



Partnering with Utilities Part 1: Successful Partnerships and Lessons from the Field

September 22, 2011

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Philip LaMay, Allegheny County, PA
Christian Williss, Denver, CO
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What is TAP?

DOE's Technical Assistance Program (TAP) supports the Energy Efficiency and Conservation Block Grant Program (EECBG) and the State Energy Program (SEP) by providing state, local, and tribal officials the tools and resources needed to implement successful and sustainable clean energy programs.



- The Department of Energy's (DOE) Technical Assistance Program (TAP) is transitioning to a new era of assistance to state and local governments with a reduced set of resources beginning the week of September 30, 2011.
- Effective September 12, 2011, the TAP will commence an assessment of the current program.
- New requests for direct technical assistance will not be considered until the assessment period has concluded at a date to be determined.
- DOE will maintain a waiting list for all requests during this assessment time.

We encourage you to:

1) Get involved with peer exchange:

- One-on-one peer exchange
- Small group peer exchange
- Regional peer exchange calls

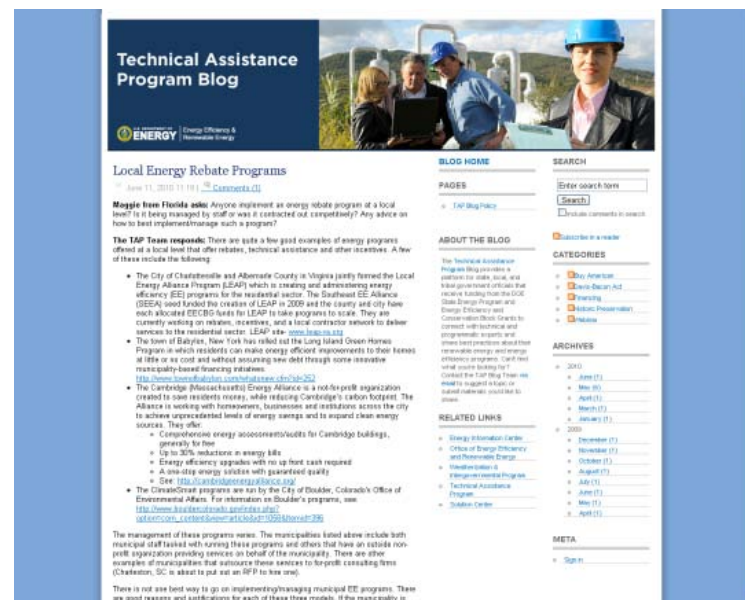
The screenshot shows the EERE Solution Center website. The header includes the U.S. Department of Energy logo and navigation links for Home, Programs & Offices, and Consumer Information. The main navigation bar features links for Home, Webcasts, Project Map, Recovery Act Benefits Saving Calculator, and Request Technical Assistance. The page title is "Solution Center" and the breadcrumb trail is "EERE » WIP » Solution Center". The main content area is titled "Technical Assistance Program Peer Exchange Hub - Beta Version" and includes a "Grantee Testimonial" section with a quote from a participant in Columbia, MO. Below the testimonial, there are sections for "One-on-One Peer Exchange", "Small Group Peer Exchange", "Regional Peer Exchange Calls", and "Regional Peer Exchange Meetings". A "How to Access" section provides contact information for requesting peer exchange activities. The footer includes a search bar and a "SHARE" button.

We encourage you to:

2) Explore our online resources via the Solution Center
<http://www1.eere.energy.gov/wip/solutioncenter/>



3) Access the TAP Blog!
<http://www.eereblogs.energy.gov/tap/>



4) Ask questions via our call center at 1-877-337-3827 or email us at solutioncenter@ee.doe.gov

Please join us again:

Title: **How to Design and Market Energy Efficiency Programs to Specific Neighborhoods**

Host: Kate George and Scott Ledford, ICF International

Date: September 27, 2011

Time: 1:00 – 2:30 PM EDT

Title: **Advanced Topics in Power Purchase Agreements**

Host: Darin Lowder, Ballard Spahr

Date: September 28, 2011

Time: 2:00 – 3:30 PM EDT

For the most up-to-date information and registration links, please visit the Solution Center webcast page at www.wip.energy.gov/solutioncenter/webcasts

