Energy Efficiency Cost-Effectiveness Testing in California

![Diagram of Utility System Impacts]

- **Avoided Credit and Collection Costs**
- **Avoided Environmental Compliance Costs* **
- **Avoided Costs of Complying with RPS**
- **Wholesale Price Suppression Effects**
- **Avoided Ancillary Services**
- **Avoided T&D Line Losses**
- **Avoided T&D Costs**
- **Shareholder Incentive Costs**
- **Avoided Marginal Energy Costs**
- **Avoided Generating Capacity Costs**
- **Program Administration Costs**
- **Evaluation, Measurement, & Verification Costs**
- **Measurement Costs**
- **Increased Reliability**
- **Reduced Risk**
- **Low-Income Customers**
- **Other Fuel**
- **Water Resource**
- **Environmental**
- **Public Health**
- **Economic Development and Jobs**
- **Low-Income Customers**
- **Energy Security**
- **Satisfaction**
- **Health and Safety**
- **Comfort**
- **Productivity**
- **Economic Well-Being**
- **Asset Value**

*Although 'Avoided Environmental Compliance Costs' is one category in the DSESP, some jurisdictions and benefit-cost analysis models further detail this category. If the category is gray, your state does not account for any such impacts. If the category is blue, your state accounts for at least one impact in this category.

Does your state account for the full range of utility system impacts? Does the test account for non-utility system impacts that align with applicable energy policies? Some states are answering these questions using the National Standard Practice Manual framework. See case studies here.

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Use the Database of State Efficiency Screening Practices (DSESP) to view state energy efficiency cost-effectiveness testing practices and guidance documents.