SRP Energy Efficiency Program Update

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Customer Programs & Research

SWEEP Southwest Regional Workshop

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Agenda

• Overview of SRP’s Goals
• Review Portfolio Performance
• Programs of Interest
• Looking Forward
SRP Sustainable Portfolio Objective

• Established in 2004, revised 2006, updated most recently in 2011

• Goals
  
  – Meet 20% of retail requirements with sustainable resources by 2020
    
    o Renewable energy, hydro power, conservation, energy efficiency, pricing measures, codes and standards, behavioral programs, and renewable energy credits

  – Energy efficiency – ‘goal within a goal’
Energy Efficiency Targets

- SRP’s annual incremental objective grows over next several years
- All energy efficiency and select pricing initiatives
- Include 50% credit for codes and standards
- Energy conservation and behavioral programs

Percentage of Annual Retail Requirements

<table>
<thead>
<tr>
<th>Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY12</td>
<td>1.50%</td>
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<tr>
<td>FY13</td>
<td>1.50%</td>
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<tr>
<td>FY14</td>
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<tr>
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<tr>
<td>FY16</td>
<td>1.75%</td>
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<tr>
<td>FY17</td>
<td>1.75%</td>
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<tr>
<td>FY18</td>
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<td>FY19</td>
<td>2.00%</td>
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<tr>
<td>FY20</td>
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Annual incremental savings including line loss
Summary of FY13 Results

• SRP had a tremendous program year
• Programs performed extremely well
• Savings goals were exceeded
• Exceeded percentage of retail requirements target
• Delivered programs slightly under budget
FY13 Annual Incremental Energy Savings

**Segment Results**

- Residential: 195,040 MWhs
- Commercial: 201,506 MWhs
- M-Power: 234,164 MWhs

**Portfolio Results**

- Actual: 630,710 MWhs
- Goal: 574,215 MWhs
Major Portfolio Performance Drivers

• Residential Programs
  • Retail Lighting
  • Appliance Recycling
  • Energy Star Homes
  • Pool Pump

• Commercial Programs
  • Standard Business
  • Custom Business
  • Small Business Solutions
  • Self Direct Program
Percentage of Retail Requirements Results

Note: * Denotes FY14 Planning Assumption
SRP Sustainable Portfolio Chart
FY13 Actuals and FY14 Projected

FY13
- Renewable Resources: 3.13%
- Hydro Resources: 2.74%
- SRP SPP Requirement: 10.38%

FY14
- Energy Efficiency: 4.00%
- SRP SPP Requirement: 13.05%

Total:
- FY13: 11.04%
- FY14: 11.75%
Energy Efficiency Program Budget

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Annual EE Spending ($ Millions)</th>
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<tr>
<td>FY09</td>
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<tr>
<td>FY14</td>
<td>$57.7 *</td>
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</table>

Note: * Denotes FY14 Planning Assumption
Programs of Interest

Retrocommissioning (RCx) Lite

Why RCx Lite?

• Standard and Small Business programs maturing
• Program lighting savings with be diminishing
• Looking for other direct install opportunities
• Building off success of our traditional RCx program
• Offering to serve small/mid-size commercial segment
RCx Lite - Program Structure

- Eligibility Requirements
  - Buildings 25,000 to 75,000 square feet
  - 2 years or older in age
  - Customer must commit to invest first $500 or $1,000
    - 25K to 50K Sq Ft Buildings - $ 500
    - 50K to 75K Sq Ft Buildings - $ 1,000
  - Service Rebate - Maximum of $0.10/Sq Ft
  - Energy Star Benchmarking - Score of 60 or below to qualify
  - Building must have functioning controls (Not Programmable T-Stats)
RCx Lite - Program Structure

- Direct Install Approach
- Select Qualified Service Providers performing work
- Addresses immediately a pre-screened list of potential measures:
  - Corrections to HVAC and lighting equipment operating schedules
  - Adjustments to air-side economizer operation and minimum outside-air intake percentage
  - Repairs to air-side economizer sensors and damper actuators
Self Direct Program

• Designed to address needs of largest C&I customers
• Provide greater access to their EE contributions
• Accommodate complex, highly specialized, multi-year projects
• Historically difficult to get engaged in programs
• “Production is King”- Limited resources/time
• Enormous energy savings potential
Self Direct Program

• Made a few programmatic enhancements
• Engaged business decision makers
• Presented customers with credible technical resources
• Provided significant program admin support options
• Instructed program admin staff to become “one with our customer”

Result: Significant Savings
Looking Forward

• Continue to offer a robust suite of programs
• Manage emissions using sustainable means at the lowest reasonable cost to our customers
• Help our customers save energy and money
• Optimize current portfolio to address customer and resource needs
• Accomplish SRP’s goals cost-effectively