First of a two-part series on how to effectively partner with utilities and energy efficiency programs

- Today's webcast (Part 1): Successful Partnerships and Lessons from the Field
 - Overview of how to build and maintain successful utility-local government partnerships based on experience from Allegheny County, PA and Denver, CO
- Future webcast (Part 2): Advanced Topics in Creating Successful Partnerships
 - Continued discussion on working with utilities with emphasis on understanding how utilities operate and how to meet mutual needs to build and enhance clean energy programs



There will be a short **questionnaire** immediately following this webcast. Please take a few minutes to complete these questions. Your feedback is greatly appreciated.

- **Energy Efficiency Program Background**
 - Jennifer Clymer, ICF International
- **Local Experience Overview**
 - Philip LaMay, Allegheny County, PA
- **Local Experience Overview**
 - Christian Williss, Denver, CO
 - Sharon Procopio, Denver, CO
- **Roundtable Discussion**

Energy Efficiency Program Background

Jennifer Clymer, ICF International

- **Utilities**
 - Investor Owned Utilities
 - Municipal Utilities
 - Electric Cooperatives
- **State Level Administrators**
 - E.g., New York State Energy Research and Development Authority (NYSERDA) is a public benefit corporation that administers energy efficiency programs
- **Regional Energy Efficiency Collaboratives**
 - E.g., Midwest Energy Efficiency Alliance (MEEA) facilitates partnerships in the Midwest to help advance energy efficiency

Key Factors	Description
Substantial resource investment	Utilities in the U.S. spent \$4.3 billion on DSM programs, nearly doubling between 2007 and 2009.
Public Utility Commission (PUC) / Public Service Commission (PSC)	Utilities file their program plans and goals with the PUC/PSC who review and approve.
Federal/Regional regulations	Building codes, appliance standards, regulatory commission priorities, regional initiatives (RGGI) influence utility decisions and types of programs.
State/Local mandates and standards	States are adopting energy efficiency resource standards (EERS). See: http://www.ferc.gov/market-oversight/othr-mkts/renew/othr-rnw-eers.pdf
Stakeholder Support	There is significant regulatory, political and local support for utilities to partner with community groups other efficiency programs and program services.
Customer Satisfaction/Brand Equity	Utilities consider customer perception when making decisions.

Market Barriers to Energy Efficiency	Program Components to Address Barriers
Access to Information	Education and Awareness: utility bill inserts, community events, advertising, website, direct technical assistance, program partner leveraging (e.g., retailers, distributors)
Access to Financing	Incentive/Rebate Distribution: financing options, prescriptive/performance based rebates
Skilled Workforce	Workforce Training: contractor training, quality assurance job/construction management, direct technical assistance

- If there ARE existing local energy efficiency programs, the local government can:
 - Participate in those programs for its own buildings and operations
 - Drive community members to participate in those programs
 - Administer a complementary program
- If there ARE NOT existing local energy efficiency programs, the local government can:
 - Work with its utility to administer an independent program
 - Provide support for utility-offered programs to help expand the availability of local utility-administered programs

- **Education and Outreach**
 - Public awareness campaigns to increase participation in existing programs
 - Public events (fairs, community events)
 - Direct community outreach (door-to-door, business-to-business)
- **Financial Assistance**
 - Promote/use utility incentives (e.g., prescriptive or performance-based rebates) for government or community upgrade projects
 - Develop financing solutions (e.g., loans, on-bill financing) for government or community upgrade projects
- **Technical Assistance**
 - Promote/use utility technical training and assistance
- **Workforce Development**
 - Coordinate contractor training and certification (start with contractors doing public works jobs)
- **Innovative Partnerships**
 - Use utility programs to achieve policy goals (e.g., density incentives, green building practices, energy code revisions)
 - Use local government s to provide support for utility programs from regulatory bodies

