Indiana DSM Investigation Report:

Report on Current Programs and Future Directions

IURC Cause No. 42693

Revised April 24, 2007

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Acknowledgements

We appreciate the assistance of Indiana's regulated utilities in providing extensive responses to our information requests about their current DSM programs. We also want to thank designated testimonial staff of the Indiana Utility Regulatory Commission for their guidance and feedback in the implementation of this study.

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EXECUTIVE SUMMARY

This report is the result of an investigation into current Demand Side Management (DSM) practices in Indiana and an examination of models the state could follow if it were to implement a statewide DSM effort.

Statewide DSM – Value for Indiana

We believe that Indiana is in a good position to move toward a more consistent statewide DSM effort. While there are tariffs in place to reduce peak demand, energy efficiency programs are utility-specific and non-existent in large parts of the state. A more uniform approach to DSM has the potential to address the following:

- High energy consumption – High consumption offsets low energy prices in Indiana to create energy costs that could be reduced through energy efficiency.
- Economic benefits – Reduced energy costs – where attainable in a cost-effective manner – provide benefits to individuals, businesses and the overall economy.
- Equity and consistency – The current DSM approach in Indiana provides an inconsistent patchwork that excludes some customers (geographically and by sector) from the benefits of energy efficiency services.
- Climate change – Carbon concerns related to energy consumption provide environmental reasons to increase emphasis on energy-efficiency now and are likely to result in market-based or regulatory reasons in the future (through carbon caps, taxes, or similar measures).

However, while a statewide DSM effort has potential to provide multiple benefits for Indiana, we do not believe the state is ready to select an administrative model for these programs. The primary obstacle to the development of a cohesive statewide DSM effort is the absence of clearly enunciated policy objectives for such an effort. Given the fractured nature of Indiana's current DSM programs, the development of a more uniform statewide effort would most likely involve an increase in investment. The policy objectives of these new investments need to be more clearly stated, so that choices concerning governance (administration, stakeholder involvement, funding structure and evaluation requirements), scale (criteria for determining the programmatic effort), and scope (sectors targeted by programmatic efforts) can be guided by the program's policy goals.

Current DSM Programs

Collectively, Indiana utilities provide various types of DSM efforts. Electric utilities offer both programs and tariffs designed to reduce peak demand and encourage lower overall electric consumption. Natural gas utilities offer programs designed to promote efficient use of their product. However, the level of effort and focus varies greatly across companies.

Utilities appear to have substantial discretion in deciding whether or not to propose DSM programs and what kind, resulting in extensive differences in the scale and scope of DSM efforts employed throughout the state. For example, only two of the five major electric utilities offer substantial programs that help customers increase energy efficiency, with little such activity elsewhere in the state. Generally, these

programs tend to follow traditional rebate-based approaches for residential, commercial, and smaller industrial customers.

All major electric utilities reported a process by which DSM programs are considered as part of their integrated resource planning process. However, whether or not utilities offer any substantial programs designed to reduce consumption appears to be correlated with the cost-benefit criteria the utilities support.

This current combination of programs places Indiana below average in spending for energy efficiency and in savings attained both nationally and within the Midwest region.

Administrative Models

The Indiana Utility Regulatory Commission asked us to examine the administrative models available for a statewide DSM program. These models generally fall into the following categories:

- Single utility: Individual utilities design and implement DSM programs, generally under the oversight of the regulatory agency (which may set goals, approve and evaluate programs).
- Multiple utilities: Individual utilities administer a set of standardized programs approved and overseen by the regulatory agency.
- Third-party organization: An independent, non-governmental organization administers statewide programs with broad policy direction and review from the regulatory agency.
- Government or quasi government agency: A governmental agency administers statewide programs with governance and oversight from the regulatory agency.

There are variations on each of these models as well as benefits and drawbacks to each of them, which we discuss in this report. Many states have adopted hybrid versions of the pure models, whereby there are roles for a public sector agency, utilities, and third party organizations.

Ultimately, the model choice will be narrowed based on policy objectives and other criteria, including the state's preferences concerning consistency in energy efficiency programs, existing structures and precedents within the state, the existence and placement of expertise concerning energy efficiency program design and delivery, and the availability of resources to govern a program. Fundamentally, it is more important for Indiana to initiate an effective statewide effort with explicit goals and objectives than to debate over how the effort is structured. States have had proven success under all versions of the models reviewed in this paper.

Next Steps

Development of a statewide DSM program is a multi-faceted effort involving several components:

- Policy development — identifying the reasons for pursuing energy efficiency is the first step in creating a statewide DSM program. These objectives become the guide posts for the creation of a governance structure.

- Governance — determining the administrative and delivery model, stakeholder involvement, funding structure and evaluation requirements devolves from the policy objectives.
- Infrastructure — developing or selecting the organizations, procedures, rules, contracts, relationships, and other components needed to carry out the DSM efforts result from the choices made regarding policies and governance.
- Implementation — determining the manner in which DSM efforts are implemented falls out of the previous decisions.

We believe that the next step for Indiana's deliberations about a statewide DSM approach lie with the Indiana Utility Regulatory Commission. In particular, we recommend that the Commission establish the policy objectives it wishes to achieve through DSM efforts in Indiana.

Once the Commission has articulated its policy objectives, it can begin building the statewide DSM effort. A first step in building this effort should be statewide discussions with stakeholders, representing, at a minimum, the utility industry and broad representation of energy consumers. The policy objectives and input from stakeholders can then be used to develop both a long-range plan for DSM efforts in Indiana and a transition plan that maps out the path from the current efforts to the vision outlined in the long-range plan.

INTRODUCTION

This report is the result of an investigation into current Demand Side Management (DSM) practices in Indiana and an examination of models the state could follow if it were to implement a statewide DSM effort. The Indiana Utility Regulatory Commission contracted with the Energy Center of Wisconsin in 2006 to conduct this study as part of Cause No. 42693.

The intent of the study was to investigate and describe current DSM efforts in Indiana, describe administrative and delivery models by which statewide DSM programs can be delivered – especially utility-led and third-party administrator models – and to make initial recommendations to assist the Commission in its deliberation concerning the development of a statewide DSM program.

The information and recommendations included in this report are based on:

- discussions concerning Indiana's current approach and needs with the Commission's designated testimonial staff;
- review of background information on Indiana's energy policy, approaches, statistics, and practices;
- review of regulated Indiana utilities' integrated resource plans and DSM reports;
- collection and analysis of specific information about Indiana utilities' DSM programs and tariffs through data requests, review of utility web sites, and personal communication;
- attendance at the Indiana Energy Summit held in February 2007;
- review of the literature on energy efficiency delivery models, approaches, and statistics throughout the United States; and
- analysis of the information collected in the context of Indiana's deliberations concerning possible statewide DSM efforts.

A substantial part of the study was conceived as a comparison of two models for administering and delivering statewide energy efficiency programs. However, we believe that any consideration of administrative and delivery models needs to be seen in a broad context that includes:

- the decision-making sequence in which choices concerning details of statewide DSM programs can be made;
- the full range of possible administrative and delivery models that include utility-led and third-party administrator models as well as hybrid or blended models; and
- the local context and precedents within which a statewide program is designed.

To fully understand our analysis and recommendations, the reader needs to understand the context within which we believe choices of administrative models need to be made. We discuss this context more fully in the background section below. The chapters that follow discuss:

- the current DSM environment in Indiana (what is now);
- the range of statewide DSM programs (what could be); and

- our conclusions concerning the building of a statewide DSM program in Indiana (what can be done).

BACKGROUND

DSM programs and the selection of an administrative model is a component of energy efficiency that needs to be seen in a fuller context.

First, there are multiple mechanisms that promote energy efficiency in the U.S. economy, of which DSM programs are an important component. Other mechanisms include market forces, activities of advocacy organizations, regulatory standards (including minimum efficiency standards and building codes), tax inducements, and rates/prices designed to provide more accurate price signals to energy consumers. DSM programs developed among these other factors because DSM programs address market failures and lead to efficiency improvements that are more cost-effective than new generation. Other efforts – particularly efficiency standards and building codes – should be seen as parallel efforts to support related goals.

Secondly, development of a statewide DSM program is a multi-faceted effort involving several components. For purposes of this report, we will divide these components into:

- policy development
- governance
- infrastructure
- implementation.

Policy Objectives

The development of policy objectives is the first step in creating a statewide DSM program. These objectives become the guide posts for the creation of a governance structure. They may be stated or implied, but clearly identified policy goals help to narrow the choices among the myriad possible approaches to statewide energy efficiency and may make consensus among multiple stakeholders easier to achieve. Because of their importance, we have devoted a section of this report to a discussion of policy objectives.

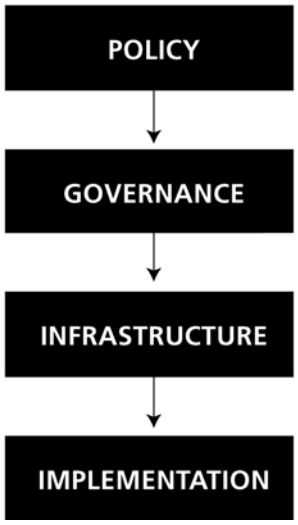
Governance

Governance describes the oversight and high-level decision-making concerning a statewide DSM program. We use the term broadly to include selection or definition of:

- the overall oversight of DSM efforts;
- the administrative and delivery model;
- any stakeholder involvement;
- the funding structure; and
- evaluation requirements.

Figure 1 demonstrates how policy objectives guide these governance choices, which provide direction for the establishment of the program infrastructure and implementation.

Figure 1: DESIGNING A STATEWIDE DSM PROGRAM—OVERALL FLOW



Oversight of DSM efforts can reside with a single public organization, such as a state agency or a quasi-governmental organization, or it can be shared among a public sector organization (e.g., state agency), a third-party implementer, or utility implementers. To some extent, the oversight strategy is guided by the administrative and delivery model. For example, if utilities are selected to administer and deliver the programs then the regulatory agency is most likely to provide oversight. If, on the other hand, an independent third party is selected to administer and deliver the programs, oversight could reside with the entity receiving the funding, a state agency, or even a contractor hired to serve as the evaluator.

The ***administrative and delivery model*** specifies who is in charge of the DSM program efforts provided within the state. Theoretically, the choices are: a public sector organization, a third-party administrator, or the utilities. Any one of these could have primary responsibility for the programs, but roles often are shared, as shown in Figure 2. Utility-led programs will require a certain degree of scrutiny and approval by the regulatory agency. The regulatory involvement could range from minor to extensive, depending on the degree to which that agency has responsibility for ensuring that certain policy objectives are met. Further, utilities sometimes choose to have third party contractors implement some or all aspects of their programs. Similarly, programs directed by a third-party administrator may be completely devoid of utility involvement or may coordinate with utilities in such matters as outreach to customers. This report discusses a variety of administrative and delivery models.

Figure 2: ADMINISTRATIVE AND DELIVERY MODELS

Stakeholder involvement is a common component in the development of a statewide DSM program and can extend to the governance of on-going programmatic efforts. Stakeholders and the nature of their input need to be defined early on. The stakeholders are likely to include representatives of the utilities and customers. The policy objectives may dictate some aspects of the stakeholder involvement. Some policy objectives may warrant special consideration to be given to low-income customers, establishment of a particular balance of input from residential and business interests, or inclusion of environmental points of view. Any on-going role of these stakeholders needs to be clearly defined as part of the administrative oversight.

Some aspects of the ***funding structure*** ought to be established alongside the governance structure, while others can be deferred until later. Generally, funding for DSM programs originates from ratepayers, although there have been instances where utility shareholder funds have been redirected to augment DSM programming as part of a settlement on other matters.. Although the manner in which the funds are collected and the amounts needed can be determined later in the process of designing a statewide DSM effort, the path through which these funds flow is a structural issue that needs to be determined early on. The delivery model may dictate this path, particularly if the utilities retain a high degree of control and responsibility for the programs, any contractors used, and rebates paid. However, if these responsibilities rest with a non-utility entity, then the state would need to establish a mechanism for transferring the required ratepayer funding to another party. Possibilities include a fiscal agent representing the utilities, a third-party administrator, or a public agency[1].

