

# **Energy Efficiency in Iowa**

**John Norris**

**Chairman, Iowa Utilities Board**

**Energy Efficiency Plans and Programs**

**Study Committee**

**November 13, 2008**

# **2008 Kicks Off New Energy Efficiency Plans**

All Iowa utilities

investor-owned utilities

municipal utilities

rural electric cooperatives

are working on new energy efficiency plans.

# Investor Owned Utilities

- Investor owned utilities develop new energy efficiency plans every 5 years. The plans filed in 2008 will be effective 2009 – 2013.
- January 2008 – Board directed the IOUs to include in their new plans a scenario of achieving 1.5% energy savings on or before December 31, 2011 (IOUs currently at 0.8%)
- April/May 2008 – IOUs filed their new plans
- First quarter 2009 – Plans likely to become effective

# Investor Owned Utilities

- Iowa IOUs have been doing a good job on energy efficiency
- While comparisons are difficult, the level of spending on energy efficiency is frequently used as a measurement
- Typically, for every dollar spent on EE, \$2 of benefits are realized

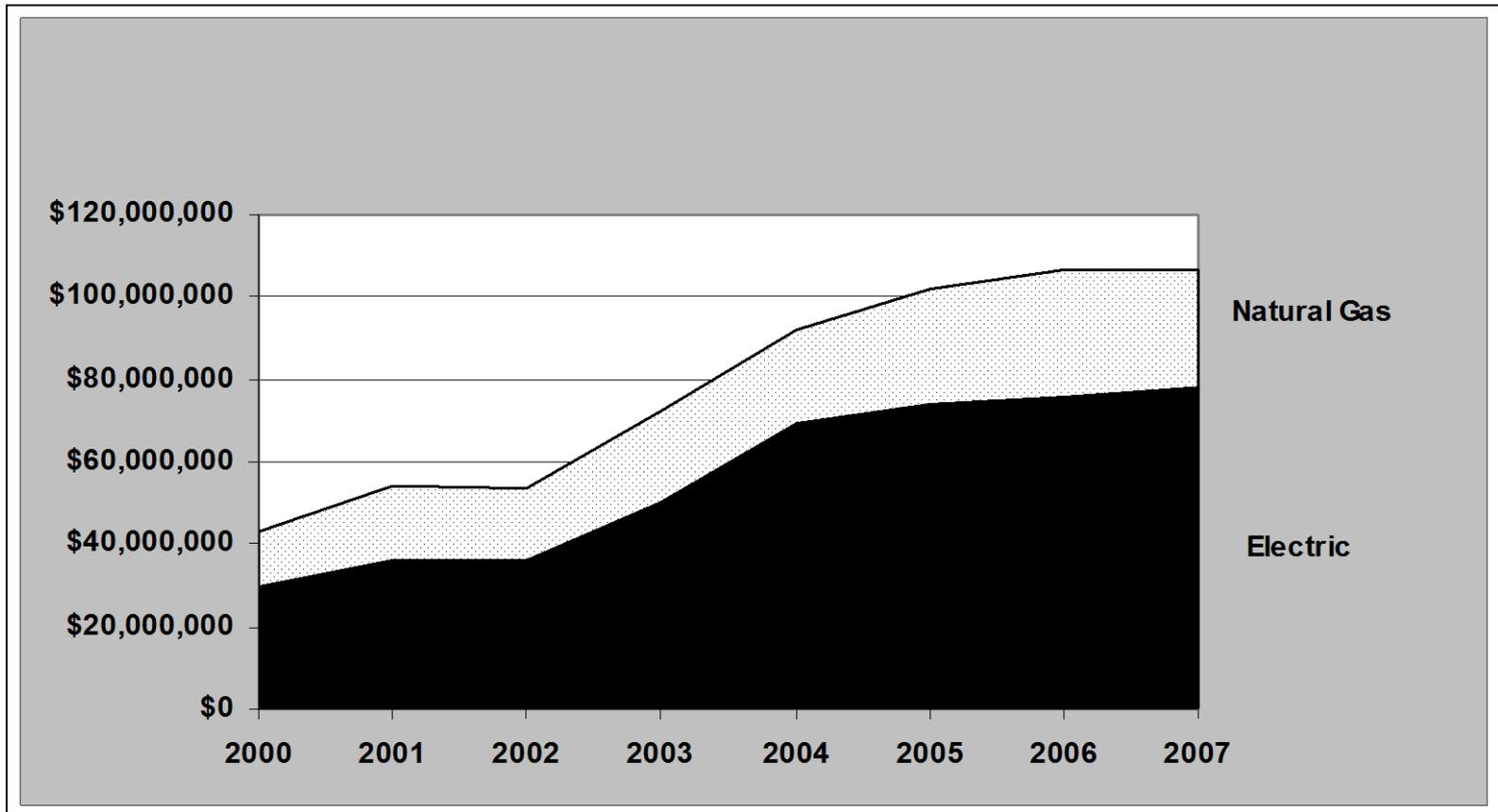
# Iowa #3 in U.S.

