Objectives of SRP

Energy Efficiency (EE) Programs

- Reduce/defer generation resource needs
- Meet SRP’s Sustainable Portfolio objective which requires 15% of energy to come from sustainable resources by 2025
- Develop and implement cost-effective programs based on total resource cost and lifecycle kWh analysis
- Focus on programs and measures that can be documented, tracked and verified to account for energy and emissions reductions
SRP Program Development

- Completed study with consultant to provide market study and program plan
- Completed competitive process to select Program Administrator to manage select programs
- Finalized design of several programs
- Launched over seven new programs this year
- Contracted with Measurement & Evaluation firm to formalize processes
Residential Timeline

FY 08
- PW Homes
- ‘Cool Cash’ Pilot
- CFL ‘Change a Light’
- M-Power

Plus: Other EE Offers
- CFL Give-away at Business Offices
- HVAC Check-up
- Shade Screen Rebate
- CFL Buy Down at Participating Retailers
- Programmable Thermostat
- ACAA Funding

FY 09
- ADD:
  - PW Home Enhancements
  - Cool Cash - Ongoing
  - CFL - Ongoing
  - Appliance Recycling
  - Premium Efficiency Appliance Rebate
  - Low Income Weatherization
  - Low Income Energy Education

FY 10
- ADD:
  - Additional Enhancements to PW Homes
## EE Program Results - FY08

<table>
<thead>
<tr>
<th>Residential</th>
<th>Participation</th>
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</thead>
<tbody>
<tr>
<td>PowerWise Homes</td>
<td>7,089</td>
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<tr>
<td>Cool Cash</td>
<td>1,682</td>
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<tr>
<td>AC Check-up</td>
<td>11,826</td>
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<td>Sun Screens</td>
<td>611</td>
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<td>M-Power</td>
<td>48,161</td>
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<tr>
<td>CFLs</td>
<td>305,764</td>
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</table>
PowerWise Homes

Existing Program
- Single Tier - HERS Score of 90
- SRP Paid Inspections
- No Incentive
- No CIAC Reimbursement

New Program
- Two Tiers -
  Tier 1 – HERS Score of 90
  Tier 2 – HERS Score of 86 (Aligned with AZ Green Home Program)
- SRP Paid Inspections
- $400 Tier 2 Incentive
- CIAC Reimbursements
  - Tier 1 YTD - 756 Homes
  - Tier 2 YTD - 2,921
PowerWise Appliance Recycling

According to DOE

- 12-14% of homes have \( \geq 2 \) refrigerators/freezers
- \( \geq 50\% \) more than 10 years old
- Replacement with Energy Star can save customer up to \( \sim \$100/\text{yr} \) on electric bill
- Significant number of secondary refrigerators and freezers in SRP Territory
PowerWise Appliance Recycling

- Administered by JACO Environmental, Inc.
- Process:
  - JACO removes working refrigerator and/or freezer from SRP customer home
  - SRP rebates $30 per unit to the customer (limit 2 appliances per customer account per year)
  - Units fully dismantled, at least 90% recycled, environmental disposal
PowerWise Appliance Recycling

- Program Year 2009
  - Estimated Participation - 7,500 Units

- Average Savings
  - Net Savings 1,037 kWh/unit/year
  - 7,800,000 kWh/Net Annual Program Savings

- Reduced Emissions
  - CO₂ ~ 10 tons/unit/year

- Results to Date: Launched 9/2/2008
  - 1,269 Unit Pick-ups
Residential EE - FY09 Potential

- PW Homes: 10%
- CFLs: 50%
- Appliance Recycling: 11%
- Cool Cash: 2%
- Other*: 4%
- M-Power: 23%

PW Programs 57.3 M kWh
M-Power 17.5 M kWh

*Other includes Low-income Education & Weatherization, Shade Screens, Appliance Rebate Programs
Commercial Programs

FY 08
- Lighting
- Cool Cash A/C
- Cool Roof Pilot
- Retrocommissioning Pilot
- 80 Plus Pilot
- Compressor Audit Pilot
- Schools Rider Program

FY 09
ADD:
- Prescriptive
  - Expanded Lighting & HVAC
  - Premium Efficiency Motors
  - Variable Frequency Drives
  - Enhance Cool Cash A/C Rebate
  - Lighting - New Construction
- Custom
  - Custom Rebate
  - Large Retrofit Program
  - Expanded Compressed Air