Depending on whether incentives are needed to ensure performance (typically when utilities are the deliverers), ***evaluation standards*** may become an important part of the governance structure. In those cases, the stakes of the evaluation results are particularly high, requiring assurance that impacts are estimated as accurately as possible and in a way that is consistent across programs and program implementers. Even without these higher standards associated with performance incentives, statewide programs require a degree of statewide consistency and oversight.

Choices concerning these aspects of a statewide DSM program should be driven by the policy objectives identified for the program, which will limit the wide range of choices among the various subcomponents of a governance structure. Additional considerations need to be given to the state's preferences concerning consistency in energy efficiency programs, existing structures and precedents within the state, the existence and placement of expertise concerning energy efficiency program design and delivery, and the availability of resources to govern a program. Where applicable, we describe the current situation in Indiana throughout this report. The report section titled Building a DSM Strategy for Indiana discusses what implications the current state of DSM in Indiana has for the establishment of a statewide system.

Infrastructure

Infrastructure describes the development or selection of organizations, procedures, rules, contracts, relationships, and other components needed to carry out the DSM efforts. The details will be dictated by the policy objectives and the governance-related choices. Therefore, these aspects of creating a statewide DSM program need to be determined later in the process and are generally outside the scope of this report. However, a few aspects of infrastructure warrant comments in this discussion because of their relationship to some important choices related to governance.

Scale of Effort – One necessary step in developing a statewide DSM program is the determination of the scale of effort needed. The size of the DSM program should be governed by:

- empirical information about the potential for energy efficiency improvements in the state; and

[1] It should be noted that funds dedicated to energy efficiency have been diverted to other uses in some states with budget deficits. Some funding paths are more vulnerable to such diversion than others. In most cases, diversion of funds has occurred when these funds flow through a state agency or appear in a state agency's budget.

- policy choices concerning the appropriate scale of the DSM efforts.

Normally, the extent to which efficiency improvements are possible is determined by conducting an energy efficiency potential study. For a statewide program, this effort needs to have a statewide reach and cover all sectors of the economy. If such studies are conducted at a utility level, they should be structured to be consistent across service areas.

The potential study results identify how much energy could be saved through program efforts. Policy choices need to dictate how much of this potential should be targeted by programs. We have included a discussion of the variety of options available in our discussion of policy choices.

Funding Issues – Two important aspects of the funding mechanism for the DSM program also flow out of the choices made regarding governance. The first is the question of whether financial incentives should be provided to program implementers as part of the funding mechanism. While this is not a necessary component of funding DSM programs, incentives for strong, verifiable performance can be provided to whomever is delivering programs. Any such incentives need to be added to the cost estimate of programs themselves.

The second aspect of the funding mechanism to flow out of governance choices is the manner in which funds are collected to pay for the programs. Generally, this cost is borne by ratepayers. These costs are often added as a line-item on customer bills. If utilities deliver the programs, the costs can also be embedded in rates, handled through an escrow accounting system with a periodic true-up or handled through a rider on the bill. If the policy choice is to fund a DSM program through a percentage of collected revenue, then a line item on the bill which varies as a percentage of the bill is the most straightforward approach. If the policy choice is to first select a savings goal with a spending constraint, escrow accounting methods or some other mechanism with a true-up might be desired. In all cases, the best approach is the simplest needed to accomplish the goal. In no case should there be any incentive to spend the funds for the sake of reaching target spending level or budget. The funding should be structured with some flexibility to ramp up or down program efforts as experience and results dictate. This may require the use of a fiscal agent or escrow funding mechanism to keep track of short-term under- and over-spending.

Transition Planning – Statewide DSM efforts need some time to ramp up, so transition issues need to be addressed as well. A transition plan needs to allow a reasonable time for establishment of the governance components, development of the infrastructure, and phase-in of new programs or expansion of existing efforts to geographic areas not currently served. In addition, if the current level of program effort is significantly less than the desired level, it is important to plan to reach the desired level in increments, using evaluation data to fine tune the efforts as programs are expanded over a multi-year period.

Implementation

Implementation describes the manner in which the DSM efforts are carried out. These aspects of a DSM effort fall out from the establishment of governance and the development of the needed infrastructure. This report describes how DSM programs are delivered currently in Indiana. Implementation issues under any new, statewide system will need to be determined at a later date and are beyond the scope of this study.

CHARACTERIZING CURRENT DSM CLIMATE IN INDIANA

MARKET ENVIRONMENT

Five major electric investor-owned utilities (IOUs), as well as three major and several smaller natural gas utilities, deliver energy in Indiana. The major energy providers are:

- Citizens Gas
- Duke Energy Indiana
- Indiana Michigan Power Company
- Indianapolis Power & Light Company
- Northern Indiana Public Service Company (NIPSCO – electricity & natural gas)
- Vectren (electricity & natural gas).

Electric providers in Indiana are vertically integrated, providing generation, transmission, and distribution. Natural gas utilities serve as distribution utilities only. As we talk about a statewide DSM program, it is important to specify utility participants. For example, if Indiana should move toward a disintegrated system with distribution-only utilities, the responsibility for DSM programs should stay with the distribution utilities. In addition, it may also be appropriate to allow smaller entities that deliver electricity and natural gas (municipalities and cooperatives) to participate in all or part of a statewide DSM effort.

Energy Demand, Prices, and Spending

Compared to other states, Indiana's energy environment is characterized by low energy prices and high consumption. According to the U.S. Department of Energy's Energy Information Administration, Indiana ranked 47th among the 50 states and the District of Columbia in cost of both retail electricity and all energy sources in 2003. Indiana's costs per million British thermal units (BTUs) were $15.78 for electricity (compared to a nationwide average of $21.81) and $9.30 for all energy sources (compared to $11.40).

At the same time, Indiana's energy consumption was relatively high with a sixth-place ranking in total energy consumption per capita. Indiana ranked 12th for both statewide electricity (342.8 trillion BTUs) and natural gas (541.8 trillion BTUs) consumption. The presence of large, energy-intensive industry in the state contributes to this high ranking – accounting for half of Indiana's consumption (see Table 1) – but it should be noted that other Midwestern states with high industrial energy consumption consume substantially less energy per capita. (See Table 2.)

Table 1: Indiana Energy Consumption by Sector – 2003

Sector	Billion BTUs	Share of U.S. Consumption
Residential	537,902	2.5%
Commercial	367,707	2.1%
Industrial	1,341,080	4.1%

Table 2: Industrial Midwestern States' Per-Capita Energy Consumption in 2003

State	million British thermal units
Indiana	470.1
Ohio	348.7
U.S. avg	*339.0*
Michigan	313.4
Illinois	309.7

Compared to the rest of the country, Indiana's combination of low prices and high spending results in moderate per-capita spending for electricity and high spending on energy overall. In 2003, Indiana ranked 27th in electricity expenditures per capita ($863 compared to a nationwide average of $884), but 6th in total energy expenditures per person ($3,063 compared to $2,590).

Energy Supply

Supply of electricity and natural gas generally has not been an issue in Indiana. Generation resources have been adequate, resulting in little need for new, baseload power plants in recent years. However, state forecasts predict that Indiana will need to address a gap between projected demand and supply of about 3,000 megawatts by 2010. Historically, the state has addressed the demand side of the energy equation through both interruptible rates and energy efficiency, but with an emphasis on the former. According to Purdue University's State Utility Forecasting Group, interruptible loads are expected to grow from 750 MW in 2004 to 990 MW in 2023, while existing and planned utility-sponsored efficiency programs will reduce peak demand by 210 MW.[2]

[2] Source: State Utility Forecasting Group, Indiana Electricity Projections: The 2005 Forecast, Purdue University: West Lafayette, Indiana, December 2005.

REGULATORY & POLICY ENVIRONMENT

State Government Agencies with Energy Responsibility & Their Roles

Indiana has three government agencies with explicit energy responsibilities. These agencies are: Indiana Utility Regulatory Commission, Office of Utility Consumer Counselor and the Office of Energy & Defense Development.

The Indiana Utility Regulatory Commission is designated under Indiana law to make decisions in cases involving regulated public utilities. It is required by state statute to make decisions that balance the interests of all parties to ensure the utilities provide adequate and reliable service at reasonable prices.

The Office of Utility Consumer Counselor (OUCC) represents the public's interests in all cases before the Commission. The OUCC serves as the public's legal and technical representative and the Commission is the administrative court.

The Office of Energy & Defense Development (OED) focuses on economic development and the growth of Indiana's defense and energy industries. It is responsible for developing Indiana's energy policy. It also administers grant programs with funding through the U.S. Department of Energy's State Energy Program. The OED is aligned with the Indiana Economic Development Corporation and the State Department of Agriculture.

Indiana State Energy Policy

In 2006, the OED produced a strategic energy plan for Indiana—*Economic Growth from Hoosier Homegrown Energy*. This plan complements the state's economic development plan, *Accelerating Growth*, which focuses on reversing Indiana's decline in per capita income and moving Indiana into a preeminent position in the nation's economy.

The strategic energy plan calls for exploiting Indiana's "home grown" energy sources—coal and biofuels—to meet as much of Indiana's future energy needs as possible and "grow Indiana jobs and incomes…" The plan also encourages conservation and energy efficiency. It lays out three goals:

- Trade current energy imports for future Indiana economic growth
- Produce electricity, natural gas and transportation fuels from clean coal and bioenergy
- Improve energy efficiency and infrastructure

In addressing energy efficiency, the plan recognizes Indiana's challenge in meeting its growing energy needs while maintaining and improving its environment and keeping energy prices relatively low. The plan asserts that effective and market-driven conservation measures will be important in achieving those goals.

Indiana's strategic energy plan can serve as a starting point for coordinating and developing statewide programs. It sets the stage for creating a "stronger energy efficiency culture in Indiana's energy intensive manufacturing sector…" and for expanding energy efficiency efforts in all sectors.

Historical Evolution of Existing DSM Programs

The current portfolio of DSM programs evolved over the past 20 years. New program ideas are initiated by utilities as part of their integrated resource planning process, sometimes in conjunction with an inter-utility DSM working group that a few of the utilities have convened, coordination with out-of-state affiliates, or discussions with stakeholders. Programs are submitted to the Commission as part of regulatory causes, where they are approved or rejected. Although the Commission's DSM rules provide direction concerning the manner in which DSM efforts are to be considered, utilities appear to have substantial discretion in deciding whether or not to propose DSM programs and what kind – as shown by the extensive differences in the scale and scope of DSM efforts employed throughout the state.

As part of a natural gas decoupling pilot, Vectren has initiated a portfolio of DSM programs for its natural gas customers. A third-party organization – currently being selected through a competitive process – will administer this portfolio on behalf of an oversight board.

EXISTING PROGRAMS

Collectively, Indiana utilities provide various types of DSM efforts, although the level of effort and focus varies greatly across companies. Electric utilities offer both programs and tariffs designed to reduce peak demand and encourage lower overall electric consumption. Natural gas utilities offer programs designed to promote efficient use of their product. We summarize the use of all of these existing DSM programs in this section. We provide a more detailed discussion of electric programs, which are more varied and warrant more careful consideration for the establishment of a statewide DSM initiative because of the complexity of the vertically integrated electric industry.

Natural Gas DSM

Natural gas DSM programs appear to be more modest in scale and scope than electric programs in Indiana. According to our research[3], two of the three largest natural gas utilities offer rebates to customers who purchase high-efficiency natural gas appliances. One of these utilities has a fairly broad offering of rebates for residential and business customers, as well as new construction, for part of its service area. The other utility advertises rebates only for two residentially-oriented appliances. Both of these utilities offer programs to help low-income customers reduce their consumption – and thereby their bills. The third utility does not advertise any DSM programs, but does offer incentives for customers switching from other vendors to the use of natural gas equipment.

[3] Our review of natural gas programs was less comprehensive than for electricity programs. We asked dual-fuel utilities to identify DSM efforts for both electricity and natural gas, but did not survey natural-gas only utilities because they were not parties to the Cause. We supplemented this data collection with a review of the largest natural gas utilities' web sites to identify programs not reported (by dual-fuel utilities) or by companies not surveyed (natural gas-only utilities). Low-income programs tend not to be advertised on company web sites, but we identified two low-income efforts through program reports by electric utilities that work with their natural gas counterparts.