## Per Capita Spending on Energy Efficiency

State	Total per Capita EE \$\$	Average Residential Electric kWh Cost *
Vermont	\$40.89	\$0.1413
California	\$33.11	\$0.1437
<b>Iowa</b>	<b>\$31.73</b>	<b>\$0.0934</b>
U.S. Median	\$ 2.27	\$0.0934

\*Sources: Consortium for Energy Efficiency for the amount each state budgeted for energy efficiency and load management in 2007; Energy Information Administration 2007.

# IOU Spending for Energy Efficiency and Load Management from 2000 - 2007



# Iowa IOU MWh Saved from Energy Efficiency Programs Initiated in 2007

<b>IPL/Alliant</b>	<b>MidAmerican</b>	<b>Total</b>
120,000 MWh	162,000 MWh	282,000 MWh

# Iowa IOU Natural Gas MCfs Saved from Energy Efficiency Programs Initiated in 2007

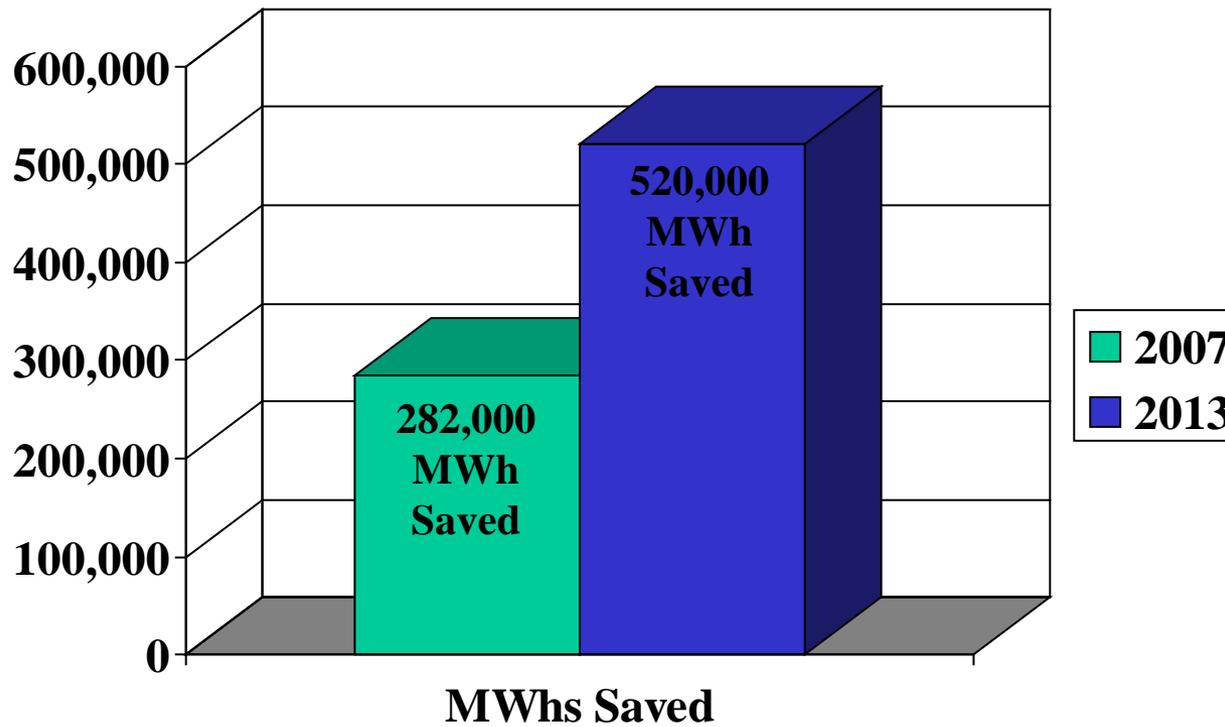
<b>Black Hills</b>	<b>IPL/Alliant</b>	<b>MidAmerican</b>	<b>Total</b>
145,000 MCf	289,000 MCf	372,000 MCf	806,000 MCf

