



# Florida's Energy Efficiency Leader

## Second Quarter Report





# Good News: On track to make FY 07 goals!

## GOAL

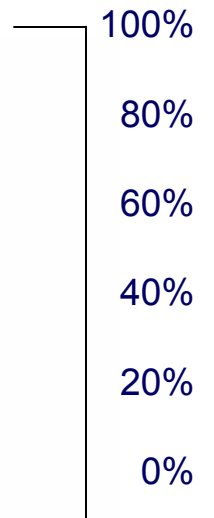
2.7 MW

13,652 MWh

## SECOND QUARTER

1 MW

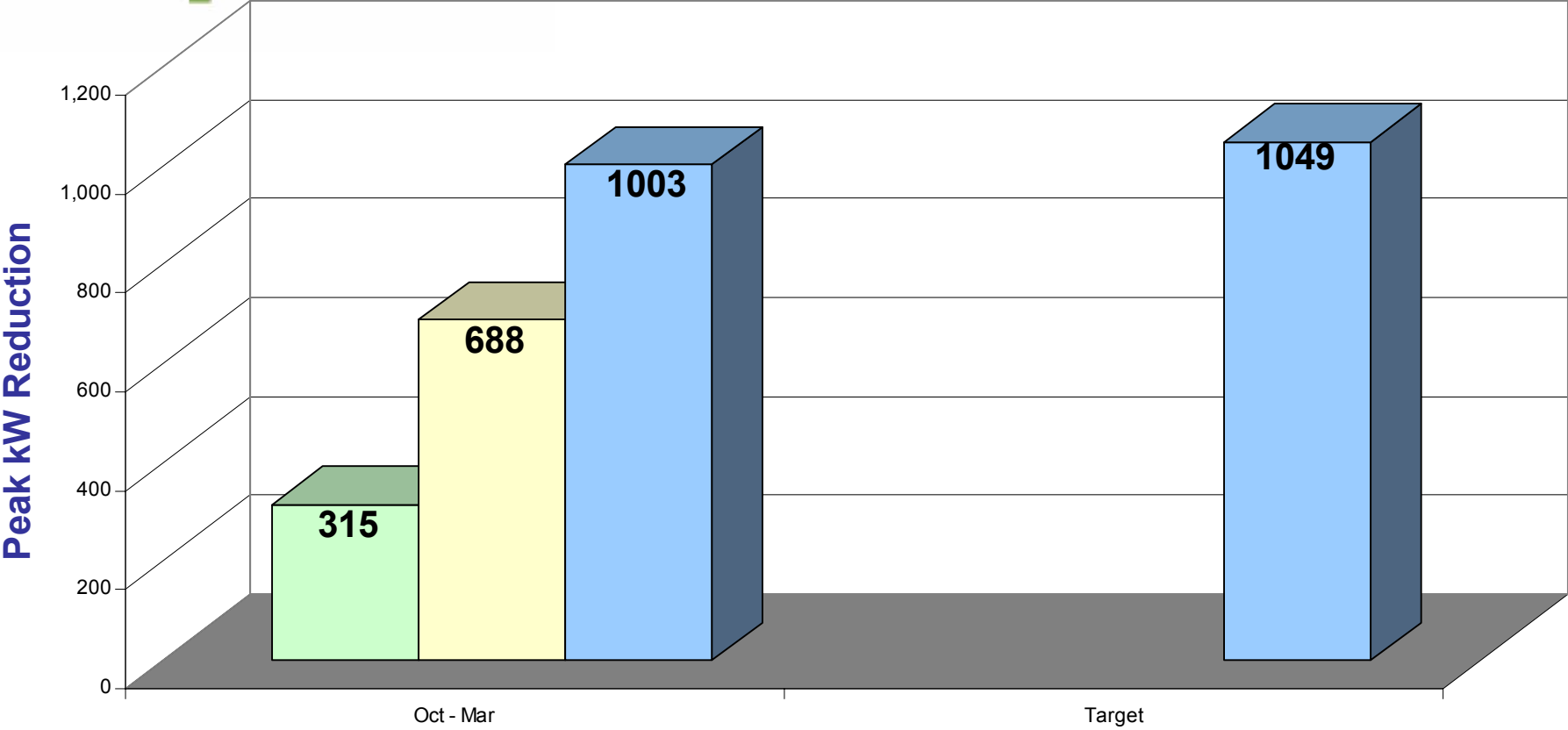
8,109 MWh





# Second Quarter Demand Reduction

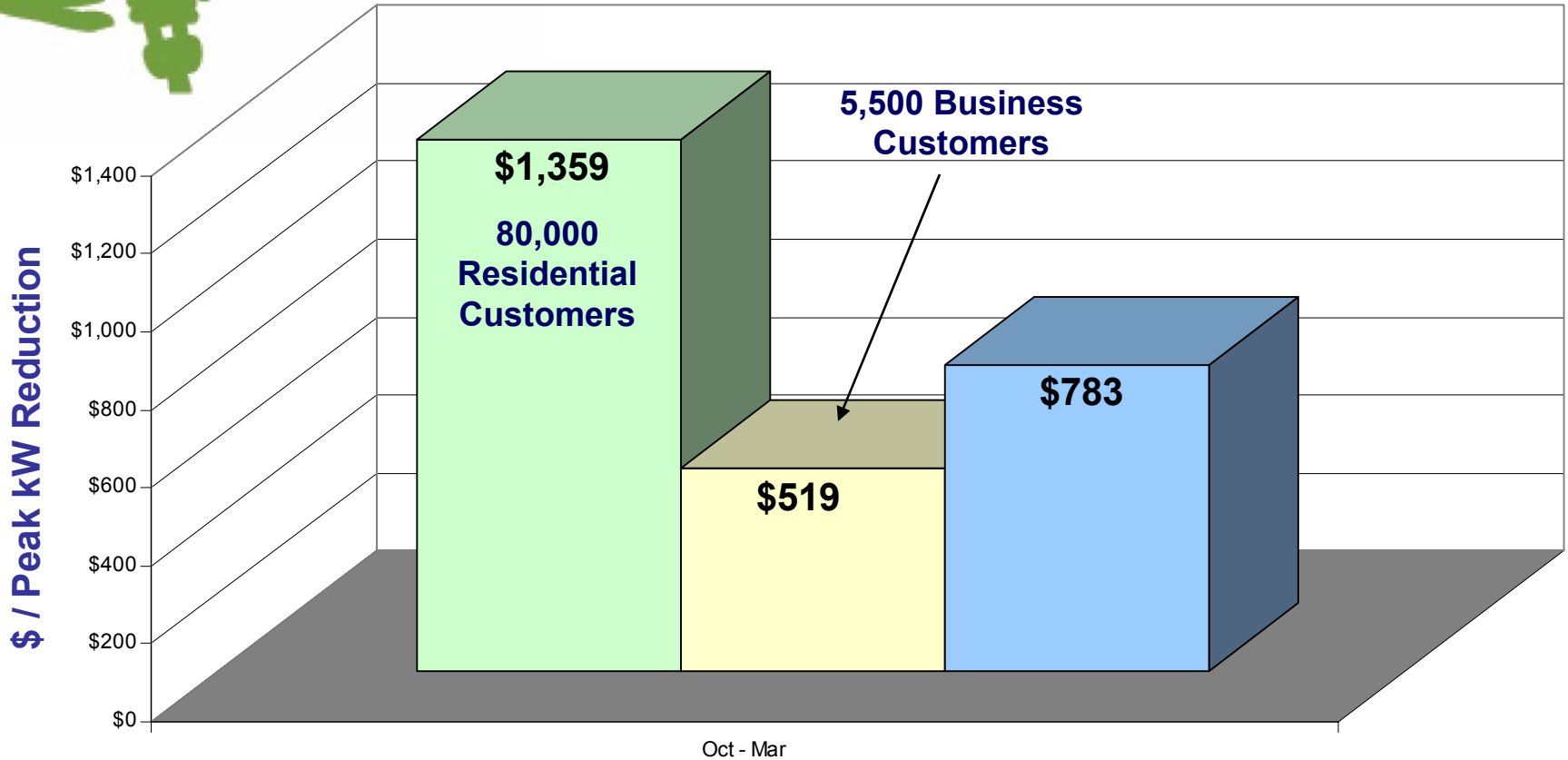
Residential Business Overall



# \$ Spent Per Peak kW Reduced



Residential