Table 3: DSM Programs Identified for Natural Gas Customers

Utility	Residential	Business	New Construction (homes)	Low Income
Citizens Gas	yes	no	no	yes
NIPSCO	no	no	no	no
Vectren	yes	yes	yes	yes

Electric Industry DSM

All major electric utilities reported either tariffs or programs intended primarily to reduce peak demand (see Table 4). Utilities typically use these kinds of efforts to defer investments in new generating facilities or avoid high-cost purchases of power on the open market. Tariffs provided incentives for customers to curtail load during times of day characterized by high usage or during specific peak demand events. Most of these tariffs are designed for larger commercial and industrial customers and provide reduced rates in exchange for participation. Programmatic efforts entailed the installation of utility-controlled equipment on central air conditioners and other devices that the utility can cycle off and on as needed during peak demand events. These programs, which are designed mostly for residential and small business customers, provide incentives for participation.

Table 4: Programs and Tariffs Designed Primarily for Demand Reduction – as reported by IOUs for 2006

Utility	Programs Reported	Tariffs Reported	Participating Customers	Share of Peak Demand Addressed through DSM
Indiana Michigan Power	0	14	19,245	7%
Indianapolis Power & Light	1	10	16,071	3%
NIPSCO	0	11	4,753	8%
Duke Energy Indiana	2	0	10,827	8%
Vectren	1	0	32,070	4%

Efforts to reduce electric consumption are less common because they are less closely aligned with the core business model of some utilities. In Indiana, these kinds of DSM programs are concentrated among two utilities, as shown in Table 5, with little activity elsewhere in the state. Generally, these programs tend to follow traditional rebate-based approaches for residential, commercial, and smaller industrial customers. (Detailed information about these efforts is attached in Appendices A and B.)

Table 5: Programs Designed to Reduce Electric Consumption – as reported by IOUs for 2006

Utility	Programs Reported[4]	Participating Customers[5]	Expenditures[6]
Indiana Michigan Power	1	22	$30,000
Indianapolis Power & Light	4	2,518	$980,000
NIPSCO	0	0	$0
Duke Energy Indiana	9	6,581	$2,850,000
Vectren	0	0	$0

All major electric utilities reported a process by which DSM programs are considered as part of their integrated resource planning process.

However, whether or not utilities offer any substantial programs designed to reduce consumption appears to be correlated with the cost-benefit criteria the utilities support. When asked about preferred and actual criteria for planning DSM programs, the two utilities offering substantial programs suggested a variety of cost-benefit tests, including the Total Resource Cost Test, the Utility Cost Test, the Ratepayer Impact Test, and the Participant Test. Two of the utilities with minimal or no such program offerings emphasized the rate-impact test to ensure equity across customer classes. This test is one of the most restrictive tests available. Clearly, whether implemented at a statewide or utility level, the cost-benefit criteria by which potential programs are judged has a significant effect on the level of effort deemed to be appropriate.

EMPHASIS ON ELECTRIC RESOURCE ACQUISITION

The consumption-reducing programs being offered tend to follow the traditional DSM program model. They are largely end-user focused, providing equipment rebates and consumer information. Of these 14 programs:

- 6 offer rebates or similar financial incentives to consumers;

[4] Includes all programs reported to us by utilities as DSM-oriented programs and tariffs. Utilities may have used differing interpretations of which programs and tariffs are predominately DSM-oriented. For example, one multi-utility education program was reported by Duke Energy Indiana, but by none of the other participating utilities. We did not count this program in the counts for any other utilities.
[5] Participants counts exclude sales of devices (compact fluorescent lightbulbs) for which the number of customers were not reported; schools, teachers, and students participating in energy education efforts; conference and workshop participants; and kits provided for energy education efforts.
[6] Expenditures intended to estimate 2006 levels of efforts. Amounts reported here may differ somewhat from expenditures reported to the Indiana Utility Regulatory Commission in required reports.

- 4 provide free or nearly free installations of efficiency measures (primarily to low-income customers);
- 1 provides house/building-specific energy or savings information without financial incentives;
- 3 provide more general energy education only.

These approaches are generally consistent with resource acquisition approaches to DSM.

PROGRAM STRUCTURE

The life of a program can be divided into five distinct pieces:

- planning;
- design;
- marketing;
- implementation; and
- evaluation.

Program **planning** entails the identification of potential program approaches, an assessment of which, if any, of these programs should be offered, and the incorporation of those programs into the utility's integrated resource planning process. All major Indiana utilities reported a planning process that includes the consideration of DSM options. All five major electric utilities reported the use of outside consultants to identify and/or help assess potential programs approaches. At least two of the utilities reported a recent or current energy efficiency potential study.

Program **design** defines the details of the program's strategy (sometimes in a program logic model), services and offerings, resources, implementation, marketing, and management. We did not specifically inquire about program design, but the information provided by Indiana's utilities suggests that the two electric utilities with substantial program offerings play a role in program design.

Program **marketing** includes four distinct components: what is communicated, to whom, how, and by what name. The marketing message and target audience varies by program, but there are some commonalities in the other two aspects of program marketing in Indiana. Existing programs are often branded using the utility's name combined with the program's name, such as the Duke Energy Indiana, Inc. $mart Saver Program. The communication channels employed most often are:

- direct mail (12 programs);
- presence on the utility's web site (10);
- earned or paid media (7);
- outreach to supply chain market actors (5);
- outreach to/through other programs (5); and
- mention in bill stuffers (4).

Most Indiana DSM programs are **implemented** by contractors or external partner organizations. Of the 18 programs reported to us, 12 were implemented by contractors[7], 3 were implemented jointly by contractors and the utility, and 3 were implemented by the utility. Two of these programs were implemented jointly by separate electric and natural gas utilities serving the same geographic areas, and two programs are state-administered with involvement by each of two utilities.

Evaluation of current programs varies greatly. Evaluation activities range from simple tracking of participation and estimated cost-benefit to independent, third party process and impact studies. One utility highlighted the lack of separate, regulatorily approved funding for evaluation activities, so formal evaluation activities depend on the availability of leftover program funds.

UTILITY STAFFING

Utility staffing for 17 of the 18 reported programs totaled 6.75 full-time equivalent staff.[8]

Comparisons to Other States

This current combination of programs places Indiana below average in spending for energy efficiency and in savings attained. In the most recently available comparisons, Indiana ranks 31st nationally and 6th among 7 Midwestern states in spending for electric energy efficiency – both on a per capita basis (see Table 6) and as a percentage of utility revenue (Table 7).

[7] Three of these programs transitioned to contractor-implementation in January 2007, but may have had a greater utility role previously.
[8] We received no report on staffing for the remaining program.

Table 6: Energy Efficiency Spending per Capita, 2003

State	Rank (of all states)	Energy Efficiency Spending per Capita
Wisconsin	7	$11.33
Iowa	10	$10.17
Minnesota	14	$8.65
U.S. avg	n/a	$4.65
Ohio	25	$1.37
Michigan[9]	27	$0.99
Indiana	**31**	**$0.48**
Illinois	35	$0.24

Table 7: Energy Efficiency Spending as a Percentage of Utility Revenue, 2003

State	Rank (of all states)	EE Spending as % of Revenues
Wisconsin	7	1.4%
Iowa	11	1.2%
Minnesota	12	1.2%
U.S. avg	n/a	0.5%
Ohio	25	0.2%
Michigan	26	0.1%
Indiana	**31**	**0.1%**
Illinois	34	0.0%

[9] Michigan is pursuing a significant increase in its DSM spending that is likely to put it closer to Wisconsin, Iowa, and Minnesota levels. See the Michigan Public Service Commission's recently released "21st Century Energy Plan." (www.cis.state.mi.us/mpsc/electric/capacity/energyplan/index.htm) New legislation in Wisconsin has also increased the spending level effective July 1, 2007 (2005 Wisconsin Act 141).

Indiana fares slightly better in a similar comparison of energy savings (kWh) as a percentage of utility sales, placing 22nd nationally and 4th among the 7 Midwestern states. (See Table 8.) A similar comparison of demand savings was not available.

Table 8: Energy Savings (kWh) as a Percentage of Utility Sales

State	Rank (of all states)	Cumulative annual kWh savings as % of kWh sales
Minnesota	4	6.7%
Wisconsin	9	4.4%
Iowa	16	2.8%
U.S. avg	n/a	1.9%
Indiana	**22**	**0.8%**
Ohio	26	0.3%
Illinois	38	0.1%
Michigan	48	0.0%

All of Indiana's neighbors, except Michigan[10], currently offer statewide DSM programs. For the states for which we have information (Illinois, Minnesota, Ohio and Wisconsin), three administer their programs through a state agency; the fourth administers its programs via a state agency that contracts most of the administrative functions to a non-profit corporation.

[10] In January 2007, Michigan completed its first electric energy plan in 20 years. The plan makes a strong commitment to energy efficiency (as well as renewable energy).

Table 9: State DSM Program Comparison

State	Administration	Funding	Benefit Measure	Incentives
Illinois	Illinois Department of Commerce and Economic Opportunity	$3million/yr from utilities; pro rata share of $3million, based on prior year's	Utility Test	None
Minnesota	State agency sets goals, approves and evaluates programs. Utilities retain funds; design and implement programs.	$53million+/yr; 1.5 – 2.0% of each electric utility's gross operating revenues	Modified Societal Benefits	Cost recovery and performance incentives
Ohio	Ohio Department of Development	$15million/yr for 5 years; $5million/yr until $100million total; temporary rider collected by electric utilities of 0.10758 mills/kWh	Simple payback less than five years or other measures	None for utilities
Wisconsin	Wisconsin Department of Administration subcontracts most program administration to non-profit corporations (through 2007)	$62.3million+/yr possible; Gas and electric utility rate-based fees and new statutory fees from all electric utilities	Total Resource Cost and Societal Benefits Tests	Some shared savings; some tax exemptions

BUILDING A DSM STRATEGY

The building blocks of an effective statewide energy efficiency (DSM) program are:

- Policy development
- Governance
- Infrastructure
- Implementation

Of these building blocks, articulating a statewide policy is fundamental to developing vigorous energy efficiency programs. A clearly stated policy provides direction to whomever is selected to administer and implement the programs. In *Who Should Deliver Ratepayer Funded Energy Efficiency?* the author concluded that "…robust ratepayer funded efficiency programs are less the result of administrative structure *per se,* than the clear and consistent commitment of policy makers."[11]

POLICY DEVELOPMENT

Policy development begins with identifying the reasons for pursuing energy efficiency. These reasons can be codified in enabling legislation and/or regulatory agency orders. Broad policy reasons for pursuing energy efficiency can include:

- Ensuring the most efficient economy possible by correcting market failures,
- Deferring investments in new generation,
- Addressing transmission constraints,
- Reducing environmental damage by lowering the emission of harmful air pollutants,
- Positioning the state's energy sources to respond to external factors (e.g., price and supply volatility, a more carbon-constrained situation should the United States impose carbon taxes or caps, etc.),
- Lowering the overall cost of electricity without reducing comfort or convenience,
- Reducing resource waste,
- Creating jobs and stimulating the economy.

Establishing this overarching purpose – whether explicitly stated or implied – is critical in defining the administrative structure, delivery model, and other components of energy efficiency initiatives. Without this guidance, components of the DSM portfolio may pursue competing goals or fail to accomplish the state's greatest needs cost-effectively. A portfolio of programs designed to reduce peak demand, for example, will not address carbon concerns as effectively as a portfolio that reduces total consumption.

[11] Harrington, C. 2003. Who Should Deliver Ratepayer Funded Energy Efficiency? Regulatory Assistance Project, Montpelier, VT.

On the other hand, a portfolio to reduce total consumption does not defer investment in new generation as effectively as efforts to reduce peak demand.

Similarly, the policy statement can provide guidance concerning the scope of the DSM programs on other critical factors in which policymakers have a clear goal. To the extent possible, it is useful for policy statements to identify goals concerning:

- whether programmatic approaches should emphasize the immediate saving of energy (resource acquisition) or slower, but longer-lasting interventions in the market (market transformation) ;
- the degree to which programs should be available uniformly across the state;
- the sectors of the economy in which energy efficiency should be offered and promoted; and
- the criterion by which the scale of energy efficiency efforts will be determined over time.

Approach

The question of approach entails a choice between emphasizing resource acquisition or market transformation. These approaches address different needs and circumstances, and target different audiences for their programs.