# **New IOU Plans for 2009 - 2013**

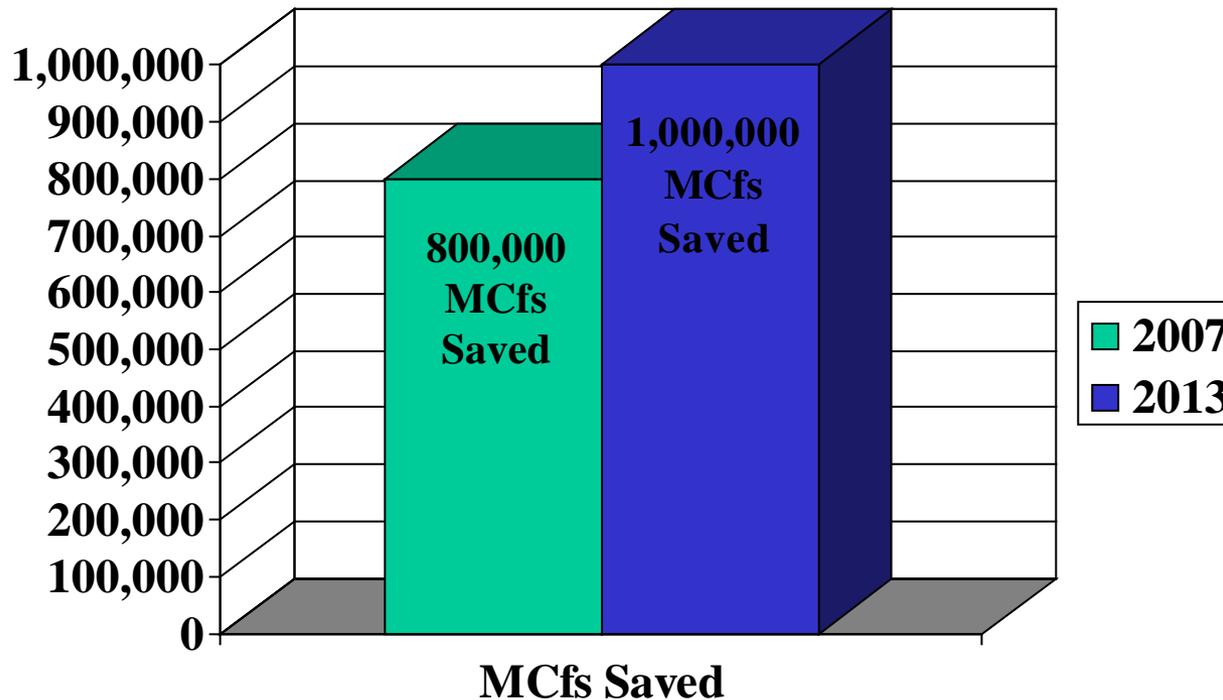
## **Composite Goals for IPL and MEC:**

- **Electric savings of about 520,000 MWh in 2013. This is approximately 1.4% of retail electric sales compared to 0.8% in 2007.**
- **Natural gas savings of about 1,000,000 MCF in 2013. This is approximately 1% of retail natural gas sales compared to 0.8% in 2007.**