- **Visit the program sponsor website**
 - Identify the types of incentives they offer
 - Determine how the utility offerings fit with your existing initiatives
 - Identify the appropriate utility program contacts
- **Set up a meeting with your program contact(s)**
 - Brief them on your initiatives/programs
 - Learn about their programs
 - Identify the common goals and how to leverage resources and activities
- **Find out when the program sponsor updates its program plans**
 - This will help understand where they are in the planning/implementation cycle
 - NOTE: some program sponsors may be able to launch pilot efforts outside the standard planning cycle
- **Participate in the Part 2 webinar!**

Local Government Experience: Allegheny County, PA

Philip LaMay, Deputy Director

- **Utility Provider:** Duquesne Light Co.
- **Utility Type:** Investor Owned
- **Relationship Length:** 2.5 years
- **Program Types:** Financial Assistance, Technical Assistance

- **Allegheny County Energy Performance Contract** for County Government Operations (internal)
 - **Financial Assistance:** Leverages existing utility incentives for county building retrofits
 - **Technical Assistance:** Worked with utility to implement a utility cost management and energy benchmarking software, called Utility Manager
- **Allegheny County Energy Program for Municipalities** for Municipal Government Operations (external)
 - **Financial Assistance:** Acts as an aggregator to link municipalities with existing utility incentives for municipal building retrofits
 - **Technical Assistance:** Utility provided education on what an energy audit is and how to use it to make retrofit decisions

- **Benefits of Financial Assistance Partnership**
 - **Allegheny County** benefits from a negotiated higher incentive amount for prioritizing projects that have the highest electricity savings potential
 - **Utility** benefits from higher program participation and uptake of incentives
- **Benefits of Technical Assistance Partnership**
 - **Allegheny County** benefits from increased awareness of energy use trends to better manage energy use and prioritize future projects based on energy savings documented from past projects
 - **Utility** benefits from being able to document measurable savings towards its required energy savings goals

- Established Memorandum of Understanding with utility
- Ensured that both parties knew the goals of the other so they could effectively collaborate.
- Leveraged utility incentives for internal energy management efforts
- Ensured quantifiable and measurable energy savings
- Established monthly working group with utility to maximize the potential for incentives and leverage available grant funding
- Leveraged the utility expertise in choosing contractors and auditors
- Worked with the Duquesne Light to engage smaller utilities in the county
- Facilitated utility rebate projects on behalf of smaller municipalities

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Local Government Experience: Denver, CO

Christian Williss, Sustainability Program Administrator

Sharon Procopio, Commercial Energy Program Administrator

- **Utility Provider(s):** Xcel Energy
- **Utility Type(s):** Investor Owned
- **Relationship Length:** 10+ years
- **Program Types:** Education and Outreach, Financial Assistance, Technical Assistance, Workforce Development, and Innovative Partnerships

Financial and Technical Assistance: Utility Rebates

- Early participation in demand side management (DSM) programs
 - Energy efficiency projects
 - Conversion to district steam & chilled water
- Broad participation over the last 5 years
 - Prescriptive programs
 - Custom programs
- Institutionalized rebate process
 - Understand range of DSM programs
 - Educate stakeholders
 - Identify energy efficiency projects and rebate opportunities in advance
 - Set clear expectations for project teams
 - Rebates grew from \$38K in 2008 to nearly \$500K this year, a 13-fold increase!

Innovative Partnerships: Municipal DSM Program

- Mandated in franchise agreement with Xcel
- ARRA (EECBG) provided an opportunity to develop program
 - Project included audits and retro-commissioning of 60 buildings and associated energy efficiency improvements
- Worked with Xcel to develop a program based on our project
 - Modeled after existing Standard Offer Program
 - Provides rebates for studies (ASHRAE Level II or higher) and associated improvements
 - Requires 3 years of measurement and verification
 - Addresses areas not covered by typical DSM programs
- Expected to generate over \$300,000 in rebates

- **Benefits of Financial and Technical Assistance Partnership**

- **Denver** benefits from utility rebate dollars that generate immediate and long-term energy and cost savings
- **Utility** benefits from higher program participation and energy savings to count towards its energy savings goals

- **Benefits of Innovative Partnership**

- **Denver** benefits from flexibility to pair utility rebate dollars and assistance with projects specific to its operations and needs
- **Utility** benefits from being able to pilot new DSM program approaches and generate deeper energy savings to help meet increasingly larger energy savings goals

