Adding a New Country Part 4: Additional Data Required for Calculating Achievable Potential

MALE SPEAKER: Hi, and welcome to part 4 of our third video for adding a new country. In the previous video, we just finished up looking at our technical potential results. And now, we're going to add in the data necessary for calculating the achievable potential.

So first, we're going to go to the advanced inputs country tab. And here, we can specify the payback acceptance of our sector. So, for our residential sector, we'll look at annual payback, and we'll look at payback periods out to 10 years. And we'll say, maybe 90 percent of people will accept a measure with a payback period of one year. And then, that acceptance significantly decreases as the payback period becomes longer.

And so, this is used to help specify on a financial basis how people will accept the different measures that are included. But then, on the advanced inputs program tab, you can also specify several parameters for evaluating how people will participate in a program irregardless of financials.

And so, what we have are three different parameters here that are used to specify a participation S-curve. And so, if I pull up in my separate helper Excel file here, just a visual of the S-curve, you can see the S-curve has three different components. We have our initial market penetration. We have our maximum market penetration. And then we have how quickly we transition from our initial market penetration to our maximum market penetration.

So, the maximum market penetration is simply specified in a straightforward way by just entering whatever you see, what percentage of your market is reachable. Now, for the initial market penetration, that value is specified as the maximum market penetration divided by a ramp up rate. And so, if we say our ramp up rate is four, then we're assuming our initial market penetration is going to be 5 percent.

And then we have our ramp up shape to help specify how quickly we transition from our initial to our maximum market penetration. And, while the ramp up shape, because it's part of an exponential exponent in the tool, isn't quite as straightforward of a parameter. To give you an idea for setting this value, you can see a couple different relations here. So,

if you specify a 30 percent ramp up shape, that means by the fifth year that you're going to be at about 52 percent of your maximum market penetration. So, a little over 10 percent by year five, and so on and so forth for each of these different levels of ramp up shape. I won't read them off, but we'll assume, maybe, a ramp up shape of about 40 percent here.

So that helps--so together with this S-curve, as well as in the payback acceptance, the tool calculates the achievable potential by scaling the technical potential. And so, the last parameter that we need to enter is our assumed incentive levels. And so, we're going to assume an incentive level of about 50 percent. So this is saying that the end user is responsible for 50 percent, and about 50 percent of the price of, you know, the incremental cost of the measure is going to be covered by the utility.

And then finally, we just need to enter the weighting for our achievable potential, since you can specify the weights independently for the technical and achievable potential. And, actually, before we go look at our results, I just realized we need to also fill in--we'll just assume the same numbers here for each of our programs. Of course, in reality you want to

base that off of historical performance of these programs. But just for simplicity's sake, we'll assume the same there.

So now, we can see that our graphs for both the waterfall chart and the bubble chart are fully working for the achievable potential. And while the shape of both of these graphs are very similar to our technical potential graphs, we can see that the magnitude of the results is significantly smaller, as we would expect for the achievable potential.

All right. Thanks so much for watching. And tune in for the final part on the EE building block assessment path.

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