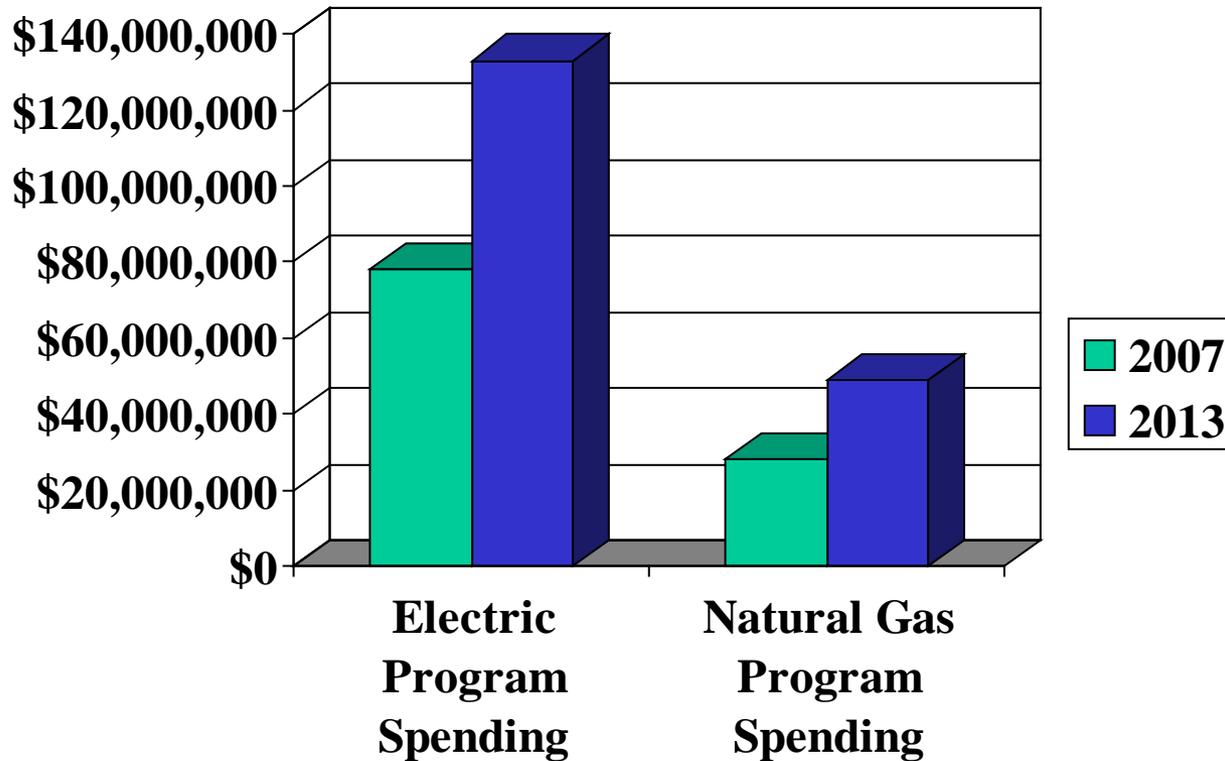
# IOU Goal: Increase Electric Energy Savings from 0.8% to 1.4% of Retail Sales



# IOU Goal: Increase Natural Gas Savings from 0.8% to 1% of Retail Sales



# Cost of Achieving New Goals



# **New Programs Proposed by Investor Owned Utilities**

# IPL/Alliant New Programs

- Customer rebates to include retro-commissioning and incentives for combined heat and power
- Commercial new construction to include “green” consultation/design assistance
- Expanded outreach, education, training

# MidAmerican New Programs

- Home Performance with ENERGY STAR
- LEED certification options in commercial new construction program
- New incentives for quality installation, thermostats, lighting and appliances
- New options for volume builders, design-build strategies and follow-up monitoring

# Black Hills New Programs

- Boilers added to residential programs
- New appliance rebate program
- Expanded non-residential rebates
- New non-residential new construction program
- New industrial sector outreach program

# **Municipal Utilities and Rural Electric Cooperatives**

# Municipal Utilities and RECs

SF 2386 (2008 Session)

Directs municipal utilities and RECs to:

- Assess their maximum potential energy and capacity savings
- Establish an energy efficiency goal based upon this assessment
- Establish cost-effective programs to meet their goal

# **Municipal Utilities and RECs**

Summer 2008 – Munis and RECs began process to examine their plans

August 2008 – Munis, RECs, and IUB met to share information on EE planning

# What Is Next?

- January 1, 2009 – Munis and RECs to provide progress reports to IUB
- January 1, 2009 – IUB to submit a report on the IOUs to the General Assembly
- First Quarter 2009 – IUB to rule on new IOU 5-year plans
- January 2010 – Munis and RECs to submit final reports to IUB
- January 2011 – IUB to evaluate Muni and REC reports and submit a report to General Assembly