

Interim Legislative Energy Efficiency Committee

November 13, 2008

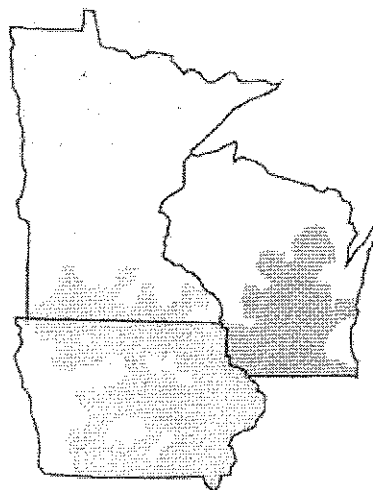


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Alliant Energy

- Interstate Power and Light Company (IPL) and Wisconsin Power and Light Company (WPL) are Alliant Energy's two utility subsidiaries.
- IPL-Iowa:
 - 483,000 electric customers
 - 223,000 natural gas customers
 - 2,500 employees





Alliant Energy

Excerpt from Alliant Energy strategy statement:

“To prepare for a carbon-constrained future we will continue to invest in energy efficiency, monitor and influence legislation and evaluate opportunities that would enhance customer options.”

Source: <http://www.alliantenergy.com/docs/groups/public/documents/pub/p014572.hcsp> or [alliantenergy.com](http://www.alliantenergy.com), select “About Us” and “Corporate Strategy”.



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Alliant Energy's Position on Climate Change

- It is in the best interest of Alliant Energy's shareowners and customers that future efforts to reduce greenhouse gas (GHG) emissions be guided by an effective, mandatory policy that is national in scope, applies to multiple sectors, provides planning certainty, and allows flexible compliance actions consistent with national energy policy requirements.
- **Alliant Energy will continue to invest in energy efficiency and renewable energy.**
- Alliant Energy will continue to participate in collaborative efforts to further the development of technological advancements in emissions controls and generation performance.

- **Guiding Principles**
 - Sufficient scientific evidence exists to support GHG emissions reduction efforts.
 - Technology solutions based on sound science are critical and should be developed; continued research and demonstration studies must be supported.
 - **GHG reduction efforts should not be targeted at any one industry, but rather at all sectors.**
 - Alliant Energy is part of the solution; but, global efforts are needed requiring international cooperation.
 - Economic growth and sustainable development is possible while also reducing GHG emissions.

Source: *Efficiency, Energy, Environment*, Alliant Energy Environmental Report, September 2008, page 27, or select [alliantenergy.com](http://www.alliantenergy.com), select “Environmental” and “Policy and Compliance”.



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2007 EE/DSM Results: IPL-Iowa

■ Electric program

- exceeded goal by 54%, achieving energy savings of over 120 million kWh
- 0.8% energy savings as a percentage of sales (kWh)
- \$0.1691/kWh saved
- 4.3% spending as a percentage of revenue (\$)
- benefit-cost ratio was 2.94

■ Natural gas program

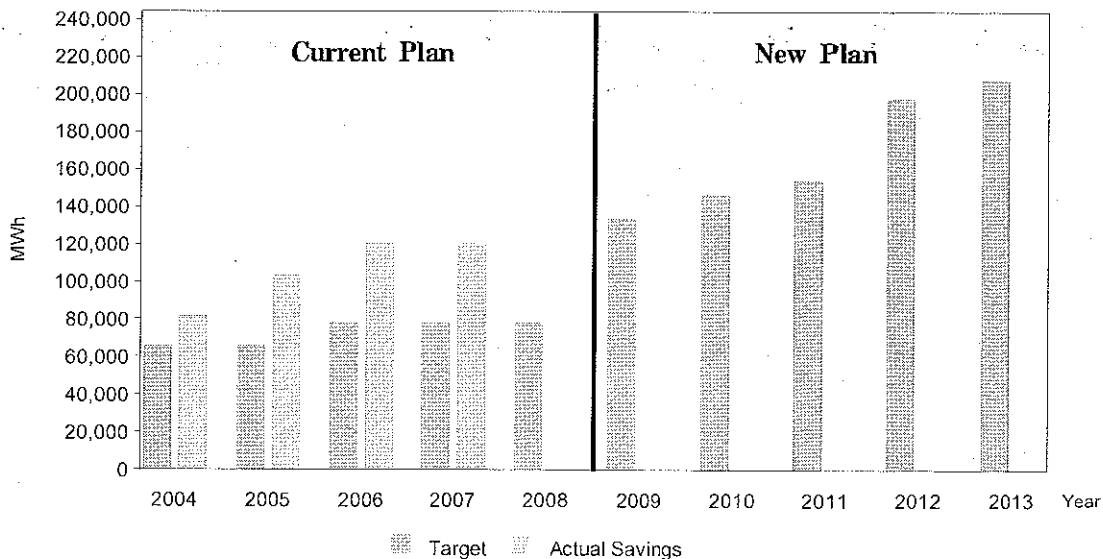
- exceeded goal by 13%, achieving energy savings of 2.9 million therms
- 1% energy savings as a percentage of sales (therms)
- \$0.32/therm saved
- 2.7% spending as a percentage of revenue (\$)
- benefit-cost ratio was 2.08