Innovative Partnerships: Denver Energy Challenge (DEC)

- ARRA (EECBG) BetterBuildings Grant for Residential and Commercial Energy Efficiency Programming (2010-2013)
 - Residential: Energy Advising and Low Income Efficiency Upgrades
 - Commercial: Energy Advising, Rebates and other incentives
 - Helps Xcel's Denver customers save energy and money by providing direct assistance, motivation, and incentives \$\$
- Denver works closely w/ Xcel's Business Solutions Center
 - City targets small businesses that can be hard to reach for Xcel
- Denver's Commercial rebates leverage Xcel's rebates
 - Program provides lots of opportunities to work with Xcel on outreach (contractor / business owner training)
- DEC also looking to partner further on renewable energy

- **Benefits of Innovative Partnership**

- **Denver** benefits from access to existing utility rebates and expertise that allow it to increase program reach and energy savings
- **Utility** benefits from access to a hard-to-reach customer class (small businesses) and additional staff resources

- Get to know your account representative
- Communicate frequently and flexibly
- Common goals/activities = best partnership opportunities
- Create programming that fits w/ utility's system (if needed)
- Become familiar with range of DSM programs
- Develop internal rebate process
- Leverage rebates into additional energy efficiency projects

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Roundtable Discussion

Moderator: Jennifer Clymer, ICF International

Participants: Philip LaMay, Allegheny County, PA
Christian Williss, Denver, CO
Sharon Procopio, Denver, CO

**** Please submit your questions using the chat feature on your screen. ****

- What similarities (e.g., goals, target audience) have you found between your organization and your utility (utilities)? How has this facilitated your relationship?
- What differences (e.g., resources, measurement/reporting) have you found and how have you worked around them?
- Is this partnership part of a specific strategy or plan?
- How has your partnership help further your internal resources?

- Can you share any measurable results/benefits of your partnership?
- Do you have plans to partner with your utility (utilities) in the future? If so, how?
- What words of advice would you offer others looking to partner with their utilities?

- Get to know your account representative
- Get to know the utility's programs and help them get to know yours
- Start with government operations and then take your lessons learned to the community
- Be creative to find opportunities to meet mutual needs

- **EPA's Rapid Deployment Energy Efficiency Toolkit**
http://www.epa.gov/cleanenergy/documents/suca/rdee_toolkit.pdf
 - A planning and implementation resource for states and local governments to help deploy ARRA efficiency funding in successful, sustainable manner
 - Provides proven efficiency programs with high potential for clear, measurable, and predictable energy savings and jobs
- **EPA's National Action Plan for Energy Efficiency** www.epa.gov/eeactionplan/
 - Provides actionable information on increasing energy efficiency investments in ratepayer-funded energy efficiency programs
- **Database for Incentives and Joint Marketing Exchange (DIME)**
http://www.energystar.gov/index.cfm?fuseaction=activity_search.basic
 - Searchable database to determine what ENERGY STAR incentives and joint marketing opportunities are available for program administrators across the country
 - Primarily targeted toward manufacturers and retailers, but can help you develop key relationships
- **Database of State Incentives for Renewables and Efficiency (DSIRE)**
<http://www.dsireusa.org/>
 - Searchable database of information on state, local, utility, and federal incentives and policies that promote renewable energy and energy efficiency

- **Comprehensive Existing Home Retrofit Programs: Designing Programs in a Stakeholder Rich Environment**

<http://eec.ucdavis.edu/ACEEE/2010/data/papers/1968.pdf>

- Defines different roles of programs and how different organizations can coordinate
- Provides high level overview of programs in AZ, KY, and MD

- **California Standard Practice Manual**

http://www.energy.ca.gov/greenbuilding/documents/background/07-J_CPUC_STANDARD_PRACTICE_MANUAL.PDF

- Good overview of the cost-effectiveness tests used throughout the country, but technical

- **EPA's Advancing State Clean Energy Funds: Options for Administration and Funding**

http://www.epa.gov/statelocalclimate/documents/pdf/clean_energy_fund_manual.pdf

- Discusses system benefits charges, utility cost recovery, and leveraging other revenue sources
- Provides overview of utility, state, and third-party models

Thank you!

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