

# DSM – Overview & Status

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# DSM – Overview & Status

- \$48M for approved “energy-efficiency DSM”
- Collaborative working group
- Portfolio Plan filed July 1, 2005
- ACC Staff review underway
- Requires Commissioner approval
  - Baseline study (\$500K) and CFL buy down (\$5.1M) now approved
- Timing for rest of approvals is unknown

# 2005-2007 DSM Portfolio

	Capacity Savings MW	Lifetime* MWh Savings	Program Budget
Consumer Products	13.7	499,000	\$ 5,525,000
Existing Home HVAC	3.2	133,000	\$ 3,585,000
New Construction	9.1	432,000	\$ 6,190,000
Low Income	0.5	51,000	\$ 3,300,000
<b>Totals for Residential</b>	<b>26.5</b>	<b>1,115,000</b>	<b>\$ 18,600,000</b>
Existing Facilities Large	8.4	768,000	\$ 6,760,000
Existing Facilities Small	6.3	540,000	\$ 4,360,000
New Construction	6.8	735,000	\$ 7,360,000
Building Operator Training	0.6	74,000	\$ 240,000
Energy Information System	0.3	41,000	\$ 300,000
Schools	2.8	162,000	\$ 1,680,000
<b>Totals for Non-Residential</b>	<b>25.2</b>	<b>2,320,000</b>	<b>\$ 20,700,000</b>
<b>Subtotal</b>	<b>51.7</b>	<b>3,435,000</b>	<b>\$ 39,300,000</b>
Measurement, Evaluation & Research			\$ 3,900,000
Performance Incentive			\$ 4,800,000
<b>Total</b>	<b>51.7</b>	<b>3,435,000</b>	<b>\$ 48,000,000</b>

\* Refers to savings over the expected lifetime of all program measures.

# Residential Existing Homes HVAC

- AC Replacement (High SEER/EER)
- Quality Installation
- Performance Testing and Repairs
- Seasonal Equipment Tune-Ups
- HVAC technician training
- Consumer information

# Residential New Construction

- **ENERGY STAR® Homes**
  - **Based on more stringent 2006 standard**
  - **Includes**
    - **HVAC**
    - **Windows/Thermal envelope**
    - **Lighting/Appliances**
    - **Testing and inspections**
- **Builder incentives**
- **Builder/realtor training**
- **Consumer information**

# Consumer Products

- Wholesale buy-down of CFL bulbs
- Work with retailers to promote Energy Star products
- Retailer sales training
- In-store displays
- Special events
- Consumer education
- May include Energy Star appliances in the future

# Consumer Products – Progress To Date

- Program approved August 9-10 open meeting
- Kicked-off to consumers October 5th -national Change a Light Day
- Ronald McDonald House change-out/Governor proclamation
- Currently discounted product available at Home Depot, Costco, Lowes - coverage throughout APS territory. Bashas starting Dec 5th.
- Piggybacking on manufacturer fall lighting discounts - very attractive price points to stimulate interest and create a buzz
- Currently working on manufacturer RFP for 2006 promotions

# Low Income Weatherization & Bill Assistance

- In effect since 1996
- Increase from \$500K Max to \$1M/yr. Min
- Changes:
  - Allow rentals
  - Increase the limit per home from \$1,500 to \$6,000
  - Allow refrigerators and CFL
  - Bill assistance: lesser of 25% or \$250,000
  - Increase bill assistance from \$300 to \$400/yr/cust
  - Align most requirements with the federal weatherization program

# Non-Residential DSM Program

- Six Separate Programs
  - Large Existing Facilities (>200 kW)
  - Small Existing Facilities ( $\leq$ 200 kW)
  - New Construction and Major Renovation
  - Building Operator Training
  - Energy Information Systems
  - Schools
- Program Implementation by outside, as well as in-house resources
- RFP process underway for implementation contractor
- Separate RFP for Energy Information Systems
- Schools and Building Operator Training – in-house

# DSM Non-Residential Program Features

- Prescriptive Measures – Incentives paid on a per unit basis
  - Lighting
  - Cooling
  - Motors
  - Refrigeration
- Custom Measures
  - Paid on an annual per kWh energy saved
  - Used for all measures not included in the prescriptive list
  - Savings calculation will be verified by an independent third party (Implementation Contractor)
- Design assistance incentives

# Schools

- \$560K reserved for public schools, K-12 and Charter
- Can participate in \$6.5M non residential programs when school budget is fully subscribed.
- All energy efficient measures are eligible
- Emphasis on lighting

# Other Issues

- Self Direction
  - By 4/06, evaluate merits of allowing large customers to self-direct DSM investments
- Exemption from DSM Adjustor
  - >20MW single site customer who can “demonstrate an active DSM program” may file petition for exemption
- Rate design study