SRP Background

Electric Customers: 935,000

Electric Service Territory: Phoenix/Central AZ Area - 2,900 Square Miles

FY09 System Peak: 6,410 MW

FY09 Retail Sales: 26,747 GWh

Wholesale Water Provider: 375 Sq Miles Water Service Area in Phoenix
Major Activities Since Last Year

- SRP has continued to grow our portfolio of EE programs
- Provided additional funding and new offerings to target specific market opportunities
- Successfully launched our commercial demand response program
- Completed our first formal evaluation of the FY09 program year
- Started the process of updating our market potential study
Residential Programs

FY 09
- Appliance Recycling
- Cool Cash A/C Rebates
- Retail CFL – Ongoing, more retailers
- Premium Efficiency Appliance Rebate
- PowerWise Homes
- Low Income Weatherization
- Low Income Energy Education
- M-Power

FY 10
ADDED:
- CFLs – More retailers
- LED Christmas Lights
- More stringent standards PW Homes
- Home Check-up Pilot
- Thermostatic Controlled Showerhead Program

FY 11
Will ADD:
- CFLs – More retailers
- Home Performance Assessment with Energy Star
- Duct Testing & Repair
- Home Characterization Retrofit Program
- In Home Display Pilot
- Support Stimulus Initiatives
FY10 Residential Program Savings

Annual Incremental MWh Savings

- M-Power: 74%
- CFL: 16%
- Cool Cash: 2%
- PowerWise Homes: 1%
- LI Weatherization: 1%
- Other: 1%
- Appliance Recycling: 6%

200,910 Annual MWh Savings
Non Residential Programs

FY 09
- Standard Business
  - Lighting
  - Package A/C Units
  - Premium Efficiency Motors & VFDs
  - Lighting - New Construction
- Custom Business
- Large Business Solutions Program
- Compressed Air Solutions
- SPATIA
- Demand Response

FY 10
ADDED:
- Standard Business
  - Occ. Sensors
  - Chillers
  - Refrigeration
  - Compressed Air
- New Construction Program
- RCx Program
- Improved lighting rebate levels
- Increase funding & customer caps

FY 11
Will ADD:
- Small Business Direct Install Program
- Enhanced lighting rebates
- Increased funding
- Increased customer caps
FY10 Non Residential Program Savings

- Standard: 50%
- Custom: 27%
- Large Business: 5%
- Compressed Air: 9%
- RCx: 3%
- SPATIA: 6%

56,110 Annual MWh Savings
## FY10 Program Economics

<table>
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<tr>
<th></th>
<th>Program Budget (Millions)</th>
<th>Annual MWh Savings</th>
<th>Annual MW Reduction</th>
<th>TRC</th>
<th>Cost / Lifetime kWh</th>
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<td>Residential</td>
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Savings represents 0.92% of retail sales

* SRP has invested an additional $3.2 million in our PowerPartner commercial demand response program
Recent Developments

• Appliance Recycling Program
  – We experienced a sharp decline in participation due to downturn in the economy, housing market, white good sales, and home equity financing
  – SRP has realigned marketing and advertising efforts over the last year through target marketing:
    – Radio
    – Television
    – Web Advertising
  – As a result, we are seeing participation back at 200 to 220 units per week
Recent Developments

- **Standard Business Solutions**
  - Tremendous increase in activity of prescriptive program
  - Increase participation largely due to:
    - Additional measures added to program
    - Development of trade ally network
    - Greater market awareness
    - Increased rebate levels
    - Increased customer caps
  - Efforts have led to a significant increase in savings while program is being delivered in a highly cost effective manner
Recent Developments

- **PowerPartner Commercial Demand Response Program**
  - Three-year contract signed with EnerNOC last December
  - Successful program launch in January
  - Customer recruitment process began immediately
  - Secured over 30 MW of contracted capacity within 6 months
  - Called two events – both successful
  - Looking to grow program to 40MW next year
Stimulus Funding Coordination

- State and Federal Activities
  - Organization has been tracking both local and federal activities
  - Worked with State and AZ Schools Facility Board to provide guidance with ARRA grant money for performance contracting
  - Worked with Department of Commerce Energy Office to evaluate opportunities and provide guidance regarding appliance rebate program
  - Providing in-kind promotion of State appliance program through our SRP web site and Contact mailing
  - Submitted application under the American Recovery & Reinvestment Act Smart Grid Investment Grant and was awarded $56.9 Million to accelerate deployment of our Smart Meter Initiative
Expectations for Next Year

- Programs will continue to grow in size and number
- Over 25 programs will be offered to provide equity for all customer classes
- PowerPartner DR program will continue to grow
- SRP will look to provide over $35 million in program funding
- Annual incremental savings reaching nearly 300,000 MWh
- Program savings as a percentage of retail sales will surpass 1%
Questions & Answers

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