

## Industrial Energy Efficiency: Strategic Plan Update and Industrial Action Plan

### I. BACKGROUND

California’s industrial sector is both a significant driver of California’s economy and a major consumer of energy:

<b>Contribution of the Industrial Sector</b>	<b>(% of total in CA)</b>
Electricity use	16
Natural gas use <sup>i</sup>	33
Energy use <sup>ii</sup>	22
End use CO2 emissions <sup>iii</sup>	20

The treatment, distribution, and use of water in California’s industrial sector contributes an additional 3 percent of California’s electricity use and 14 percent of its non-power plant natural gas.<sup>iv</sup>

Published in 2008, the California Energy Efficiency Strategic Plan included three goals for the Industrial sector: (1) Support California industry’s adoption of energy efficiency by integrating energy efficiency savings with achievement of GHG goals and other resource management objectives; (2) Build market value of and demand for energy efficiency through branding and certification; (3) Provide centralized technical and public policy guidance for resource efficiency and workforce training.

After five years, these goals may be due for reconsideration and a detailed Industrial Action Plan is needed to provide implementation details for the Industrial sector. The CPUC’s Energy Division now has staff dedicated to working with stakeholders to reconsider the 2008 goal, and to develop the Action Plan.

### II. OBJECTIVE

- Develop and launch a statewide Industrial Action Plan that addresses current state of industrial energy efficiency activity California, while revisiting the goals of the Industrial Chapter of the Strategic Plan.
- Gain a thorough understanding of California’s industries.

### III. GOALS

- Work with California Air Resources Board, Department of Energy, and California Energy Commission to find policy synergies.
- Engage stakeholders in the Strategic Planning and action plan development process, including those from manufacturing sectors such as food processors, manufacturers, and utilities.
- Launch Industrial Action Plan and a champions network who will work on implementation of the Plan.

### IV. STRATEGIES

- Consider revising goals of the Industrial chapter of the Strategic Plan.

- Enlist expertise of state and federal agencies to create the most effective Industrial Action Plan and open door to co-creation of document.
- Engage stakeholders and experts to assist in development of content and implementation of Industrial Action Plan.
- Leverage workshops to grow interest in champions networks to implement Industrial Action Plan.

**V. ACTIVITIES**

- Develop new goals and chapter “strawman” with essential elements.
- Host public workshops to develop actions, engage stakeholders, expand implementation options.
- Inventory/assess current utility programs (and any related/relevant state programs) for impact on the chapter.
- Secure champions, as needed, to ensure implementation of Industrial Action Plan.
- Draft Industrial Action Plan, engaging champions/stakeholders for feedback and support.
- Launch Industrial Action Plan.

**VI. PROPOSED TIMELINE (SUBJECT TO CHANGE DUE TO OTHER STAFF PRIORITIES)**

<b>Date</b>	<b>Item</b>
May - July, 2013	Commission staff form straw proposal of revised goals for Industrial Chapter of Strategic Plan
August 8 2013	First Workshop - Revised Goals for Industrial Sector
August 2013	Commission Staff finalize revised goals, develop draft metrics.
September 17, 2013	Second workshop - California Air Resources Board, Sacramento - Steps needed to achieve goals, metrics
September, 2013	Commission staff develop metrics, Action Plan implementation strawman
October 15, 2013	Third Workshop - Action Plan implementation and champions network - CPUC Los Angeles
October - November, 2013	Commission staff, consultants synthesize comments, consult with sister agencies, draft and finalize Chapter update, Action Plan
December 2013	Plan and revised chapter released, launch event
2014	Quarterly Champions meetings begin

## VII. TEAM

### CPUC

Jaclyn Marks, Energy Division  
Rory Cox, Energy Division  
Kay Hardy, Energy Division  
Lisa Paulo, Energy Division  
Meredith Younghein, Energy Division

### Consultant

Kristina Skierka, Katalytix

### Kitchen Cabinet (A panel of experts from different sectors who are assisting CPUC staff in the formation of the Plan.)

Diane Bailey - NRDC  
Neal Elliott - ACEEE  
Raphael Friedmann - PG&E  
Aimee McKane - Lawrence Berkeley National Lab  
Ray Saracino - US EPA  
Mike Tollstrup - CARB

### **Stakeholders**

Representatives from industrial energy users, utilities, environmental organizations, academia, and energy efficiency experts.

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<sup>i</sup> California Energy Commission, [http://www.energy.ca.gov/electricity/consumption\\_by\\_sector.html](http://www.energy.ca.gov/electricity/consumption_by_sector.html)

<sup>ii</sup> 2007 IEPR.

<sup>iii</sup> CARB Scoping Plan, p.7.

<sup>iv</sup> 2007 IEPR.