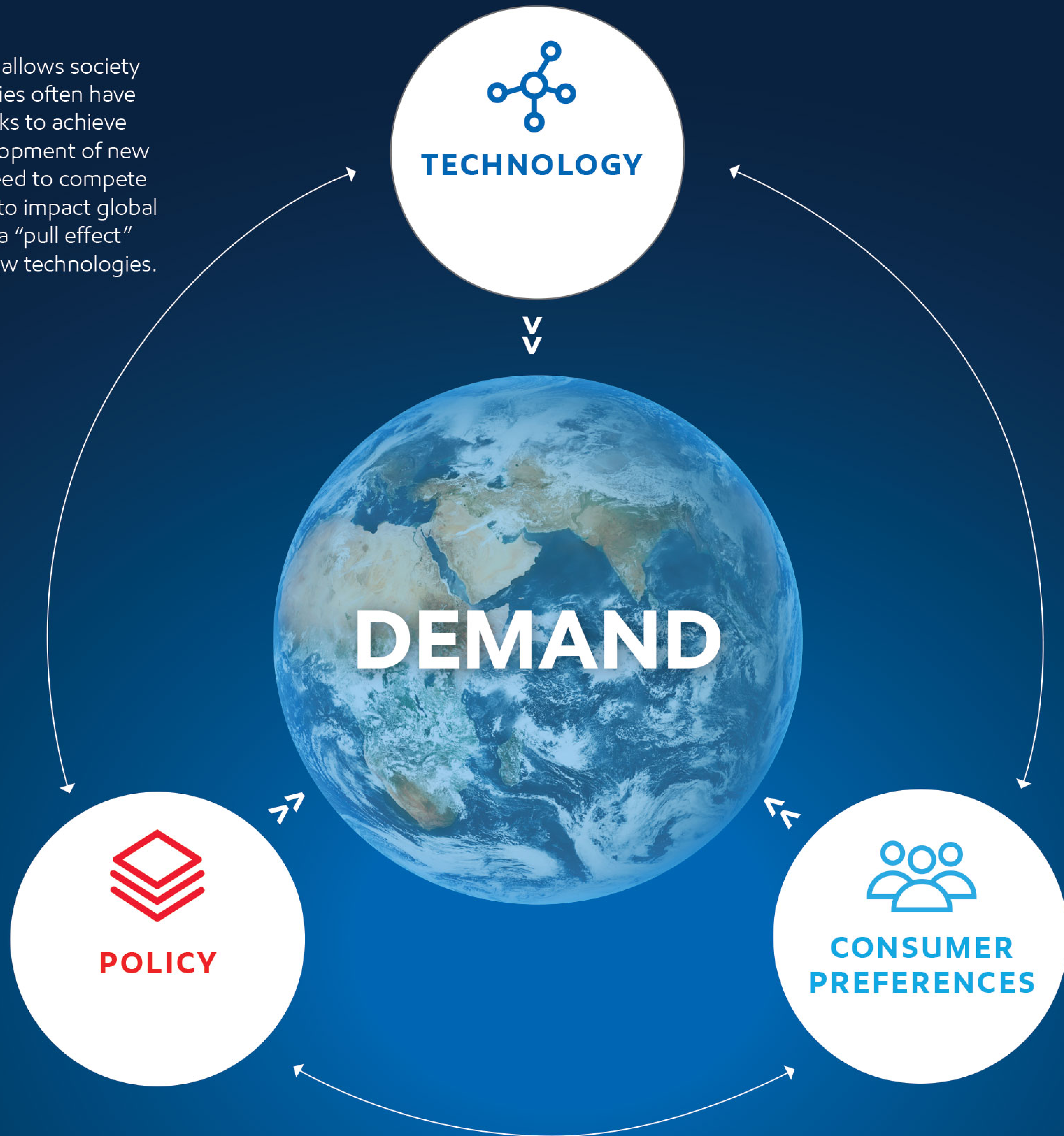
**TECHNOLOGY:** Deploying new technology allows society to do more with less. Most successful technologies often have the supporting policy and commercial frameworks to achieve scale. A policy, like tax incentives, can spur development of new technology, but these technologies ultimately need to compete without subsidies to reach a large enough scale to impact global markets. Consumer preferences can also create a "pull effect" that increases demand in the marketplace for new technologies.




**POLICY:** Shifts in policy can stimulate new technology and influence consumer choices. For example, policies can encourage adoption of new technology (free parking for electric vehicles) or discourage the use of an existing technology (restrictions on coal-based power). The corollary is also true: policy not enabled by competitive technology or not aligned with consumer preferences can be difficult to implement because it is hard to mandate something that isn't better than current options in the eyes of the consumer.

**CONSUMER PREFERENCES:** Demand for energy begins with the numerous choices consumers make in their daily lives. These preferences can shift as new technology enables options that better meet a consumer's needs, such as lower energy costs and lower emissions. Consumer preferences can also be altered over time by policies that incentivize choices, like a carbon tax that encourages more lower carbon electricity supply.