Programs Business Programs Overall

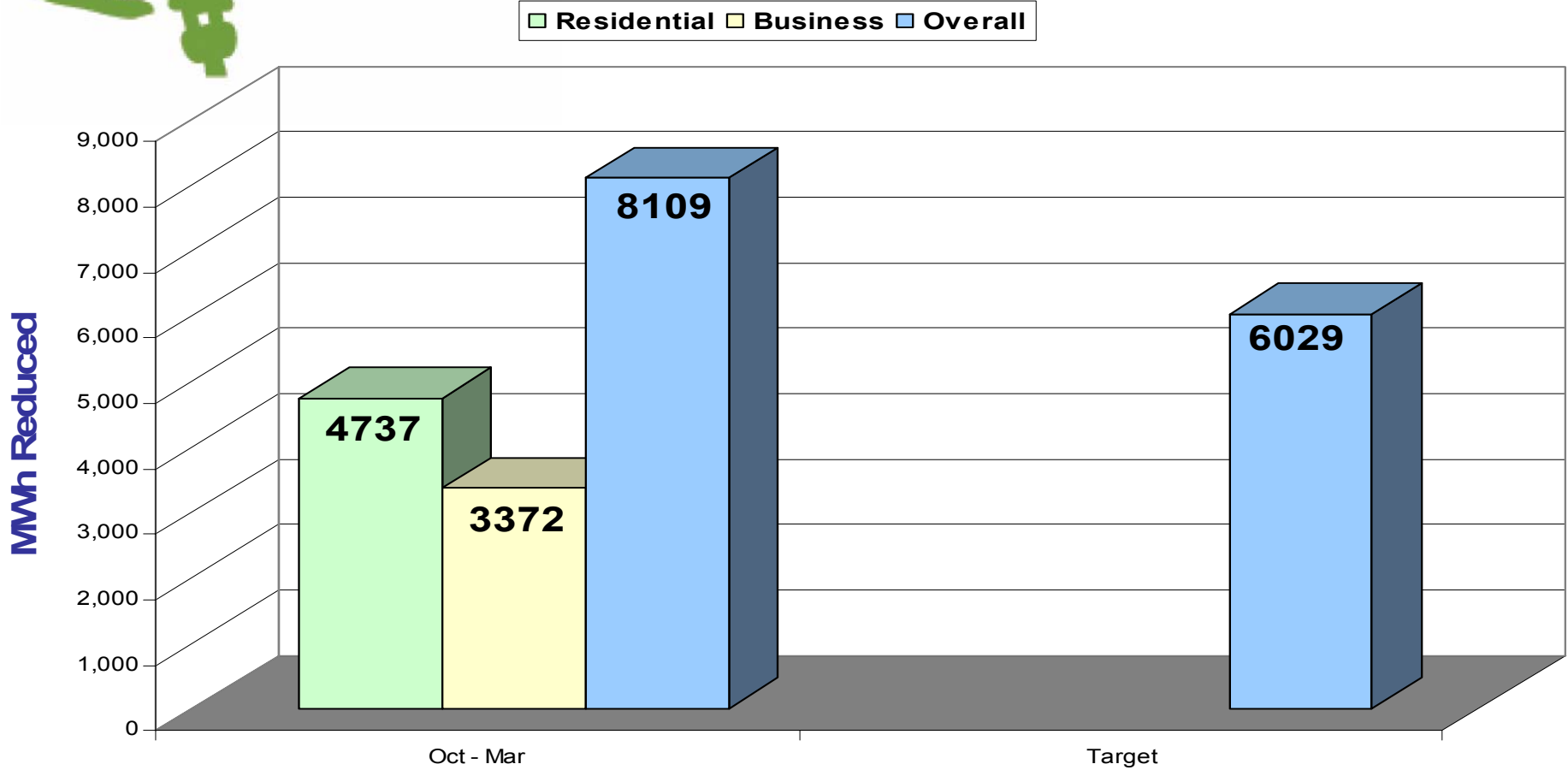


\$1,800 – 2,600 kW for Base Load Capacity

\$400 – 800 kW for Peak Capacity

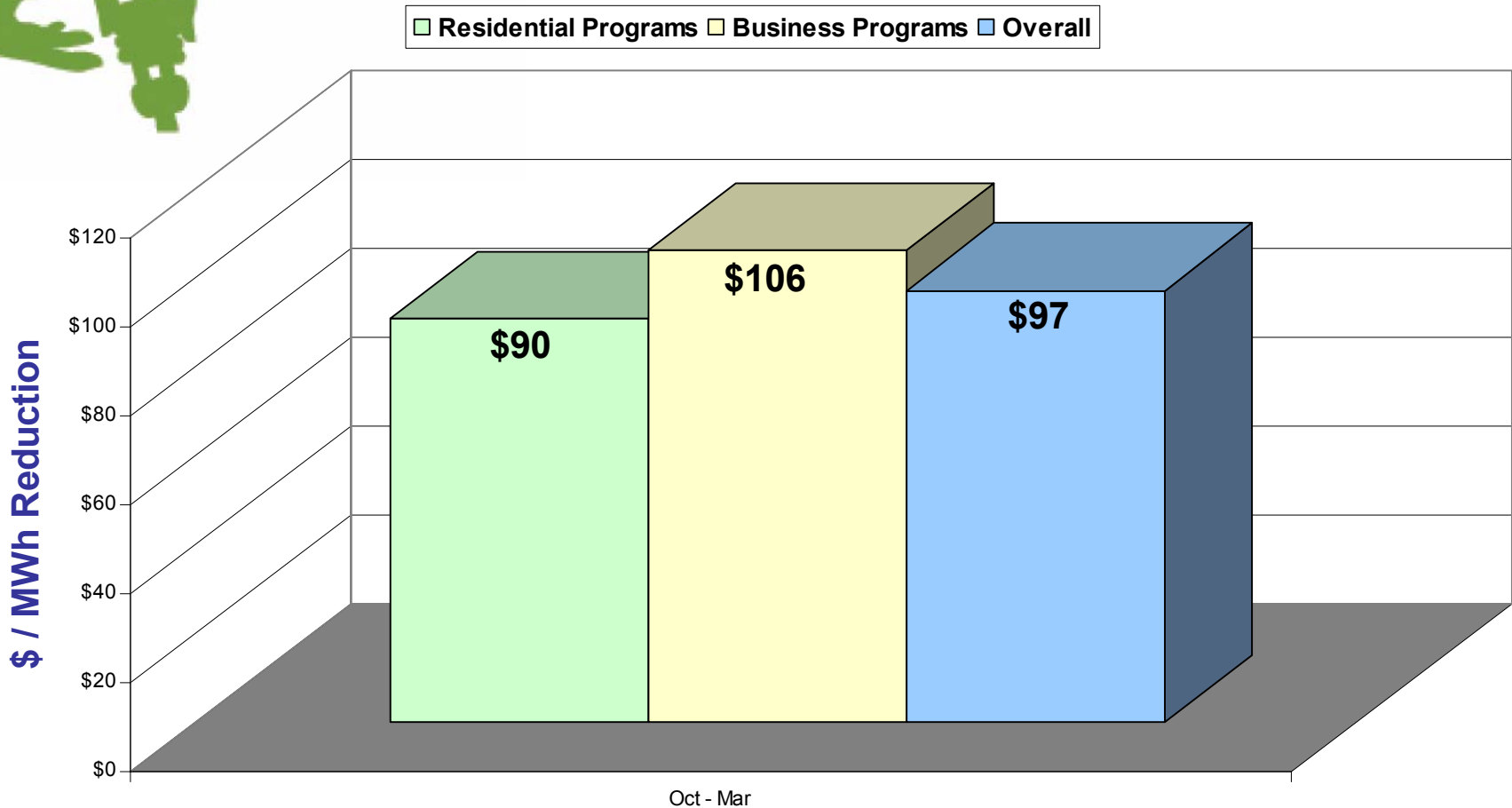


# Second Quarter Energy Reduction





## \$ Spent Per MWh Reduced



ICF Report: *“Many of the potential DSM programs are less costly than the supply-side alternatives, with levelized average costs of only \$23/MWh.”*



