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Final Measure Analysis

Sean Weitner
Energy Center of Wisconsin
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It's a 1-2-3 process

- **1. Determine your baseline**
- **2. Set your goals**
- **3. Identify energy efficiency and renewable energy measures**

Step 2: Set goals

- **Mixed messages about this**
- **25% of your 2025 energy needs to be renewable**
- **Energy efficiency measures tend to be extremely cost effective and will drive down the total goal**
- **You determine your growth rate**

Step 3: Identify measures

- **Let's make sure that we can compare these measures on an apples-to-apples basis**
- **Classic “payback” is not the best tool for the job**

Savings-to-investment ratio (SIR)

- **Standard approach =
more like simple payback**
- **Advanced approach =
much better analysis**

Standard approach

- Energy savings
- Installed cost
- Measure life
- Install date
- Rates

Advanced approach

- **Standard approach plus ...**
- **Second energy savings/penalty**
- **Cost of energy saved**
- **Annual non-energy costs**
- **Non-annual non-energy costs**

Double-edged sword

- **Standard method expedites analysis**
- **Standard method can exclude savings**

How will it work?

- A demonstration