Source: Interstate Power and Light Company, Before the Iowa Utilities Board, Docket No. EEP-02-38, *Annual Report for 2007*, April 30, 2008.



Energy Efficiency Plan 2009-2013

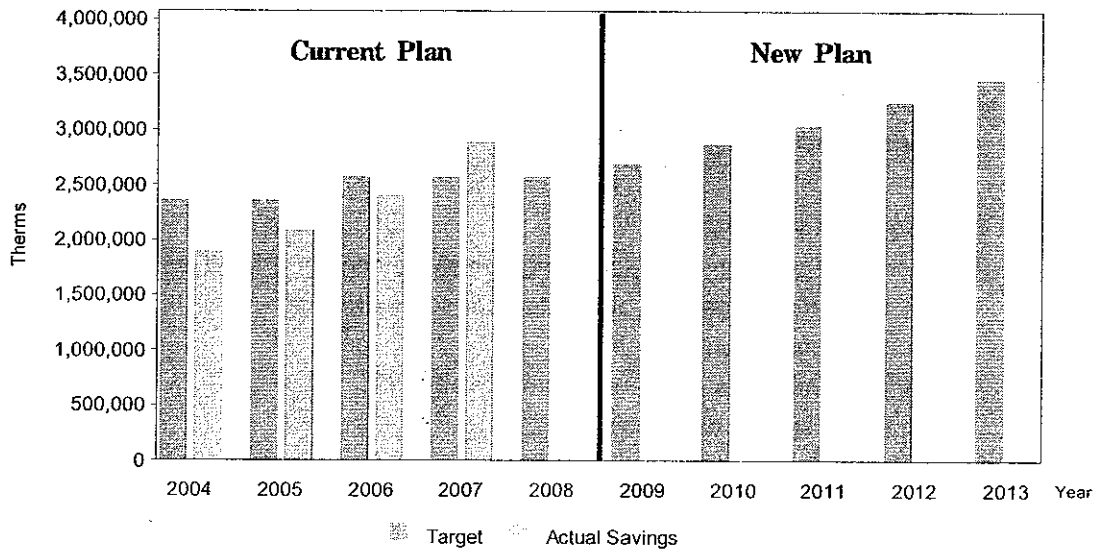
■ Annual Electric Targets and Installed Savings (2004-2013)





Energy Efficiency Plan 2009-2013

■ Annual Natural Gas Targets and Installed Savings (2004-2013)



Best Practices – What Works

American Council for an Energy-Efficient Economy (ACEEE) –
The 2008 State Energy Efficiency Scorecard (published Oct 2008)

Summary of Overall State Scoring
on Energy Efficiency

- Iowa ranks 5th in electric spending, 8th in electric savings and 2nd in natural gas spending;
- By itself, IPL would be in a tie for 4th in electric spending and in electric savings.
- Utility and Public Benefits Programs and Policies
 - Iowa ranks 9th scoring 10.5 out of a possible 20 points
- Transportation Policies, Appliance Standards and Financial and Information Incentives
 - Iowa scored 0 out a possible 13 pts.