FY 10
ADD:
- Retro-commissioning
- New Construction Program

- Demand Response
## EE Program Results - FY08

### Non-Residential Participants

<table>
<thead>
<tr>
<th>Service</th>
<th>Participants</th>
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</thead>
<tbody>
<tr>
<td>Lighting</td>
<td>35</td>
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<tr>
<td>Cool Roof</td>
<td>7</td>
</tr>
<tr>
<td>SPATIA EIS</td>
<td>745</td>
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</table>
Custom Business Program

- Targeting mid to large key accounts
- Offers customers the opportunity to identify potential projects outside of the Prescriptive Programs
- Examples include chillers, cooling towers, air handlers, compressed air, EMS control systems
- $/kWh rebate - Based on first year kWh savings
- Caps on rebates to stretch funding
Technical Assistance Programs

- Two programs offered:
  - Compressed Air Program
  - Large Business Solutions Program

- Targeting mid to large key accounts
- Offers customers the opportunity to identify potential projects outside of the Prescriptive Programs
Compressed Air Solutions

- Equipment rebates and technical assistance offered to all customer with systems $\geq 100$ horsepower
- Program will be promoted through Account Management and Qualified Service Providers
- Program consists of a two stage process:
  - 1st Stage – Compressed air assessment - performed by Qualified Service Providers
  - 2nd Stage – Cost-effective supply side capital equipment retrofits and upgrades
Compressed Air Solutions

- **Compressed air assessment**
  - QSP identify low cost/no cost demand side energy savings opportunities
  - Rebate equal to 50% of the assessment cost up to $10,000 of funding
  - At least 50% of the identified air leaks must be addressed by the customer to qualify for rebate
Compressed Air Solutions

- Supply side capital equipment retrofits
  - Examples include compressors, dryers, filters, controls, and storage tanks
  - Equipment rebates will be paid analogous to the Custom Program at $0.11/kWh per first year savings
  - At least 50% of the identified demand-side and air leaks must be addressed by the customer to qualify for equipment rebate
Large Business Solutions

- Program offers eligible customers technical services to identify and quantify energy savings opportunities
- Program will be targeted during this initial year – Focusing on select large accounts
- Funding offered for initial preliminary facility assessment and more detailed technical assessment
- No systems covered under the Standard or Compressed Air programs will be evaluated through the assessments
Large Business Solutions

- Program provides up to $3,000 for preliminary assessment
- SRP will match 50/50 the cost of a more detailed technical assessment up to $15,000 in rebates per customer per year
- Identified rebate opportunities will be run analogous to the Custom Program at $.11/kWh per first year savings
Commercial EE - FY09 Potential

- Compressed Air: 5%
- Large Business: 2%
- Other*: 9%
- Custom Business: 10%
- Lighting: 34%
- Carry-over: 2%

Remaining 27.0 M kWh

*Other includes New Construction, Cool Roof, and SPATIA Programs
### Portfolio Savings (kWh)

<table>
<thead>
<tr>
<th></th>
<th>FY09</th>
<th>FY10</th>
<th>FY11</th>
<th>FY12</th>
<th>FY13</th>
<th>FY14</th>
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<tbody>
<tr>
<td>Residential</td>
<td>57,350,074</td>
<td>64,699,019</td>
<td>71,501,684</td>
<td>57,850,388</td>
<td>42,943,893</td>
<td>45,122,802</td>
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<tr>
<td>Commercial</td>
<td>45,384,235</td>
<td>54,776,625</td>
<td>80,121,557</td>
<td>90,284,224</td>
<td>97,375,897</td>
<td>107,506,977</td>
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<tr>
<td>Total Portfolio</td>
<td>102,734,309</td>
<td>119,475,644</td>
<td>151,623,241</td>
<td>148,134,612</td>
<td>140,319,790</td>
<td>152,629,779</td>
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*Above Portfolio Savings figures excludes savings from M-Power*
Summary

- SRP has made significant advances in the past year launching additional programs and adding EE resources and infrastructure.
- Plans to allocate additional funding and resources in upcoming years.
- Long-term commitment to meet our Sustainable Portfolio objectives.