New Action Plan highlights opportunities to improve the energy efficiency of supply-side resources

A newly published Final Action Plan highlights the opportunity to leverage Electric Utility Infrastructure (EUI) efficiency improvements in the Conservation Improvement Program (CIP) and improve the overall generation, transmission and distribution efficiency of the electric system.

Led by GDS Associates and Center for Energy and Environment, the EUI Action Plan synthesizes the findings and actionable recommendations from an extensive stakeholder engagement process, funded by the U.S. Department of Energy, to clarify the regulatory landscape and capture the conservation potential of EUI efficiency opportunities.

A key outcome of the project is to highlight ways to better incorporate efficiency considerations into the utility infrastructure design process by understanding the value of efficiency improvements made on the utility’s side of the meter as an additional tool to meet energy efficiency goals. Figure 1 illustrates the long-term vision of EUI as a viable tool to help meet conservation goals.

![Figure 1. EUI Action Plan – Envisioned Stages to Drive EUI Efficiency Implementation](image-url)

Currently, infrastructure design is largely driven by reliability and safety parameters (Stage 1 in Figure 1). The Action Plan represents the climb from Stage 1 to Stage 2 by raising awareness of infrastructure...
efficiency opportunities and leveraging policy tools to drive the capture of those opportunities. If successful, the Action Plan will help to drive EUI efficiency implementation projects and lead to further clarifications of policy objectives. Ultimately, the goal is to seamlessly incorporate efficiency considerations into the infrastructure design process, with a full understanding of their value in terms of helping meet Minnesota’s conservation goals, represented by Stage 3.

The full Action Plan consists of fifteen major recommendations and twenty-nine specific sub-recommendations. The following list is a summary of what the project team sees as the five most important overall recommendations:

1. **Build Partnerships:** Utilities should consciously build connections between infrastructure planning teams and CIP personnel to increase awareness of EUI efficiency options and to identify opportunities to leverage CIP resources in the infrastructure planning process.

2. **Review Policy Guidance:** Utilities and other stakeholders should review the policy guidance documents developed by Commerce to clarify the role of EUI efficiency within CIP. In particular, utilities should become familiar with the “EUI Project Review and Approval Process” guidance issued by Commerce, which provides a good starting point for understanding how EUI fits into CIP and how EUI projects will be evaluated.

3. **Apply Screening Tools:** As EUI project ideas are generated, utilities should apply Excel-based, high-level screening tools available on the Commerce website to estimate the savings potential and cost-effectiveness of potential projects.

4. **Examine Potential:** Utilities should reference the EUI potential study conducted in 2018 that found EUI conservation is a worthwhile target of CIP resources in Minnesota. Estimates indicate EUI conservation has the potential to achieve approximately 9 percent of annual electric utility CIP goals statewide, on average, from 2020-2039.

5. **Collaborate with Commerce:** Utilities should reach out to Commerce with ideas or questions about EUI within CIP. This is an evolving landscape with the potential for increased understanding and collaboration going forward.

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