| Rank | State | Total Score | Chg in Rank from 2007 |
|------|---------------|---------------------|-----------------------|
| | | <i>Max score=50</i> | |
| 1 | California | 40.5 | 0 |
| 2 | Oregon | 37.0 | 3 |
| 3 | Connecticut | 36.0 | -2 |
| 4 | Vermont | 33.0 | -3 |
| 5 | New York | 32.5 | 2 |
| 6 | Washington | 32.0 | 0 |
| 7 | Massachusetts | 26.5 | -3 |
| 7 | Minnesota | 26.5 | 2 |
| 9 | Wisconsin | 26.0 | 3 |
| 10 | New Jersey | 25.5 | -2 |
| 14 | Iowa | 19.0 | -1 |





Best Practices – How We Rank

- Iowa's investor-owned utilities (IOU) rank among the Top 10 states for planned per capita spending for Energy Efficiency, according to the Consortium for Energy Efficiency.
- For every \$1 an IOU spends, they receive over \$2 of energy benefits¹.
- In 2006, IOUs spent 3.36 percent of electric revenues and 2.80 percent of natural gas revenues on energy efficiency. And, IOUs achieved new and incremental savings of 0.8 percent of retail electricity and natural gas sales¹.

¹ Source: *The Status of Energy Efficiency Programs in Iowa*, Iowa Utilities Board, January 1, 2008, page 1.



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Best Practices - Communicating

- Utility providers are viewed as the most credible source of information on energy efficiency and conservation¹.
- Collaboration with others... IPL used every means to ensure that the Energy Efficiency Plan (EEP) was inclusive and conducive to participation by all stakeholders and interested parties².
- IOUs collaborated to identify technically feasible and cost-effective DSM opportunities with the Assessment of Potential³.

¹ Source: 2007 Iowa Residential Energy Survey, Center for Social and Behavioral Research, UNI, December 2007, page 23.

² Source: Application, section 2.2.2, filed April 23, 2008 (docket No. EEP-08-1).

³ *ibid*, section 2.6.



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Recommended New Ideas

(Not in any particular order)

1. Quality Installation (QI)
2. Home Performance with ENERGY STAR® (HPwES)
3. Targeted Residential Energy Efficiency Opportunity (TREEO)
4. Combined Heat and Power (CHP)
5. Advanced Metering Technology (AMI)
6. CFL Recycling
7. Builder Training (Iowa Building Code)
8. Renewables



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IPL in Iowa

- National leader
- Trying new ideas
- Collaborating with others
- Welcomes your questions and comments



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IPL-Iowa Programs Offered - Appendix

- **All Customer Segments (3)**
 - Audits (onsite/online)
 - E-Community (Dubuque, Grinnell, Mt. Vernon)
 - Trade Ally Network
- **Residential (9)**
 - Appliance Recycling (refrigerators, freezers, room air conditioners)
 - Direct Load Control (DLC)
 - Energy Wise (low income)
 - Living Wise (school based energy education)
 - Low Interest Financing (0%-6.9% for 1-5 year loans)
 - New Home Construction (ENERGY STAR Homes or Builder Option Package)
 - Prescriptive Rebates (ceiling fan, clothes washer, door, freezer, geothermal, HVAC, insulation, lighting, programmable thermostat, refrigerator, water heater, window)
 - Trees
 - Weatherization (low income)
- **Multifamily (3)**
 - Audits (onsite/online)
 - Multifamily Efficiency Improvements (low income)
 - Prescriptive Rebates (same as residential and nonresidential prescriptive rebates)
- **Nonresidential (10)**
 - Appliance Recycling (refrigerators, freezers, room air conditioners)
 - Building Operator Certification Training
 - Commercial New Construction
 - Custom Rebates
 - Interruptible
 - Low Interest Financing
 - Performance Contracting
 - Prescriptive Rebates (ceiling fan, clothes washer, door, freezer, geothermal, HVAC, insulation, LED traffic signals, lighting, occupancy sensor, premium-efficiency motor, programmable thermostat, refrigerator, VFD, vending machine control, water heater, window)
 - Technology Training (Motor Challenge, etc.)
 - Trees
- **Agriculture (4)**
 - Audits (onsite/online calculators)
 - Custom Rebates
 - Low Interest Financing
 - Prescriptive Rebates (automatic milker takeoff, circulating fan, clothes washer, heat reclaimer, irrigation system, lighting, livestock waterer, milk pre-cooler, motor, tractor heater timer, ventilation system, VSD for dairy pump, water heater)