# Program Updates



# Foundation to Achieve Maximum Energy Efficiency

- Education
- Incentives
- Regulation
- Rates
- Research





# Current Programs

- High Efficiency Central Air Conditioner
- High Efficiency Room Air Conditioner
- Central Air Conditioner Maintenance
- Duct Leak Repair
- Heat Recovery Unit
- Heat Pipe Enhanced Air Conditioner
- Reflective Roof Coating
- ENERGY STAR® Certification of Affordable Housing
- Added Insulation
- Refrigerator Buyback and Recycling
- Solar Electric (PV)
- Solar Water Heater
- Natural Gas Water Heaters
- Natural Gas Central Heat
- GRUGreen Program
- Green Building
- Natural Gas Range
- Natural Gas Dryer
- LP Gas Conversion
- Smart Vend
- LED Exit Sign
- Customized Business Program
- Free on-line, mail-in, self service, or on-site energy efficiency service
- CFL giveaway programs
- Energy Efficiency School Curriculum
- Public presentations
- Low income whole house program
- Low interest loan program



# Low Interest Loan

- Revised RFP and sent to financial institutions
- Contract negotiations with First Credit Union
- Could launch as early as May 15



# Low Income Energy Efficiency Program (LEEP)

- Rebate up to \$2750 per house plus applicable rebates
  - NW 8 homes selected from 10
  - SW 4 homes selected from 4
  - NE 15 homes selected from 28
  - SE 13 homes selected from 39
- All homes have been assigned to the contractors



# Pilot Lessons Learned (thus far)

- Not everyone classified as low income is in need of this assistance
- Looking at four geographic sectors helped us better clarify needs criteria:
  - Regardless of income, energy efficiency improvement needs were greatest in areas of older, dilapidated housing stock (Northeast and Southeast)
  - Future program, considerations should include:
    - Income
    - Age and condition of building envelope
    - Age and condition of appliances
  - Better processes are needed to qualify applicants
    - Some organizations did this for us at no charge to GRU others wanted to charge \$150 per applicant



# Pilot Lessons Learned (thus far)

- Staff did not include time and cost for permits in budget, for example;
  - \$150 AC
  - \$60 insulation
- We are way ahead of where many others are in nation in developing this type program



# Regulation

- Continuing discussion with Community Development Committee on ways to get energy efficiency improvements in single family homes, especially rentals

# Good News!



- On target to reach FY07 goals



# **Working Assumptions:**

## Demand Side Management and Energy Supply Planning

May 10, 2007



# Presentation Outline

- Conservation assumptions
  - Review of policy
  - Working assumptions
  - Impacts

# City Commission Direction

On April 12, 2006 The Gainesville City Commission directed staff to:

*“1. Include the Total Resource Cost test as a consideration to pursue all cost effective and feasible demand side measures including demand response, energy efficiency, load management and innovative rate design options. Ensure that the needs of low income customers are addressed in demand side management programs.*

*2. Have GRU staff conduct a thorough examination of all DSM options and present a plan to the commission to develop and implement all cost effective DSM and demand response measures...”*

# Working Assumptions

- Utilize the Total Resource Cost (TRC) test as economic criterion
- Remain open to new technologies
- Do not rely on unproven technology
- Energy efficiency contributes to meeting carbon goals

# Working Assumptions

- ICF report represents the best available estimate of cost-effective energy efficiency potential at this time
- Staff is strenuously pursuing better data
  - Appliance saturation studies
  - FMEC joint studies
  - Load research

