Background

- ACC approved Southwest’s request to spend $4.4 million annually on DSM
- Portfolio of DSM programs aimed at all customer classes filed June 2006
- 6 programs have received approval
DSM Programs

- Residential:
  - ENERGY STAR® Home
  - Consumer Products
  - Low-Income Energy Conservation (LIEC)
  - Multifamily New Construction (pending approval)

- Non-Residential:
  - Commercial Equipment
  - Distributed Generation
  - Technology Information Center

ENERGY STAR® Home
Approved June 2007

- Goal: Increase the number of newly constructed ENERGY STAR homes throughout Arizona
- Approved Annual Budget:
  2008 = $350,000 and 2009 = $450,000
- Estimated Commitments 2008:
  Tucson = 4,000 homes and Phoenix = 2,000 homes

- Services to Homebuilders
  - Plan review
  - Inspections and testing
  - Training and educational seminars
  - Consumer awareness
ENERGY STAR® Home
(continued)

- **Implementation**
  - Tucson: Plan review and inspections provided by Southwest for participating builders.
  - Phoenix: Participating builders will be given $125 per home towards the cost of plan review and inspections by the HERS provider of their choice. Funds will be distributed as homes are built and inspected.

- **Training**
  - National EEBA Conference in Phoenix, October 2008
  - Joint training classes
  - Onsite field training as needed for builders

- **Outreach**
  - Tri-folds (general and custom)
  - Flyers (builder and consumer)
  - Bill insert
  - Limited advertising
  - Other Events (Example: Parade of Homes)

Consumer Products
One year pilot program approved in September 2007

- **Goal:** Increase awareness and purchase of high efficiency natural gas water heaters
- **Approved Annual Budget:** $775,000
- **Estimated Participants:**
  - 6,000 to 8,000 units
- **Rebate**
  - $75 per unit
  - Purchase and installation of a high-efficiency water heater with an Energy Factor of .62 or higher
  - One per household – while funds are available
  - All Southwest residential customers in Arizona eligible
Low-Income Energy Conservation (LIEC)

- **Goal:** Improve the energy efficiency of qualified low-income households
  - Conservation education
  - Comprehensive weatherization assistance
  - Emergency Bill Assistance
- **Approved Annual Budget = $500,000**
  - Weatherization = $450,000
  - Emergency Bill Assistance = $50,000

Multi-family New Construction
(pending ACC approval)

- **Goal:** Increase the energy efficiency of multi-family dwellings both apartments and condominiums
  - An underserved population
  - Often lower- and middle-income
- **Proposed Budget and Participation:**
  - 2008 = $300,000 for 500 units
  - 2009 = $700,000 for 1,000 units
- **Guidelines**
  - Thermal Shell Improvements: duct sealing and proper installation of insulation
  - Hydronic heating system with natural gas water heating
- **Incentives following inspections**
  - Dual Energy = $300 per unit
  - All Electric = $700 per unit
## Summary of Estimated Savings and Environmental Benefits

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>kilowatt-hours</td>
<td>2.2 billion</td>
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<tr>
<td>kilowatts</td>
<td>43,500</td>
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<tr>
<td>Therms</td>
<td>63.8 million</td>
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<tr>
<td>Carbon dioxide</td>
<td>2.1 billion pounds</td>
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<tr>
<td>Nitrous oxides</td>
<td>400,000 pounds</td>
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<tr>
<td>Sulfur dioxide</td>
<td>10,000 pounds</td>
</tr>
<tr>
<td>Water</td>
<td>2.7 billion gallons</td>
</tr>
</tbody>
</table>

Note: Figures are approximate lifetime savings

## Questions?