Resource Acquisition: Historically, resource acquisition was the goal for most ratepayer funded energy efficiency programs in the U.S. The primary goal of resource acquisition is to reduce energy use where energy efficiency represents a more economical resource alternative to construction or procurement of new supply. Interest in resource acquisition programs is on the rise as states face constrained power issues. Deploying a combination of energy efficiency and peak demand reduction programs helped California to successfully address its electricity crisis. These goals can be incorporated into an integrated resource planning process to coordinate supply and demand-side policies.

Resource acquisition programs target the customer directly and generally offer financial incentives or rebates for purchasing energy efficient equipment or provide technical assistance or other motivation for changing behavior.

Market Transformation: The basis for market transformation programs is the belief that cost effective efficiency does not occur because of known barriers in the markets for efficiency goods and services. The goal of these programs is to remove the identified barrier so that the energy efficiency market will function on its own. Market transformation programs target market actors upstream of the end use customers, typically retailers, contractors, dealers, etc.

Tariff-based Approaches: Tariff-based approaches depend on specific price signals to consumers to affect the desired reduction in energy or peak demand. These approaches require a method of communication to customers regarding prices so that consumption is made with full understanding of costs as they may change daily or hourly. Peak load reduction approaches typically depend on real-time pricing which reflects hourly market rates or on interruptible contracts which allow the utility to request (with some notice) load shedding or interruption for a specific period of time. Energy reduction approaches may use time of day rates or real-time pricing.

Geographic Uniformity

Statewide policy objectives imply that programmatic efforts should be conducted statewide, but this can be done to varying degrees. Programmatic offerings can be offered consistently to all consumers in the state, thereby ensuring consistency and equity across utility service areas. Such consistency is important for efforts to influence the energy-consuming behavior of market actors that span across utility service areas, such as larger companies and supply chain actors, such as architects, engineering firms, and builders, who comprise the target audiences for market transformation programs. Statewide delivery also tends to provide economies of scale over programs limited to a utility's in-state service area, although this may not be the case for utility-specific programs that span across state lines.

Alternatively, in the case of utility-delivered programs, differences across service areas may be needed if program offerings are linked to utility-specific matters, such as programs that are delivered by account representatives. In these cases, differences across utility services areas make sense, but some other mechanism needs to ensure that policy objectives are accomplished in a statewide and equitable manner.

Market Sector Coverage

Policymakers should express a preference on which market sectors should be targeted by programmatic offerings. The default for a statewide program would be that all four sectors of the economy – the agricultural, commercial, industrial, and residential sectors – be provided DSM services. However, large business customers often argue that their needs for energy efficiency programs are much lower and that they should be allowed to opt out of contributing to, or receiving services from, DSM programs. Whether allowing certain customer segments to opt out makes sense depends in part on the overarching policy objectives and the extent to which cost-effective improvements to energy efficiency exist among larger customers that well-designed program efforts can "harvest." If opt-out provisions do make sense, policymakers need to choose how to implement any such provisions. Options include customer-by-customer or sector-wide opt-out options with or without conditions that the customers conduct some equivalent efficiency efforts internally. Such decisions about sector participation should be made on the basis of a comprehensive DSM potential study and on the potential benefits to the state's economy and environment. Most importantly, investment in energy efficiency as a resource should be viewed on a level playing field with supply-side resources so that the least-cost resource mix is selected by the utility.

Efficiency Criteria

One additional policy consideration is the criterion by which the scale of efficiency efforts should be determined. Such policy helps provide guidance concerning the overall size of programmatic efforts and ensures consistency across programmatic efforts, especially if program design decisions are made by multiple organizations. Two possibilities here are the implementation of all programmatic efforts that (1) cost less to implement than the marginal cost of generation or (2) are deemed cost-effective using a particular cost-benefit test chosen by policymakers.

An expectation that all efficiency efforts below the marginal or avoided cost of generation be implemented establishes DSM as an energy source on par with generation. This criterion would be consistent with such policy objectives as deferring the cost of investments in new generation.

The use of cost-benefit tests provides assurance that individual programs or portfolios can be justified on cost-effectiveness grounds. Common tests include:

- Participant Test—measures the difference between the quantifiable costs incurred by a participant in a DSM program and the subsequent cost savings received by that participant; programs are cost effective if the value to the participant exceeds the costs incurred by the participant.
- Rate Impact Measure—measures distribution of equity impacts of DSM programs on nonparticipating utility ratepayers; programs are cost effective if they reduce utility rates.
- Societal Test—variation on total resource cost test; includes quantified effects of externalities (i.e., environmental costs).
- Total Resource Cost Test—measures the difference between the total costs of a DSM program plus any participant costs and the avoided costs of utility supply; programs are cost effective if the avoided supply costs exceed total program costs.
- Utility Cost Test—measures the difference between the costs incurred by a utility (program costs) and the avoided supply costs due to the program (costs and benefits incurred by program participants are excluded); programs are cost effective if avoided supply costs exceed program costs.

Policy Example

California provides an instructive example of how a clearly stated policy provides a cornerstone for statewide energy efficiency initiatives.

In 2003, the California Energy Commission, the California Power Authority and the California Public Utilities Commission adopted an "Energy Action Plan"[12] that listed joint goals for California's energy future and set forth a commitment to achieve these goals through specific actions. They updated the plan in 2005. The overarching goal is for California's energy to be adequate, affordable, technologically advanced, and environmentally-sound. The plan supports Governor Schwarzenegger's "loading order" for actions that address California's increasing energy needs. The loading order identifies the following resources (in priority order) as the state's preferred means of meeting growing energy needs:

1. Cost-effective energy efficiency
2. Demand response
3. Renewable sources of power
4. Distributed generation
5. Clean and efficient fossil-fired generation

California has clearly laid out its purpose for pursuing energy efficiency. And, after toying with the idea of transferring administration of its energy efficiency programs to an independent entity, the California Public Utilities Commission (CPUC) has opted to return programmatic administration to California's

[12] State of California, Energy Action Plan. 2003, updated in 2005.

utilities. A key reason was to link the CPUC's resource acquisition and public goods policies and focus on providing sufficient funding to reduce the need for new supply-side resources.

California's example also points out that, in practice, some of the policy issues identified above often are communicated implicitly or left to designers of program efforts to determine.

GOVERNANCE

In the early days of demand side management, most ratepayer funded energy efficiency programs were administered, designed and delivered by utilities under the oversight of – and in accordance with expectations set by – state regulators. The emergence of restructuring of the energy industry required new oversight structures and administrative and delivery models to be developed, resulting in a more diverse set of approaches among restructured and traditionally regulated states.[13]

The oversight, administrative, and delivery functions run the gamut from general administration (with reporting responsibility to the oversight agency or organization) to the actual field delivery of individual programs (or the oversight of contractors providing that service). In between it includes all the tasks necessary to develop programs and assess their effectiveness, including studying energy efficiency potential, identifying program approaches, developing program logic models, designing programs, budgeting, hiring and managing staff and sub-contractors, and assessing and evaluating program impacts.

Oversight involves the broad range of responsibilities for the portfolio of programs with particular emphasis on ensuring that policy objectives for the programs are accomplished. This responsibility could also include involvement in high level planning and design, broad market research and evaluation, and the broader decisions affecting program delivery. As noted above, this responsibility depends on the administration and delivery model chosen. Regulatory agencies are likely candidates if utilities have extensive responsibility for programs, whereas other agencies might be involved if non-regulated organizations oversee and deliver programs.

Administration and delivery of energy efficiency programs can reside with several different entities:

- Single utility: Individual utilities design and implement DSM programs, generally under the oversight of the regulatory agency (which may set goals, approve and evaluate programs). Iowa and Minnesota use this model.
- Multiple utilities: Individual utilities administer a set of standardized programs approved and overseen by the regulatory agency. California uses this model.
- Third-party organization: An independent, non-governmental organization administers statewide programs with broad policy direction and review from the regulatory agency. Oregon and Vermont use this model.
- Government or quasi government agency: A governmental agency administers statewide programs with governance and oversight from the regulatory agency. New York uses this model.

[13] Blumstein, C. et al. 2003. Who Should Administer Energy-Efficiency Programs? University of California Energy Institute, Berkeley, CA.

There are also variations on these models (e.g., administrative responsibility invested in a government agency that subcontracts to non-profits for program administration — as in Wisconsin). And there are other organizational layers (regional market transformation organizations such as the Midwest Energy Efficiency Alliance, Northwest Energy Efficiency Alliance, and Northeast Energy Efficiency Partnerships) whose goals can complement and/or augment a state's energy efficiency initiatives.

There are benefits and drawbacks to each of these administrative models.[14] Some of these include:

Utilities (single or multiple)

+ Direct connection to customers

+/- Economies of scale (depending on utility size and size of territory served)

- Financial disincentives to promote reduced consumption by customers

- Energy efficiency not necessarily a part of their core mission

Independent administrator

+ Sole purpose is to deliver energy efficiency programs (in most cases)

+ Mission aligned with public policy goals

+ Economies of scale (for statewide efforts)

- Need to establish an effective governance mechanism

- Need to create new organization, establish its credibility and hire experienced staff

- No base of customer relationships

Governmental administrator

+ No perceived conflicts of interest

+ Economies of scale (for statewide efforts)

- Refocus existing agencies mission and activities

- Bureaucratic limitations (procurement requirements)

- Political pressures

- Fund raids

A review of these models by Cheryl Harrington (RAP, 2003)[15] concluded that either utilities as administrators or a third party non governmental organization worked well in implementing and

[14] Blumstein 4.
[15] Harrington, C. 2003. Who Should Deliver Ratepayer Funded Energy Efficiency? Regulatory Assistance Project, Montpelier, VT.

delivering statewide energy efficiency programs. In this sense, it is more important that a state develop an effective statewide effort than just how that effort is structured.

Utilities as administrators work well when the following conditions are present:

- Solid record of utility involvement and success in delivering DSM programs; showing steady improvement in the comprehensiveness, effectiveness and responsiveness of their programs.
- Established and effective regulatory performance incentives.
- A robust integrated resource planning process with a history of incorporating energy efficiency into supply side planning and portfolio maintenance.
- Experienced and competent DSM staff.

In contrast, an independent administrator may be a more effective solution for states that have undergone some form of restructuring or are considering restructuring. A change in regulatory oversight will likely affect utility(s) perceived incentive to effectively implement energy efficiency programs.

The extent to which legislative and/or regulatory action is required to authorize any of these models will depend on several things, including:

- funding mechanism and funding flow
- who sets policy objectives
- the model itself

Wisconsin's experience in establishing its statewide public benefits programs provides an example of the legislative, regulatory and utility roles and responsibilities for a state agency administrator model. Legislative action in 1999 relieved utilities of the prior regulatory expectation that they run energy efficiency programs. A legislative act created a statewide public benefits program that designated a state agency as the primary administrator, but established that one or more non-profit organizations administer various portfolios of programs (residential, non-residential, and renewables) and research. The act also developed a mechanism for state administration of utility-collected funds for this public benefits program, designated an advisory council, and provided for a three-year transition for utilities to phase out their public benefits programs and expenditures. This legislation greatly reduced the role of Wisconsin's regulatory agency in overseeing energy efficiency efforts.

A subsequent legislative measure in 2005-06 returned administrative control to Wisconsin's regulatory agency, specified funding levels based on a statewide potential study conducted by the Energy Center of Wisconsin, gave responsibility for contracting with program administrators to the utilities, and provided the ability for large customers to opt out of the program if they administer their own energy efficiency programs. While this legislative action established broad expectations, many details were left to the regulatory agency to specify in its administrative rules.

Similar legislative, regulatory and utility roles and responsibilities were involved in establishing the Oregon Energy Trust as a third party program administrator. Oregon's 1999 energy restructuring law required Oregon's two largest IOUs to collect a three percent public purposes charge from their

customers. The law also authorized the Oregon Public Utility Commission (OPUC) to direct these funds to a non-governmental entity. The Energy Trust was organized as a nonprofit for this purpose. The Oregon Energy Trust works under the guidance of the OPUC through a grant agreement that outlines its roles and responsibilities. Additionally, the OPUC establishes performance measures against which to benchmark the Energy Trust's achievements.