# ICF Study Results

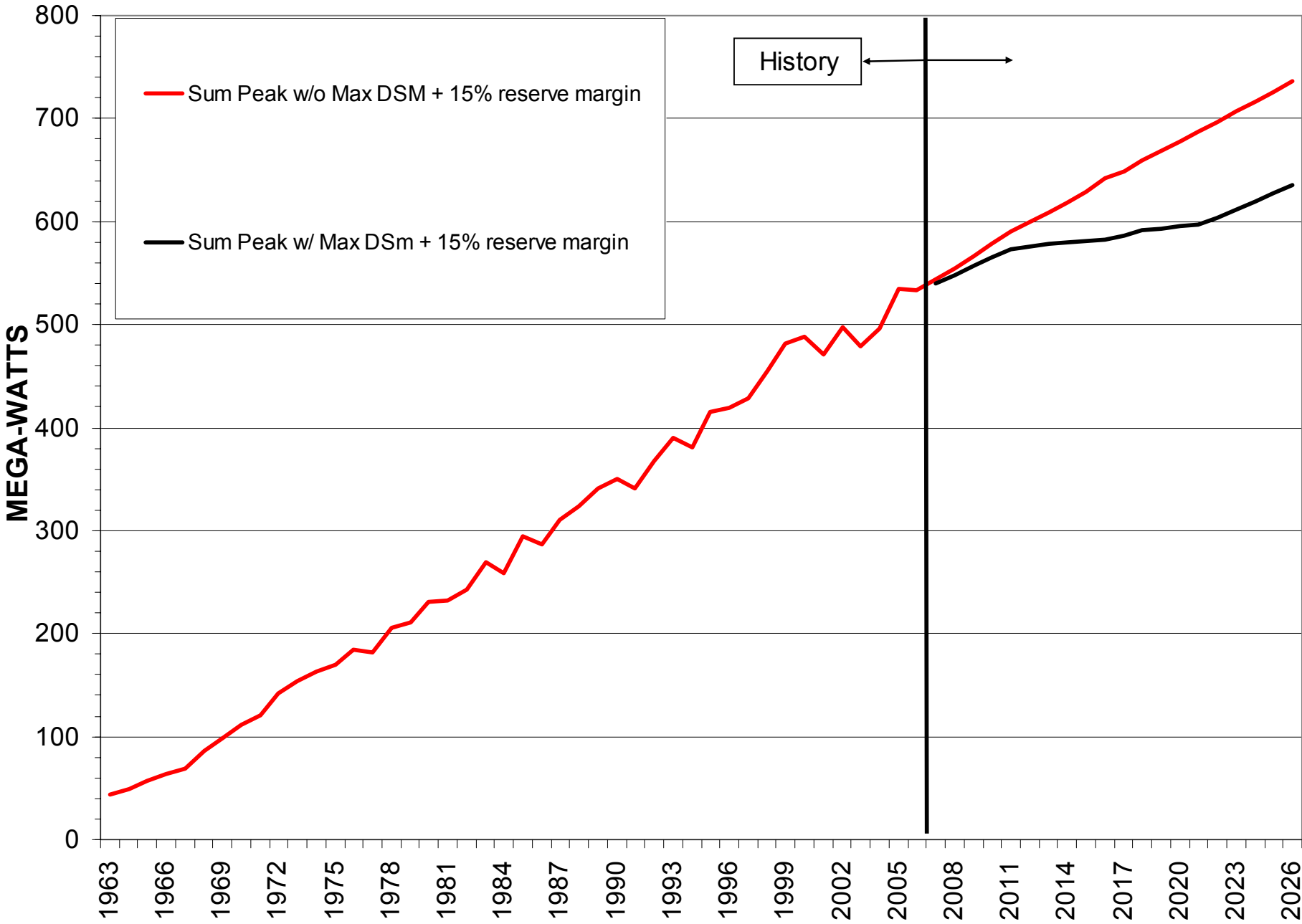
Capacity	88 MW	By 2025
Energy	254,000 MWH	By 2025
Financial Incentives 2007 - 2025	\$64,100,000	NPV 2003\$
Program Administration* 2007 - 2025	\$16,025,000	NPV 2003\$
Total	\$80,125,000	NPV 2003\$

