

Demand-Side Resource Analysis 2016 IRP Variance Requests

4 CSR 240-3.164 (2) (A)

The current market potential study shall be updated with primary data and analysis no less frequently than every four (4) years. To the extent that primary data for each utility service territory is unavailable or insufficient, the market potential study may also rely on or be supplemented by data from secondary sources and relevant data from other geographic regions. The current market potential study shall be prepared by an independent third party with opportunities for commission staff and stakeholder review and input in the planning stages of the analysis including review of assumptions and methodology in advance of the performance of the study

Empire will collect primary data to inform the 2016 market potential study. The cost of primary data collection varies by the number of surveys and on-site visits completed. Time and cost constraints will be weighed against the usefulness of the data to prioritize data collection activities. Empire and its independent contractor will supplement the market potential study with secondary data sources as needed, based upon data availability and the time and cost constraints identified.

4 CSR 240-22.050 (1) (E)

(1) The utility shall identify a set of potential demand-side resources from which demand-side candidate resource options will be identified for the purposes of developing the alternative resource plans required by 4 CSR 240-22.060(3). A potential demand-side resource consists of a demand-side program designed to deliver one (1) or more energy efficiency and energy management measures or a demand-side rate. The utility shall select the set of potential demand-side resources and describe and document its selection—

(E) To include the effects of improved technologies expected over the planning horizon to—

- 1. Reduce or manage energy use; or*
- 2. Improve the delivery of demand-side programs or demand-side rates.*

Empire will address technology improvements by assessing the effect of impact and incremental cost trends on measure cost-effectiveness over the planning horizon. Empire will include the effects of known improved technologies, accounting for proposed and approved changes in federal equipment standards as well as ENERGY STAR® and CEE efficiency requirements. Emerging technologies with unpredictable savings or barriers to market availability will not be included.