These experiences suggest that legislative involvement may be needed for some administrative and delivery models – particularly when a state agency is given new responsibility, funding mechanisms that involve the flow of money through state agencies, or a legislature that chooses to specify policy goals or administrative approaches. However, regulatory commissions often have the authority to require utilities to take actions to implement DSM programs on their own and may have the authority to specify that utilities collaborate on programs or jointly contract with a third-party administrator. In Indiana's case, for example, 170 IAC 4-7-1 *et seq*. establishes Commission expectations concerning utility consideration of DSM as part of the integrated resource planning process.

Stakeholder involvement and their ongoing role should be defined in the administrative structure. Stakeholders need to support the goals and structure of a statewide program, as well as the details of program design, measurement criteria and incentives for rewarding performance. At a minimum, stakeholders include utilities and regulators, but ideally should involve a broader collaboration among major interveners, customer classes, environmental and low income advocates.

The ***funding structure*** for DSM program originates with the inclusion of DSM costs in utility rates. As noted, these funds could be disbursed by the utilities or flow to a separate organization with administrative oversight. The funding structure will depend first on how goals are set: by percentage or flat amount or by utility specific budgets to meet savings goals. With the former, a simple addition to the bill through a line item or rider is sufficient. Where budgets may have some variability to meet specified goals, or where an incentive structure is selected, an escrow accounting method may be preferred with a periodic true-up based on actual results. Such incentive structures may include what is referred to as "decoupling" energy efficiency results from earnings. This can be done with true-ups to assure coverage of fixed costs, or collection of budgeted revenues, or it may simply be an adder to the approved return on assets for successfully reaching goals.

The ***evaluation standards*** to be employed depend on the delivery model and how the evaluation results are to be used. The organization with overall administrative oversight needs to ensure that the policy objectives of the DSM programs are met. Therefore, at a minimum, that organization needs to set expectations concerning the evaluation of programs and reporting of results on a regular basis. The actual oversight of an independent evaluator could be done by that organization or left to the program implementers. If left to the implementers, the minimum expectations concerning the evaluation questions to be addressed, processes used, and independence of the evaluator should be specified. Setting consistent expectations is particularly important if evaluation results are used in planning future generation needs or in paying incentives for performance by program implementers (i.e., in "high stakes" situations).

INFRASTRUCTURE & IMPLEMENTATION

Statewide energy efficiency programs involve an infrastructure of regulators, administrators, evaluators and program deliverers. Details concerning the infrastructure depend on the policy objectives and governance structures described above. With the large number of possible combinations of policy objectives and governance approaches, it is not possible for us to fully discuss the infrastructure needed or implementation issues, except to comment on programs costs and transition from existing programs.

Program Costs

Program costs comprise the cost of delivering the programs, any incentives paid, and administrative costs. The program delivery costs and incentives depend largely on the scale of DSM efforts. As noted, these should be informed by the combination of potential energy efficiency improvements (usually determined by a potential study) and the cost-effectiveness criteria applied by the policymakers. Experiences of other states studied by the American Council for an Energy Efficiency Economy suggests that one percent of utility revenue is a likely "floor" of the needed funding for a statewide program that addresses the available efficiency potential.

The other cost component – administrative costs – needs to be added to these costs and can be estimated as a percentage of the overall effort. Experiences of other states with statewide programs can provide a guide. The New York PSC allows NYSERDA up to 7% of its budget for administrative costs. Wisconsin caps its administrative costs at 15% and the Oregon Energy Trust reports administrative costs of 13%-16%. Total administrative costs can be expected to range between 10 and 15 percent of total portfolio costs depending on the existing capabilities of the administering entity and the level of evaluation activity.

Transition of Utility Legacy Programs

If a statewide program is to provide consistent offerings to all residents, then existing programs will need to be replaced – or folded into – the statewide effort. Given the nature of existing programs in Indiana, this effort probably can be done relatively seamlessly from the perspective of customers. Similar kinds of rebates, air conditioner cycling programs, weatherization services, and educational programs are likely to be part of the statewide effort. Branding and marketing issues would need to be addressed, however, to ensure that the statewide programs build on customers' awareness of energy efficiency services, where this awareness already exists. To facilitate a smooth transition, existing programs should be kept in place until new offerings are ready to be rolled out.

BUILDING A DSM STRATEGY FOR INDIANA

We believe that Indiana is in a good position to move toward a more consistent statewide DSM effort, but the state is not yet ready to select an administrative model.

The primary obstacle to the development of a cohesive statewide DSM effort is the absence of clearly enunciated policy objectives for such an effort. Given the fractured nature of current DSM programs, the development of a more uniform statewide effort would most likely involve an increase in investment. The policy objectives of these new investments need to be more clearly stated, so that choices concerning governance, scale, and scope can be guided by the program's policy goals.

SUITABILITY OF A STATEWIDE APPROACH

However, even in the absence of such policy goals, we do believe that more uniform statewide DSM programs have potential for Indiana. We base this conclusion on the following:

- High energy consumption by the state – even when compared to other manufacturing-intensive states – offsets low energy prices to create energy costs that could be reduced through energy efficiency.
- Reduced energy costs – where attainable in cost-effective manner – provides benefits to the economy.
- The current DSM approach provides an inconsistent patchwork that excludes some customers (geographically and by sector) from the benefits of energy efficiency services.
- Climate change concerns related to energy consumption provide environmental reasons to increase emphasis on energy-efficiency now and are likely to result in market-based reasons in the future (through carbon caps, taxes, or similar measures).

EXISTING BUILDING BLOCKS AND THEIR IMPLICATIONS FOR DSM

Although policy objectives need to be a primary driver of the administrative structure for any statewide DSM efforts, Indiana's current DSM environment does provide some guidance that should be considered when making choices about an appropriate policy-driven governance approach. We think of these existing attributes as some of the "building blocks" from which any statewide DSM programs would need to be built. This section lists the essential building blocks about which we gained sufficient insight during this investigation to comment. They are not a complete list of necessary or existing building blocks, but only those we identified in the course of this study. Nevertheless, we present this analysis to help inform any subsequent discussions concerning governance issues for any statewide DSM programs in Indiana.

In-State Expertise with DSM Program Design and Delivery: Current in-state experience with DSM appears to be concentrated among a small number of the utilities. Reliance on out-of-state consultants is high for such functions as DSM program screening, assessment of energy efficiency potential, and delivery of programs. Development of a statewide DSM program would require the development of additional capacity regardless of the administrative model chosen. As such, Indiana's current experience does not necessarily favor any particular administrative model.

The diverse interests in DSM among the utilities also does not provide any clear guidance, as some utilities are clearly interested in DSM while others prefer to concentrate on generation and delivery of energy as their core business.

Strong Stakeholder Involvement: Indiana's reliance on stakeholder input provides a solid foundation on which a stakeholder process for a statewide DSM program can be built. Depending on the policy objectives established for such a program, environmental and economic development interests may need to be added to this process.

Collaborative Orientation of Existing Programs: There is a history of collaboration among several utilities and other stakeholders. This experience provides a basis for multi-utility administered approaches to a statewide DSM program if other factors suggest that such an approach is appropriate for Indiana.

Utility-Specific Planning Process: The utility-centric nature of the integrated resources planning process has resulted in parallel efforts by the utilities to identify and evaluate potential DSM measures, as well as market and potential studies that cover only individual utility service areas. This approach to planning and data collection for DSM programs provides a barrier to effective implementation of statewide programs regardless of administrative and delivery model.

Diverse Corporate Profiles of Utilities: Indiana's major utilities range from geographically small companies that serve only Indiana to subsidiaries of multi-state corporations. There are utilities on both ends of the spectrum with and without active DSM programs in Indiana, although the multi-state utilities have programs outside the state. This mix would provide a modest (but by no means insurmountable) barrier to developing consistent utility-administered programs with a statewide focus.

DSM Administrative Precedents: Existing and emerging programs generally have established the utility service area as the geographic reach of programs with utility administration in the electric sector and third party administration in the pilot program for Vectren in the natural gas sector. A statewide program will need to transcend utility boundaries in some way. The use of both utility- and third-party administration offers little guidance, although the utility administration has much longer historic roots.

Role of Coal in the State's Economy: Coal is an important natural and economic resource in Indiana, which would suggest its continued use. Because energy consumption is increasing annually throughout the American economy[16], there is no need to see energy efficiency as a threat to the development of Indiana's coal resources. As a result, we see the role of coal in Indiana as an issue to be considered when choosing fuel sources and technology of new power plants and when marketing energy-efficiency's environmental benefits over the use of coal-based power, but not as a factor in the establishment of a statewide DSM program.

Role of Energy-Intensive Industry in Economy: Indiana's economy includes a fair amount of energy-intensive manufacturing, which has resulted in a strong voice for low energy prices for this sector. This

[16] Energy efficiency programs tend to reduce the rate of growth in consumption, so there is no reason to expect energy consumption to decrease in the foreseeable future.

customer class' apparent preferences would suggest that opt-out provisions should be considered for customers whose in-house energy practices already are consistent with the societal and economic needs to be addressed by DSM programs. However, we believe that (1) the cost-effective energy-saving potential within the industrial sector needs to be considered before such decisions can be made and (2) this sector's energy needs should be seen in light of energy costs, not energy prices.

Existing DSM Requirements: The existing requirements that utilities explore DSM programs as part of their integrated resource planning process provides a mechanism through which the Commission could provide further instructions to utilities concerning the scale or scope of such efforts and possibly the expectation that DSM programs be implemented in a coordinated, statewide fashion. The use of regulatory requirements in this manner lends itself to administrative/delivery models over which utilities have responsibility, but not to models in which third party administrators operate independently of utilities.

Role of Program Branding: Current programs are branded with the utilities' name rather than an umbrella brand for the state. Should the Commission decide on an overall brand/communication strategy for a utility administered program, it would be appropriate to allow a co-branding approach to give customers confidence that the utilities are still behind the program.

NEXT STEPS FOR INDIANA

We believe that the next step for Indiana's deliberations about a statewide DSM approach lie with the Indiana Utility Regulatory Commission. In particular, we recommend that the Commission establish the policy objectives it wishes to achieve through DSM efforts in Indiana.

Policy discussions and statements should specify the goals that statewide DSM programs are to achieve, such as whether demand reduction or overall consumption is of primary concern. Examples of policy objectives are listed in the chapter titled Building a DSM Strategy. The policy objectives should be as detailed and specific as is feasible.

With policy objectives in hand, the Commission can begin to consider the building blocks discussed in this report and begin to add to that list of considerations. We recommend that this process include discussions with stakeholders representing, at minimum, the utility industry and broad representation of energy consumers.

The stakeholders currently involved in discussions concerning utility issues provide a good basis for these discussions. It is possible, however, that the broader societal perspective is underrepresented in the group. Critical issues to Indiana – such as economic development, environmental quality, and preparing for potential future carbon constraints – need to be included in discussions about the balance between energy generation and energy efficiency. Broadening the discussion to include economic development and environmentally oriented policymakers and interests would help address this need.

