviorally oriented policies and interventions: Weatherization, Equipment, Maintenance, Adjustments, Daily use behaviors.	• Dietz et al. (2009)
<b>Behavior-based energy efficiency program</b> : utilize strategies intended to affect consumer energy use behaviors in order to achieve energy and/or peak demand savings.	• Todd et al. (2012)
<b>Refining the definition</b> Behavior Intervention Strategies: Target one or more specific behaviors that affect end users' energy use; Are rooted in social science research; Consciously consider which behavior(s) they will affect; Yield evaluable effects.	<ul> <li>Vine et al. (2013)</li> <li>Ignelzi et al (2013)</li> <li>Vine et al. (2014)</li> <li>Illume Advising (2015)</li> </ul>
<b>Behavior and Behavioral Change</b> : Have much broader and more detailed perspective. Argue that existing conception of "behavior" is fairly narrow and almost completely disconnected from broader social science understandings of behavior.	• Lutzenhiser et al. (2017)