

# **Xcel Energy**

## **Southwest DSM Update**

Peter Narog  
Manager, Consumer DSM Marketing  
Xcel Energy  
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## Southwest DSM Initiatives

- Colorado DSM 2001-2005 (124MW)
- Colorado DSM 2006-2013 (320MW/800GWh)
- New Mexico DSM rulemaking

## Colorado DSM 2001-2005

- In 2000, the Public Utilities Commission adopted a Stipulation and Settlement Agreement for the DSM portion of Xcel Energy's 1999 Integrated Resource Plan.
- Xcel Energy's goal was to obtain 124 MW of cost-effective DSM resources by the end of 2005.
- Xcel Energy was authorized to spend up to \$75 million to achieve the goal.
- DSM programs are designed to reduce Xcel Energy's summer peak demand.
  - Summer Peak is defined as Monday-Friday, 3-7pm, June-August.
  - Xcel Energy customers receive a financial incentive for installing measures that reduce summer peak demand.

# Current Peak Demand Savings Estimates

Projected net coincident summer peak demand savings at the generator (kW)						
Program	2001	2002	2003	2004	2005	Total
Bid 2001	2,663	7,137	3,539	N/A	N/A	13,339
Custom Efficiency	0	536	4,300	7,565	7,500	19,901
Recommissioning	0	172	1,220	2,264	2,300	5,956
Energy Design Assistance	0	0	16	1,444	3,300	4,760
Saver's Switch for Business	204	571	1,216	381	N/A	2,372
Central Air Conditioner Rebates	679	4,132	3,969	5,707	3,987	18,474
Evaporative Cooling Program	0	0	17	1,768	1,754	3,539
Residential Saver's Switch	313	3,760	11,800	22,991	18,349	57,213
<b>Total</b>	<b>3,859</b>	<b>16,308</b>	<b>26,077</b>	<b>42,120</b>	<b>37,190</b>	<b>125,554</b>

# Program Measurement & Verification

- Evaluate portfolio of existing DSM programs per the Resource Plan Stipulation & Settlement
- Programs must be evaluated by a 3<sup>rd</sup> party consultant.
- Project to be completed 1<sup>st</sup> quarter 2006.
- Final results will determine if the company met the 124MW goal.

# M&V Components

- Impact Evaluation
  - Collect and review Program and M&V data
  - Compute gross demand and energy savings estimates
  - Develop and compute net savings estimates
- Cost-Effectiveness Evaluation
  - Compute TRC test for programs
- Process and Customer/Vendor Satisfaction Evaluations
  - Conduct surveys, interviews, and secondary research
- Final Reporting
  - Synthesize results across evaluation components

# Colorado DSM 2006-2013

- In 2004, the Public Utilities Commission adopted a Settlement Agreement for the DSM portion of Xcel Energy's 2003 Integrated Resource Plan.
- Xcel Energy's goal is to obtain 320MW and 800GWh of cost-effective DSM resources by the end of 2013.
- Xcel Energy is authorized to spend up to \$196 million.
- The settlement included the implementation of a Market Potential Assessment to be completed by 1<sup>st</sup> quarter 2006.
- The 2003 Integrated Resource Plan included a separate DSM Bidding process for 3<sup>rd</sup> party conservation programs.

# DSM Product Development

- Develop and launch business and residential programs 1<sup>st</sup> & 2<sup>nd</sup> quarter 2006.
- Key program criteria for review:
  - Number of potentially eligible customers
  - Ease of delivery
  - Customer bill impacts
  - Quantifiable kW and kWh savings
  - New construction and retrofit
  - All major end-uses

# Projected Program Offerings

## Business

- Energy Design Assistance
- Recommissioning
- Lighting Efficiency
- Motor Efficiency
- Cooling Efficiency
- Custom Efficiency
- Energy Management Systems

## Residential

- Saver's Switch
- Evaporative Cooling
- Other programs TBD

## New Mexico DSM 2006+

- Statewide initiative to bring DSM to New Mexico.
- Wide-ranging group organized mid-2004 to create an Energy Efficiency Act.
- Governor Richardson approved act 1<sup>st</sup> quarter 2005.
- Hearing Examiner appointed to lead a workshop of interested parties to turn Act into DSM rulemaking.
- Workshop group is continuing to meet to finalize guidelines.

# DSM Product Development

- Development efforts will begin as the closure of DSM guidelines (workshops) approaches.
- Review existing and new DSM programs in Colorado and Minnesota service territories along with other program concepts for potential New Mexico offerings.
- Goal is to develop cost effective programs that have wide applicability to the business, residential and low-income customer segments.

## Contact Information:

Peter Narog

Xcel Energy

303-294-2138

[Peter.narog@xcelenergy.com](mailto:Peter.narog@xcelenergy.com)