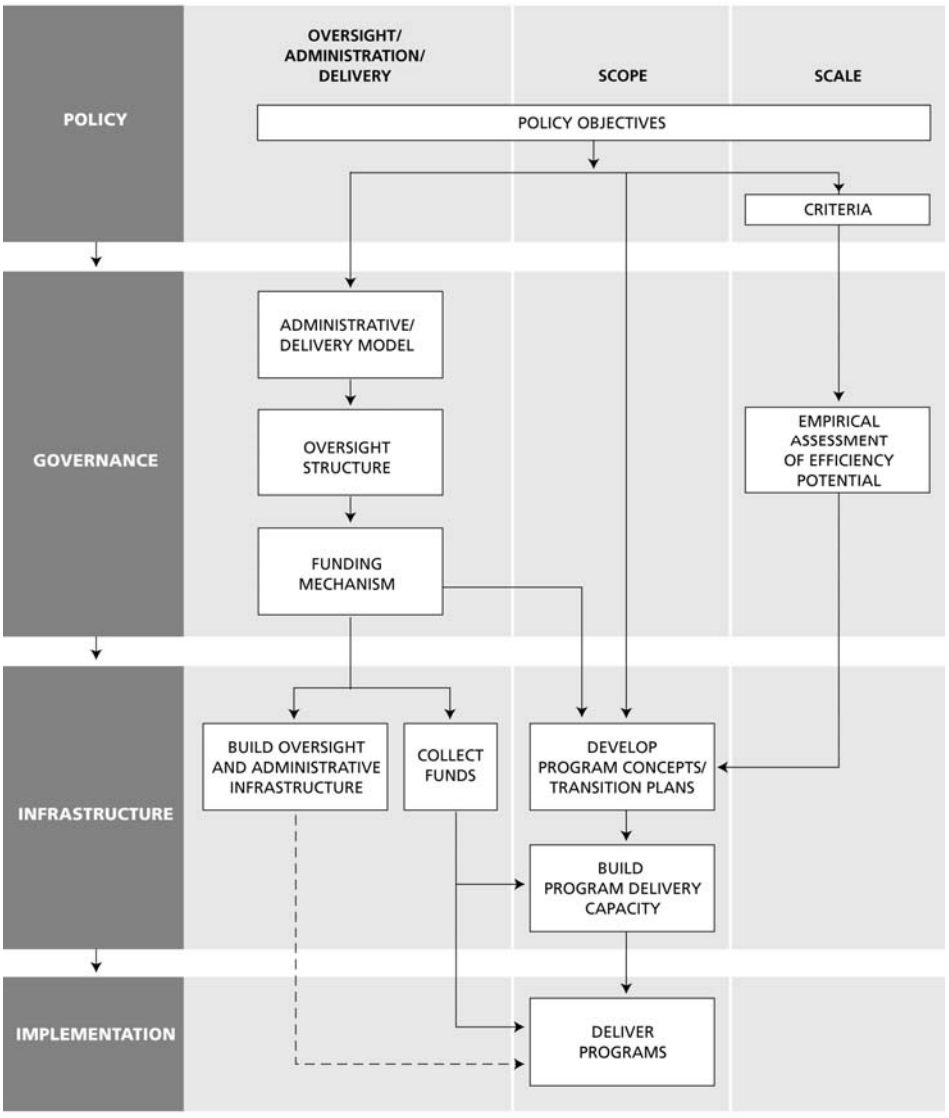
One possible way to hold this discussion would be through facilitated stakeholder meetings held throughout the state to allow representatives of all the perspectives to be heard. However these

discussions are organized, they should remain focused on the best ways for Indiana to achieve the policy objectives identified by the Commission.

The policy objectives and input from stakeholders can then be used to develop both a long-range plan for DSM efforts in Indiana and a transition plan that maps out the path from the current efforts to the vision outlined in the long-range plan.

Figure 3 illustrates the sequence in which decisions need to be made, as well as some of the relationships among them.

Figure 3: DESIGNING A STATEWIDE DSM PROGRAM—DETAILED FLOW



APPENDIX A: SUMMARY OF REPORTED DSM PROGRAMS

This appendix summarizes DSM programs reported to us by Indiana's major electric utilities.

Program 1

Utility	Duke Energy
Program Name	Energy Star New Home Program
Year Started	2001
Sectors	residential
Target Customers	builders and heating contractors for new homes
Program Description	Incentives to builders of Energy Star-qualified new homes to offset cost of inspection and certification. Education of supply chain.
Goals	Cost-effective energy and demand savings in new residential construction, increased customer satisfaction, comfort, and energy awareness, and lower energy bills.
Participation Goal	200 inspections
Participation Actual (2006)	124 homes
Budget (2006)	$100,000.00
Expenditures (2006)	$53,615.00
Utility Staffing	4 FTE for all Duke programs
Implementation	contractor (as of Jan 2007)
Marketing	direct mail, brochures, web sites, advertising promotions, contact through professional organizations & trade shows for HVAC suppliers & builders; call center
Evaluation	Annual internal review of performance and cost-effectiveness. Undergoing third-party evaluation.
Energy Saved (2006)	292,000 kWh, 70 kW

Program 2

Utility	Duke Energy
Program Name	Home Energy House Call
Year Started	2000
Sectors	residential
Target Customers	homeowners with electric space or water heating, high users of air conditioning
Program Description	Free home energy audit with recommended measures, energy savings kit, and energy literature.
Goals	Help customers lower their energy costs, as well as improve comfort and increase customer satisfaction.
Participation Goal	1,760 home inspections
Participation Actual (2006)	2,168 participants
Budget (2006)	$500,000.00
Expenditures (2006)	$460,898.00
Utility Staffing	4 FTE for all Duke programs
Implementation	contractor
Marketing	direct mail, bill stuffers, call center referrals (high bill complaints), press releases, web
Evaluation	Annual internal review of performance and cost-effectiveness.
Energy Saved (2006)	2,053,096 kWh, 475 kW

Program 3

Utility	Duke Energy
Program Name	Low-income Weatherization Program
Year Started	1997
Sectors	residential
Target Customers	low-income weatherization program participants
Program Description	Free weatherization and energy education for low-income customers.
Goals	Help lower income customers lower their energy bills.
Participation Goal	800 participants
Participation Actual (2006)	566 participants
Budget (2006)	$400,000.00
Expenditures (2006)	$215,907.00
Utility Staffing	4 FTE for all Duke programs
Implementation	contractor
Marketing	primarily through contractor / state's weatherization program
Evaluation	Third-party evaluation for State of Indiana in 2003-04. Annual internal review of performance and cost-effectiveness.
Energy Saved (2006)	657,126 kWh, 152 kW

Program 4

Utility	Duke Energy
Program Name	National Energy Education Development Program
Year Started	2005
Sectors	n/a
Target Customers	educational system
Program Description	Multi-utility effort to promote energy awareness through energy education programs -- mostly for teachers and schools.
Goals	Promote energy-consciousness and awareness in future generations through knowledge, leadership, and critical thinking.
Participation Goal	n/a
Participation Actual (2006)	169 (workshops), 65 (conf); 1000 kits
Budget (2006)	$41,150.00
Expenditures (2006)	$41,150.00
Utility Staffing	4 FTE for all Duke programs
Implementation	contractor
Marketing	direct mail, e-mail, networking -- additional promotion through educational organizations
Evaluation	No formal evaluation; program has been evaluated in other states.
Energy Saved (2006)	150,000 kWh, 45 kW

Program 5

Utility	Duke Energy
Program Name	Customer-Sited Photovoltaic Systems
Year Started	2001
Sectors	residential & commercial
Target Customers	homes and schools
Program Description	Funds 1.2kW and 1.6Wk solar systems for homes and schools at no cost to the customer through 2009.
Goals	Promote interest in solar and other green energy.
Participation Goal	8
Participation Actual (2006)	2 schools; 6 homes
Budget (2006)	$175,000.00
Expenditures (2006)	$175,000.00
Utility Staffing	4 FTE for all Duke programs
Implementation	contractor
Marketing	no active marketing
Evaluation	Annual internal review of performance and cost-effectiveness.
Energy Saved (2006)	1,716 kWh

Program 6

Utility	Duke Energy
Program Name	Power Manager
Year Started	2003
Sectors	residential
Target Customers	households with central air conditioning
Program Description	Sign-up and per-event incentives for participants who allow utility to install load control device and cycle air conditioners during peak demand.
Goals	Cost-effective reduction in peak demand.
Participation Goal	10,500
Participation Actual (2006)	10,503 customers
Budget (2006)	$2,850,000.00
Expenditures (2006)	$2,806,516.00
Utility Staffing	4 FTE for all Duke programs
Implementation	contractors
Marketing	direct mail, press releases; local media; web; cross-marketing w/Home Energy House Call Program
Evaluation	Annual internal review of performance and cost-effectiveness.
Energy Saved (2006)	43,871 kW

Program 7

Utility	Duke Energy
Program Name	PowerShare
Year Started	2000
Sectors	commercial & industrial
Target Customers	commercial & industrial customers willing to curtail load
Program Description	Energy credit for demand curtailment when called by utility; monthly credit for participants who agree to mandatory curtailment.
Goals	Reduction in peak demand
Participation Goal	n/a
Participation Actual (2006)	324 C&I accounts
Budget (2006)	$859,278.00
Expenditures (2006)	$475,251.00
Utility Staffing	4 FTE for all Duke programs
Implementation	utility
Marketing	account representatives; web
Evaluation	Annual internal review of performance and cost-effectiveness.
Energy Saved (2006)	36,300 kW

Program 8

Utility	Duke Energy
Program Name	Refrigerator Replacement Program
Year Started	2001
Sectors	residential
Target Customers	low-income weatherization program participants
Program Description	Rebates for refrigerator replacements as part of weatherization services. Co-funded through State of Indiana.
Goals	Minimize energy usage by lower income customers to lower their energy bills, prevent arrearages, shift household funds to non-electricity household needs, and increase customer satisfaction.
Participation Goal	250 replacements
Participation Actual (2006)	119
Budget (2006)	$100,000.00
Expenditures (2006)	$63,192.00
Utility Staffing	4 FTE for all Duke programs
Implementation	contractor
Marketing	primarily through weatherization program
Evaluation	Annual internal review of performance and cost-effectiveness.
Energy Saved (2006)	147,084 kWh, 33 kW

Program 9

Utility	Duke Energy
Program Name	Small Commercial and Industrial Energy Efficiency Rebate Program
Year Started	1997
Sectors	commercial & industrial
Target Customers	market-based programs; no specific target customers
Program Description	Rebates for high efficiency equipment installations in new construction, retrofit, and replacement. Works through supply chain actors.
Goals	Encourage use of high efficiency equipment by small business customers; increase demand for efficient products.
Participation Goal	18,000 lighting fixtures, 180 HVAC(cooling) units
Participation Actual (2006)	195 customers
Budget (2006)	$500,000.00
Expenditures (2006)	$471,169.00
Utility Staffing	4 FTE for all Duke programs
Implementation	contractor (as of Jan 2007)
Marketing	direct mail to customers; education and training of supply chain; web
Evaluation	Annual internal review of performance and cost-effectiveness.
Energy Saved (2006)	4,395,000 kWh, 799 kW

Program 10

Utility	Duke Energy
Program Name	Smart $aver
Year Started	1990
Sectors	residential
Target Customers	new homes, existing homes installing or replacing heating or air conditioning systems
Program Description	Customer and contractor incentives for efficient heating/cooling equipment (heat pumps and S14+ air conditioners). Works through supply chain.
Goals	Cost-effective energy and demand savings by overcoming market barriers. Customer satisfaction through lower energy costs, comfort, understanding of energy and environmental issues, better communication with energy provider.
Participation Goal	2,305 units
Participation Actual (2006)	3,381 units
Budget (2006)	$1,100,000.00
Expenditures (2006)	$1,261,752.00
Utility Staffing	4 FTE for all Duke programs
Implementation	contractor (as of Jan 2007)
Marketing	direct mail, brochures, web, professional organizations, trade show
Evaluation	Annual internal review of performance and cost-effectiveness. Undergoing third-party evaluation.
Energy Saved (2006)	3,134,500 kWh, 880 kW

Program 11

Utility	Duke Energy
Program Name	Targeted Home Performance Program
Year Started	2006
Sectors	residential
Target Customers	lower income households
Program Description	Pilot weatherization program for lower income customer homes (gas and electric). Customers pay 10% of project cost.
Goals	Safety, comfort, cost-effective energy savings, customer education, non-energy benefits, and testing joint program implementation with another utility.
Participation Goal	40-50 homes
Participation Actual (2006)	22 homes
Budget (2006)	$122,041.00
Expenditures (2006)	$109,734.00
Utility Staffing	4 FTE for all Duke programs
Implementation	contractor
Marketing	media, direct mail, local agencies, word of mouth
Evaluation	Evaluation anticipated in 2007; funded by Vectren.
Energy Saved (2006)	35,637 kWh, 21 kW

Program 12

Utility	Indianapolis Power & Light
Program Name	Air Conditioning Load Management Program (Cool Cents)
Year Started	2003
Sectors	residential
Target Customers	households with central air conditioners or heat pumps
Program Description	Cycling of participating customers' air conditioners and heat pumps during periods of critical peak demand. Participating customers receive a monthly bill credit.
Goals	Reducing peak load demand.
Participation Goal	4,000 new switches/yr
Participation Actual (2006)	16,000 customers
Budget (2006)	$1,200,000.00
Expenditures (2006)	$1,100,000.00
Utility Staffing	0.7 FTE
Implementation	contractor with utility marketing & admin support
Marketing	direct mail, bill inserts, web, media mentions during hot weather
Evaluation	In-house load research on a stratified random sample of participating switches.
Energy Saved (2006)	143,790 kWh, 14,400 kW

