13th Annual SWEEP Workshop

Increasing C&I Savings through Energy Manager Co-funding and Trade Ally Support

November 15, 2016
Pacific Power
- California
- Oregon
- Washington

Rocky Mountain Power
- Idaho
- Utah
- Wyoming
watt smart Business Program

- Commercial Trade Ally Network
- Industrial / Agricultural Trade Ally Network
- Small Business Direct
- Midstream Distributor Network
- Custom Projects
- Energy Project Manager Co-funding
- Strategic Energy Mgmt.
wattsmart Business Program
wattsmart Business Program

- Commercial Trade Ally Network
- Industrial / Agricultural Trade Ally Network
- Small Business Direct
- Midstream Distributor Network
- Custom Projects
- Energy Project Manager Co-funding
- Strategic Energy Mgmt.
Strategic Energy Management

- 3 cohorts (10+ customers)
- 7 individual

<table>
<thead>
<tr>
<th>Year</th>
<th>Projects</th>
<th>kWh</th>
<th>Incentives</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>2</td>
<td>6,175,665</td>
<td>$123,513</td>
</tr>
<tr>
<td>2016</td>
<td>4</td>
<td>&gt;4,600,000</td>
<td>±$105,000</td>
</tr>
<tr>
<td>2017</td>
<td>7</td>
<td>&gt;7,300,000</td>
<td>±$140,000</td>
</tr>
</tbody>
</table>
Customer selects EPM to manage implementation of energy efficiency projects.

**Requirement**
- Identified projects with annual energy savings of at least 1,000,000 kWh.

**Funding**
- $0.025 per kWh for savings delivered through the watt smart Business program.
- Co-funding is a maximum of 100% of approved salary.
### wattsmart Business Program Incentives

<table>
<thead>
<tr>
<th>Project Type</th>
<th>Incentive</th>
<th>Energy Project Manager Funding Eligible</th>
</tr>
</thead>
<tbody>
<tr>
<td>Typical Measure</td>
<td>Prescriptive</td>
<td>Yes / $0.025 per kWh</td>
</tr>
<tr>
<td>Custom Measure</td>
<td>$0.15 / kWh</td>
<td>Yes / $0.025 per kWh</td>
</tr>
<tr>
<td>Energy Management</td>
<td>$0.02 / kWh</td>
<td>Yes / $0.025 per kWh</td>
</tr>
</tbody>
</table>
EPM Co-funding

- 12 Energy Project Managers funded to date
- Over 50% SEM Participants

<table>
<thead>
<tr>
<th>Segment</th>
<th># of Co-funders</th>
<th># of Projects Managed</th>
<th>kWh Savings</th>
<th>Average kWh Savings per Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Com.</td>
<td>8</td>
<td>74</td>
<td>15,926,454 kWh</td>
<td>215,222 kWh</td>
</tr>
<tr>
<td>Ind.</td>
<td>4</td>
<td>27</td>
<td>11,746,718 kWh</td>
<td>435,063 kWh</td>
</tr>
</tbody>
</table>
EPM Co-funding

• Current open EPM engagements
  – 12 commercial
  – 10 industrial

• Repeat engagement common

• Pay for performance contractors have entered the fray
Industrial Trade Ally Network

- Farm and Dairy
- Compressed Air
- Irrigation (Pumps, Motors, VFDs)
- Other (i.e. Electric Submersible Pumps)
Industrial Trade Ally Network

• 2012 contracted out Ind/Ag TA management
• 18-24 months prescriptive rebates only
• 08/2014 began allowing custom
• 06/2016 adjustments made to scope due to “market transformation”
Small Industrial & Ag Challenges

• Incentives available, yet little uptake
• Customers pay in, but don’t participate
• Customers have their hands full with competition, labor, pressing issues
• Different from lighting – savings harder to estimate (pumps, fans, compressed air, process)
• Almost no participation among these customers
Innovative Solution

• Multi-purpose engineers as single point of contact for customers & vendors

• These field engineers are business development managers, energy engineers, project expediters, and educators rolled into one
Innovative Solution

• Immediate savings & cost/benefit estimates – collapse long sequence of steps into just a few

• Highly supportive assistance through entire participation process

• Focus on building relationships with vendors, who become main source of leads
Industrial TA Lessons Learned

• Rapid growth in project count
• Build vendor EE capability through personal contact, training, working through skepticism
• Savings in hard-to-reach market segment
• Positive experience with utility
Rate of Projects & kWh

Number of Projects

<table>
<thead>
<tr>
<th>Year</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>2</td>
</tr>
<tr>
<td>2012</td>
<td>18</td>
</tr>
<tr>
<td>2013</td>
<td>74</td>
</tr>
<tr>
<td>2014</td>
<td>167</td>
</tr>
<tr>
<td>2015</td>
<td>257</td>
</tr>
</tbody>
</table>

Total kWh Savings

<table>
<thead>
<tr>
<th>Year</th>
<th>kWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>9,660</td>
</tr>
<tr>
<td>2012</td>
<td>489,131</td>
</tr>
<tr>
<td>2013</td>
<td>1,555,823</td>
</tr>
<tr>
<td>2014</td>
<td>4,856,779</td>
</tr>
<tr>
<td>2015</td>
<td>9,506,076</td>
</tr>
</tbody>
</table>
Industrial TA Lessons Learned

• Challenges
  – Demand can start to take on a life of its own
  – This could be termed a form of market transformation.

• Example: Electric Submersible Pumps
DSM Program Savings

• How has this happened?
  – Brought added value to customers
  – Simplified Program Participation
  – EPM Co-funding
  – Trade Ally Options

• Administrative Changes
  – Simplified Program Participation
  – New program manual
  – Streamlined M&V structure
Questions?