\*Taken as 25% of Financial Incentives

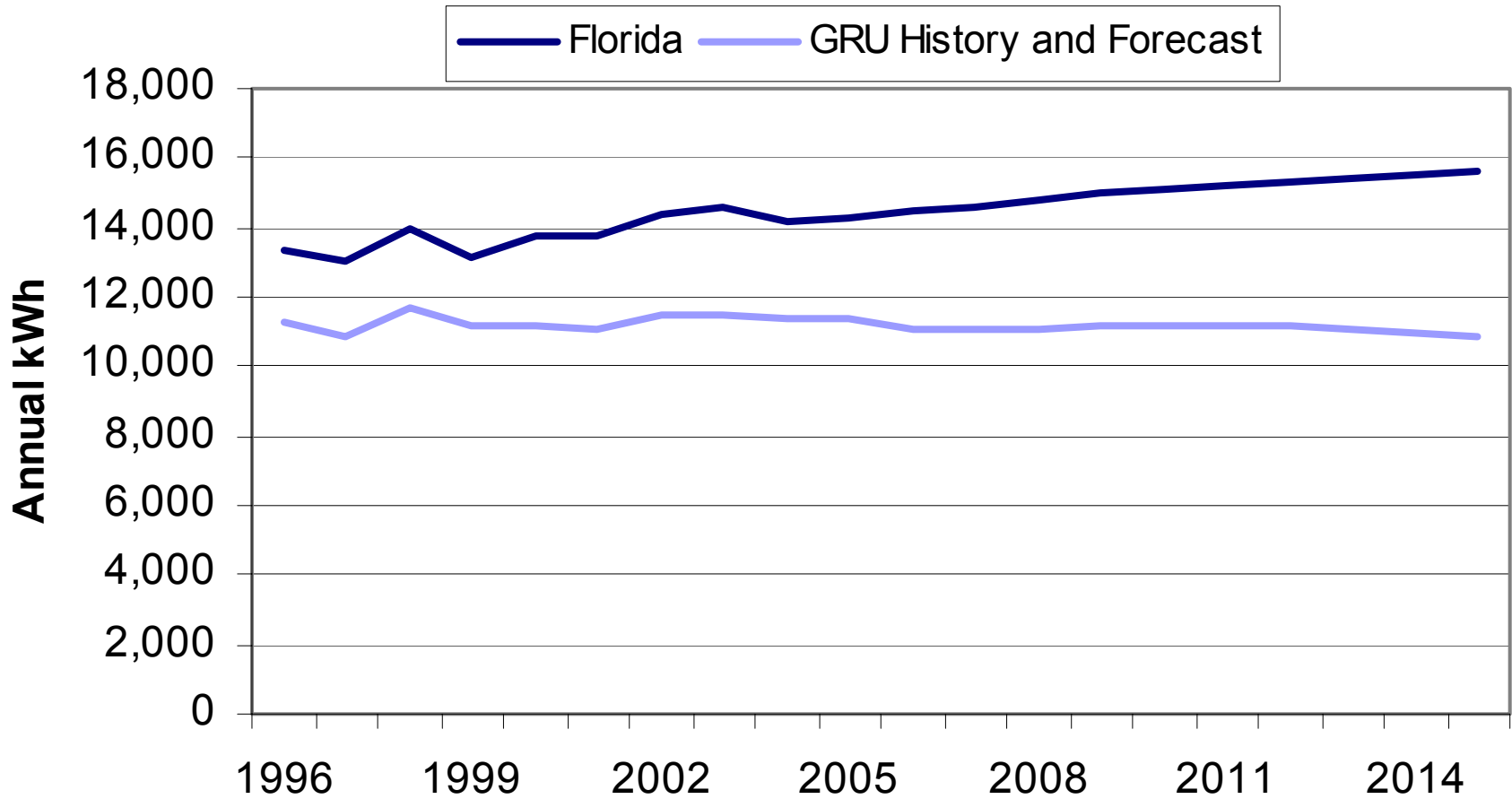
# Electric Efficiency Target

- Use ICF results as targets for the maximum cost effective energy conservation and demand reduction pending further study
  - Reduce demand for electrical energy by 10% by 2015
  - Reduce the growth in demand by 70% through 2015

# Historical Summer Peak & 2007 Forecast of Summer Peak



# Changing the Trend





# Leader in Florida

## Comparison of 2015 Electricity Conservation Goals for Florida Utilities

Utility	% Reduction of Retail Electric Sales
GRU	10.1%
Tallahassee	7.8%
Gulf Power	5.2%
Progress	3.9%
Tampa	2.6%
FPL	1.0%
Seminole	0.0%
JEA	0.0%
FMPA	0.0%
OUC	0.0%
Lakeland	0.0%

Data Source: Schedules 3.1.1  
2007 Florida Ten Year Site Plans