Program 13

Utility	Indianapolis Power & Light
Program Name	Energy Efficiency Education Program
Year Started	2004
Sectors	residential
Target Customers	no specific target audience
Program Description	Disseminates information to encourage energy efficient investments and behavior; sponsors EPA Energy Star "Change-A-Light, Change-The-World" campaign.
Goals	Encourage energy efficient investments and behavior.
Participation Goal	n/a
Participation Actual (2006)	12,842 CFLs (2005); 11,250 students/110 teachers
Budget (2006)	$0.00
Expenditures (2006)	$122,000.00
Utility Staffing	0.15 FTE
Implementation	joint - utility & contractors
Marketing	bill inserts, direct mail, web, newspaper advertising, media releases, community events
Evaluation	Formal evaluations of Change-A-Light and NEED; information evaluation of Home Energy Efficiency kits and other efforts.
Energy Saved (2006)	600,000 kWh

Program 14

Utility	Indianapolis Power & Light
Program Name	High Efficiency Heating Ventilating and Air Conditioning Program (PerfectCents)
Year Started	1994
Sectors	residential
Target Customers	households/builders installing central air conditioners or heat pumps
Program Description	Incentives to contractors and customers who install high-efficiency HVAC equipment (SEER 14+ or equivalent).
Goals	Encourage purchase and installation of more efficient HVAC equipment than required by standards; overcome market barriers.
Participation Goal	n/a
Participation Actual (2006)	2,011 customers
Budget (2006)	$0.00
Expenditures (2006)	$561,000.00
Utility Staffing	0.5 FTE
Implementation	utility
Marketing	direct mail, meetings with HVAC dealers and builders, web
Evaluation	Conduct engineering estimates of demand and energy savings.
Energy Saved (2006)	3,400,000 kWh, 2,200 kW

Program 15

Utility	Indianapolis Power & Light
Program Name	Income-Qualified Residential Energy Efficiency Comprehensive Program
Year Started	1993
Sectors	residential
Target Customers	lower income households in owner-occupied and multi-family dwellings
Program Description	Provides residential energy efficiency measures (air sealing, ceiling insulation, duct sealing and insulation, etc.) and customer education.
Goals	Complement other weatherization efforts by community action agencies -- including to provide weatherization to unserved and underserved populations.
Participation Goal	n/a
Participation Actual (2006)	306 single-family homes; 2 apartment complexes (200 units)
Budget (2006)	$0.00
Expenditures (2006)	$259,000.00
Utility Staffing	0.3 FTE
Implementation	contractor
Marketing	contact energy assistance recipients
Evaluation	Generally informal, but now includes post-participation audit by a third party.
Energy Saved (2006)	n/a

Program 16

Utility	Indianapolis Power & Light
Program Name	Renewable Energy Education Program
Year Started	2004
Sectors	residential
Target Customers	no specific target audience
Program Description	Promotes the deployment of renewable energy demonstration projects in utility's service territory.
Goals	Site as many renewable energy projects as practical.
Participation Goal	n/a
Participation Actual (2006)	1 customer
Budget (2006)	$0.00
Expenditures (2006)	$36,000.00
Utility Staffing	0.1 FTE
Implementation	joint - utility & contractor
Marketing	outreach to schools
Evaluation	Informal internal review of program delivery, project costs, and measures implemented.
Energy Saved (2006)	1,085 kWh

Program 17

Utility	Indiana Michigan Power Company
Program Name	Utility Residential Weatherization Program
Year Started	1984
Sectors	residential
Target Customers	no specific target audience
Program Description	Provides low interest loans for home weatherization projects.
Goals	Promote energy efficiency and demand reduction.
Participation Goal	n/a
Participation Actual (2006)	22 customers
Budget (2006)	$0.00
Expenditures (2006)	$28,570.00
Utility Staffing	1.0 FTE
Implementation	utility
Marketing	through general contractors
Evaluation	Informal, internal evaluation; on-going statistical tracking.
Energy Saved (2006)	2,050 kWh

Program 18

Utility	Vectren (electric)
Program Name	Summer Cycler Programs
Year Started	1992
Sectors	residential & commercial
Target Customers	electric customers with central air conditioning
Program Description	Cycling of participating customers' central air conditioners and water heaters during critical peak demand.
Goals	Maintain program's peak demand reduction (25-30 MW) at minimized costs.
Participation Goal	n/a
Participation Actual (2006)	31,400 residential, 670 commercial
Budget (2006)	$0.00
Expenditures (2006)	$954,827.00
Utility Staffing	not tracked
Implementation	joint - utility & contractor
Marketing	web, bill inserts, earned media, meetings with builders, occasional direct mail
Evaluation	Customer satisfaction surveys and track customer complaints, informal calculation of projected energy reduction.
Energy Saved (2006)	30,800 kW

APPENDIX B: SUMMARY OF REPORTED DSM TARIFFS

This appendix summarizes DSM tariffs reported to us by Indiana's major electric utilities.

Tariff 1

Utility	NIPSCO
Tariff Name	825 Metal Melting Service
Year Started	1988
Eligible Customers	Electric metal melters or holders
Description	NIPSCO can curtail or interrupt when load exceeds max on-peak demand during prior 11 months. Contracted loads need to be 500 kW to 12,000 kW. Bill based on on-peak demand payment and energy charge, along with adjustment for power factor, cost of fuel, and environmental recovery trackers.
Goals	Encourage customers to shift or add load to off-peak.
Participants (2006)	10 customers
Participants - % of Eligible	not tracked
Marketing	passive marketing -- respond to customer inquiries
Accompanying Services	Assist with tariff conformance.
Evaluation	none
kW Savings (2006)	unknown

Tariff 2

Utility	NIPSCO
Tariff Name	835/836 Interruptible Industrial Power Service
Year Started	1989
Eligible Customers	Industrial customers selling products in the liquid merchant market (i.e., air separation processes)
Description	NIPSCO may interrupt service at any time for any reason with 10 minute notice, not to exceed once per day or 10 hours per day. Minimum load under contract is 5,000 kW.
Goals	Provide rapid load reductions.
Participants (2006)	1 customer
Participants - % of Eligible	not tracked
Marketing	passive marketing -- respond to customer inquiries
Accompanying Services	Assist with tariff conformance.
Evaluation	none
kW Savings (2006)	65,000

Tariff 3

Utility	NIPSCO
Tariff Name	847 Special Contract
Year Started	n/a
Eligible Customers	Customer-specific
Description	Depends on the specific contract -- no standard offerings.
Goals	Allow load reductions within 30 minutes notice to the customer.
Participants (2006)	13 customers
Participants - % of Eligible	n/a
Marketing	n/a
Accompanying Services	Assist with tariff conformance.
Evaluation	n/a
kW Savings (2006)	100,000

Tariff 4

Utility	NIPSCO
Tariff Name	845 Industrial Firm Incremental Power Service
Year Started	1995
Eligible Customers	Industrial customers contracting for 5,000 kW of capacity
Description	Customers pay a customer charge, a demand charge, and hourly energy charges based on the average cost of the resources required to serve the hourly load.
Goals	Peak load reduction.
Participants (2006)	1 customer
Participants - % of Eligible	not tracked
Marketing	NIPSCO sales department
Accompanying Services	Assist with tariff conformance.
Evaluation	none
kW Savings (2006)	unknown

Tariff 5

Utility	NIPSCO
Tariff Name	826 Off Peak Service
Year Started	1987
Eligible Customers	C&I customers contracting for 200 kW of capacity
Description	Customer pays demand charge, energy charge, and minimum charge. Contracted load required to be between 500 kW and 15,000 kW.
Goals	Shift more load to off peak.
Participants (2006)	117 customers
Participants - % of Eligible	not tracked
Marketing	passive marketing -- respond to customer inquiries
Accompanying Services	Assist with tariff conformance.
Evaluation	none
kW Savings (2006)	unknown

Tariff 6

Utility	NIPSCO
Tariff Name	823/824 General Service (Thermal Storage)
Year Started	1994
Eligible Customers	C&I customers who can supply 40+% of the BTUs of space conditioning with thermal storage
Description	Customers pay an off-peak energy charge. Energy usage is adjusted by off-peak hours use.
Goals	Shift more load to off-peak.
Participants (2006)	11 customers
Participants - % of Eligible	not tracked
Marketing	passive marketing -- respond to customer inquiries
Accompanying Services	Assist with tariff conformance.
Evaluation	none
kW Savings (2006)	not studied

Tariff 7

Utility	NIPSCO
Tariff Name	895 Traffic Directive Lighting
Year Started	1987
Eligible Customers	Customers with traffic directive lights
Description	Charges are based on a flat rate structure multiplied by the electrical power of the lighting fixture.
Goals	Reduce power consumption through re-lamping with lower power-consuming bulbs.
Participants (2006)	35 customers
Participants - % of Eligible	not tracked
Marketing	passive marketing -- respond to customer inquiries
Accompanying Services	Assist with tariff conformance.
Evaluation	none
kW Savings (2006)	not studied

Tariff 8

Utility	NIPSCO
Tariff Name	883-888 Street Lighting - High Pressure Sodium
Year Started	2002
Eligible Customers	Customers with street lighting
Description	Charges are a flat fee based on the power rating of the lamps used.
Goals	Reduce power consumption through re-lamping with lower power consuming bulbs.
Participants (2006)	67 customers
Participants - % of Eligible	not tracked
Marketing	passive marketing -- respond to customer inquiries
Accompanying Services	Assist with tariff conformance.
Evaluation	none
kW Savings (2006)	n/a

Tariff 9

Utility	NIPSCO
Tariff Name	812/813/820 Energy Efficiency Res/MF/Com&GS
Year Started	1991
Eligible Customers	Any customer meeting energy efficiency criteria
Description	Charges include a customer charge and energy charges. See tariff details.
Goals	Reduce power consumption by installing energy efficiency standards and heat-pump technology.
Participants (2006)	4,495 customers
Participants - % of Eligible	1.1%
Marketing	passive marketing -- respond to customer inquiries
Accompanying Services	Assist with tariff conformance.
Evaluation	none
kW Savings (2006)	not studied

Tariff 10

Utility	NIPSCO
Tariff Name	834 General Service Customers w/Aux. Generating Equipment
Year Started	1987
Eligible Customers	General service customers who have auxiliary generation equipment
Description	Customers pay a capacity charge, demand charge and energy charge. Adjustments are made for type of service, metering, etc.
Goals	Reduce the charge for customers who install equipment that can reduce peak demand.
Participants (2006)	none
Participants - % of Eligible	not tracked
Marketing	passive marketing -- respond to customer inquiries
Accompanying Services	Assist with tariff conformance.
Evaluation	none
kW Savings (2006)	not studied

Tariff 11

Utility	NIPSCO
Tariff Name	Net Metering
Year Started	2005
Eligible Customers	Residential customers or schools with suitable hydro, solar, or wind generation
Description	Net metering allows residential customers or schools (K-12) the ability to generate electricity using hydro, solar, or wind and allow any excess generation to flow into the electric grid. Any generation provided to the grid is credited by reducing the customer's total usage.
Goals	Encourage renewable energy and reduce peak load demand.
Participants (2006)	3 customers
Participants - % of Eligible	not tracked
Marketing	passive marketing -- respond to customer inquiries
Accompanying Services	Assist with tariff conformance.
Evaluation	none
kW Savings (2006)	not studied

Tariff 12

Utility	Indianapolis Power & Light
Tariff Name	CSC - Customer Specific Contracts
Year Started	1996
Eligible Customers	Large C&I customers with load > 2MW and with special circumstances
Description	Confidential and customer-specific.
Goals	Provide non-standard service for new load that would not materialize or be secured through another source at standard rates.
Participants (2006)	2 customers
Participants - % of Eligible	n/a
Marketing	via IPL strategic account representatives and on web site
Accompanying Services	negotiated
Evaluation	Load research group reviews actual meter data for every applicable occurrence.
kW Savings (2006)	2,700

Tariff 13

Utility	Indianapolis Power & Light
Tariff Name	Standard Contract Rider No. 8, Off-Peak Service
Year Started	1976
Eligible Customers	Large C&I customers on rates SL, PL, PH, and HL
Description	Referred to IPL Company Rates, Rules, and Regulations for Electric Service, IURC No. E-16, page 160.
Goals	Encourage customers to shift loads that contribute to peak demand to off-peak periods.
Participants (2006)	30 accounts
Participants - % of Eligible	0.05%
Marketing	via IPL strategic account representatives and on web site
Accompanying Services	Billing and financial analysis to assist customers determine tariff appropriateness. Provide metering equipment.
Evaluation	Limited analysis of contribution to on-peak vs. off-peak system demand; review of billing data by utility load research staff.
kW Savings (2006)	7,000

Tariff 14

Utility	Indianapolis Power & Light
Tariff Name	Stnd Contract Rider 9, Net Metering -PV/Wind/Hydro
Year Started	2000
Eligible Customers	Customers on residential rate RS and schools on rates SH, SL, or PL
Description	Referred to IPL Company Rates, Rules, and Regulations for Electric Service, IURC No. E-16, page 161.
Goals	Encourage customers to install renewable energy systems for generation and/or educational purposes in schools.
Participants (2006)	2 residential customers
Participants - % of Eligible	negligible
Marketing	web, local media coverage of DSM Renewable Energy Education initiative
Accompanying Services	Provide basic information about solar PV installations and referral list of suppliers and contractors. Billing analyses provided if requested.
Evaluation	none
kW Savings (2006)	1

Tariff 15

Utility	Indianapolis Power & Light
Tariff Name	Stnd Contract Rider 13, AC Load Management Adj
Year Started	2002
Eligible Customers	Residential customers with central air conditioning
Description	Referred to IPL Company Rates, Rules, and Regulations for Electric Service, IURC No. E-16, page 165.
Goals	Encourages customers to allow IP&L to cycle their air conditioning systems to reduce system peak demand.
Participants (2006)	16,000 accounts
Participants - % of Eligible	n/a
Marketing	direct mail, bill inserts, web, media mentions during hot weather
Accompanying Services	See Air Conditioning Load Management Program (Cool Cents).
Evaluation	Load research on a stratified random sample of participating switches.
kW Savings (2006)	14400 kW - same as Air Conditioning Load Management Program

Tariff 16

Utility	Indianapolis Power & Light
Tariff Name	Stnd Contract Rider 14, Interruptible Power
Year Started	1989
Eligible Customers	Large C&I customers receiving service under rate HL or PL with a billing demand > 1,500 kW
Description	Referred to IPL Company Rates, Rules, and Regulations for Electric Service, IURC No. E-16, page 166-168.
Goals	Reduce system peak demand.
Participants (2006)	1 customer
Participants - % of Eligible	0.61%
Marketing	via IPL strategic account representatives and on web site
Accompanying Services	Billing and financial analysis to assist customers determine tariff appropriateness. Provide metering equipment.
Evaluation	Load research group reviews actual meter data for every applicable occurrence.
kW Savings (2006)	12,000

Tariff 17

Utility	Indianapolis Power & Light
Tariff Name	Stnd Contract Rider 15, Load Displacement
Year Started	2001
Eligible Customers	C&I customers receiving service under rates SH, SL, HL, or PL with a minimum generating capacity > 250 kW
Description	Referred to IPL Company Rates, Rules, and Regulations for Electric Service, IURC No. E-16, page 171 and 171.1. Priced consistent with value of curtailable load on IPL's system.
Goals	Encourage customers to generate electricity to serve their own needs when requested to reduce system peak demand.
Participants (2006)	25 accounts
Participants - % of Eligible	1.9%
Marketing	via IPL strategic account representatives and on web site
Accompanying Services	Billing and financial analysis to assist customers determine tariff appropriateness. Provide metering equipment.
Evaluation	Load research group reviews actual meter data for every applicable occurrence.
kW Savings (2006)	42,200

Tariff 18

Utility	Indianapolis Power & Light
Tariff Name	Stnd Contract Rider 17, Load Curtailment
Year Started	1999
Eligible Customers	Large C&I customers and school systems receiving service under rates PH, SL, HL, or PL with a minimum curtailment capacity of 500 kW
Description	Referred to IPL Company Rates, Rules, and Regulations for Electric Service, IURC No. E-16, pages 175-177. Priced consistent with value of curtailment load on IPL's system.
Goals	Encourage customers to reduce their on-peak load when requested and thereby reduce system peak demand.
Participants (2006)	4 customers
Participants - % of Eligible	0.72%
Marketing	via IPL strategic account representatives and on web site
Accompanying Services	Billing and financial analysis to assist customers determine tariff appropriateness. Provide metering equipment.
Evaluation	Load research group reviews actual meter data for every applicable occurrence.
kW Savings (2006)	7,000

Tariff 19

Utility	Indianapolis Power & Light
Tariff Name	Stnd Contract Rider 18, Load Curtailment II
Year Started	2000
Eligible Customers	Large C&I customers receiving service under rate PH, SL, HL, and PL with a minimum curtailment capacity of 1,500 kW
Description	Referred to IPL Company Rates, Rules, and Regulations for Electric Service, IURC No. E-16, page 178-179.
Goals	Encourage customers to reduce demand or self-generate electricity to serve their own needs when requested and thereby reduce system peak demand.
Participants (2006)	none
Participants - % of Eligible	n/a
Marketing	via IPL strategic account representatives and on web site
Accompanying Services	Billing and financial analysis to assist customers determine tariff appropriateness. Provide metering equipment.
Evaluation	Load research group reviews actual meter data for every applicable occurrence.
kW Savings (2006)	0

Tariff 20

Utility	Indianapolis Power & Light
Tariff Name	Rate SS, Special Agreements
Year Started	1996
Eligible Customers	C&I customers served under rate SS that have large loads that can be reduced upon request
Description	Referred to IPL Company Rates, Rules, and Regulations for Electric Service, IURC No. E-16, page 31-32. Customers requiring more than 75kW demand are served only under special agreement, setting out the minimum monthly service charge.
Goals	Encourage customers to reduce demand when requested and thereby reduce system peak demand.
Participants (2006)	7 accounts
Participants - % of Eligible	n/a
Marketing	via IPL strategic account representatives and on web site
Accompanying Services	Billing and financial analysis to assist customers determine tariff appropriateness. Provide metering equipment.
Evaluation	Load research group reviews actual meter data for every applicable occurrence.
kW Savings (2006)	9,700

Tariff 21

Utility	Indianapolis Power & Light
Tariff Name	Rate OES - Off-Peak Energy Storage Sep Metered
Year Started	1996
Eligible Customers	Non-residential customers
Description	Referred to IPL Company Rates, Rules, and Regulations for Electric Service, IURC No. E-16, page 40-41.
Goals	Encourage customers to install equipment that stores energy during off-peak periods to be used during on-peak periods, thereby reducing system peak demand and improving load factors
Participants (2006)	n/a
Participants - % of Eligible	none
Marketing	via IPL strategic account representatives and on web site
Accompanying Services	Billing and financial analysis to assist customers determine tariff appropriateness. Provide metering equipment.
Evaluation	none
kW Savings (2006)	0

Tariff 22

Utility	Indiana Michigan Power Company
Tariff Name	RS, Storage/Load Management Water Heating
Year Started	1987
Eligible Customers	Residential customers with energy storage devices
Description	Provides reduced rate for a set amount of energy usage (dependent on hot water storage capacity).
Goals	Reduce energy consumption and consumer energy expenses in a way that maximizes end-use efficiency. Encourage customers to shift energy usage from higher cost peak periods to lower cost off-peak periods.
Participants (2006)	16,506 accounts
Participants - % of Eligible	4.13%
Marketing	web, customer call center, billing inserts (for new offerings), account representatives
Accompanying Services	Considerable communication with customers about utility's present program to install automated meters.
Evaluation	No formal evaluation process; impacts embedded in load forecasting and integrated resource planning report.
kW Savings (2006)	51,400

Tariff 23

Utility	Indiana Michigan Power Company
Tariff Name	RS-OPES, Off-Peak Energy Storage
Year Started	1977
Eligible Customers	Residential customers with energy storage devices and meter capable of measuring on-peak and off-peak consumption
Description	Time of use rates.
Goals	Reduce energy consumption and consumer energy expenses in a way that maximizes end-use efficiency. Encourage customers to shift energy usage from higher cost peak periods to lower cost off-peak periods.
Participants (2006)	814 accounts
Participants - % of Eligible	0.2%
Marketing	web, customer call center, billing inserts (for new offerings), account representatives
Accompanying Services	Considerable communication with customers about utility's present program to install automated meters.
Evaluation	No formal evaluation process; impacts embedded in load forecasting and integrated resource planning report.
kW Savings (2006)	1,300

Tariff 24

Utility	Indiana Michigan Power Company
Tariff Name	RS-TOD, Time-of-Day
Year Started	1980
Eligible Customers	All residential customers
Description	Time of use rates.
Goals	Reduce energy consumption and consumer energy expenses in a way that maximizes end-use efficiency. Encourage customers to shift energy usage from higher cost peak periods to lower cost off-peak periods.
Participants (2006)	755 accounts
Participants - % of Eligible	0.19%
Marketing	web, customer call center, billing inserts (for new offerings), account representatives
Accompanying Services	Considerable communication with customers about utility's present program to install automated meters.
Evaluation	No formal evaluation process; impacts embedded in load forecasting and integrated resource planning report.
kW Savings (2006)	2,200

Tariff 25

Utility	Indiana Michigan Power Company
Tariff Name	SGS, Load Management Time-of-Day
Year Started	1987
Eligible Customers	C&I SGS customers with specific types of equipment (demand < 10kW)
Description	On-peak / off-peak rates in lieu of standard energy charges.
Goals	Reduce energy consumption and consumer energy expenses in a way that maximizes end-use efficiency. Encourage customers to shift energy usage from higher cost peak periods to lower cost off-peak periods.
Participants (2006)	49 accounts
Participants - % of Eligible	0.14%
Marketing	web, customer call center, billing inserts (for new offerings), account representatives
Accompanying Services	Large C&I account representatives help customers investigate all opportunities the utility offers. Considerable communication with customers about utility's present program to install automated meters.
Evaluation	No formal evaluation process; impacts embedded in load forecasting and integrated resource planning report.
kW Savings (2006)	200

Tariff 26

Utility	Indiana Michigan Power Company
Tariff Name	MGS, Load Management Time-of-Day
Year Started	1984
Eligible Customers	C&I MGS customers with specific types of equipment (demand 10 to 1,000 kW)
Description	On-peak / off-peak rates in lieu of standard energy charges.
Goals	Reduce energy consumption and consumer energy expenses in a way that maximizes end-use efficiency. Encourage customers to shift energy usage from higher cost peak periods to lower cost off-peak periods.
Participants (2006)	110 accounts
Participants - % of Eligible	0.65%
Marketing	web, customer call center, billing inserts (for new offerings), account representatives
Accompanying Services	Large C&I account representatives help customers investigate all opportunities the utility offers. Considerable communication with customers about utility's present program to install automated meters.
Evaluation	No formal evaluation process; impacts embedded in load forecasting and integrated resource planning report.
kW Savings (2006)	1,700

Tariff 27

Utility	Indiana Michigan Power Company
Tariff Name	MGS-TOD, Time-of-Day
Year Started	1987
Eligible Customers	All C&I MGS customers (demand 10 to 150 kW)
Description	On-peak / off-peak rates in lieu of standard energy charges.
Goals	Reduce energy consumption and consumer energy expenses in a way that maximizes end-use efficiency. Encourage customers to shift energy usage from higher cost peak periods to lower cost off-peak periods.
Participants (2006)	848 accounts
Participants - % of Eligible	5.05%
Marketing	web, customer call center, billing inserts (for new offerings), account representatives
Accompanying Services	Large C&I account representatives help customers investigate all opportunities the utility offers. Considerable communication with customers about utility's present program to install automated meters.
Evaluation	No formal evaluation process; impacts embedded in load forecasting and integrated resource planning report.
kW Savings (2006)	8,900

Tariff 28

Utility	Indiana Michigan Power Company
Tariff Name	LGS, Load Management Time-of-Day
Year Started	1984
Eligible Customers	C&I LGS customers with specific types of equipment (demand 100 to 1,000 kVA)
Description	On-peak / off-peak rates in lieu of standard energy charges.
Goals	Reduce energy consumption and consumer energy expenses in a way that maximizes end-use efficiency. Encourage customers to shift energy usage from higher cost peak periods to lower cost off-peak periods.
Participants (2006)	25 accounts
Participants - % of Eligible	1.63%
Marketing	web, customer call center, billing inserts (for new offerings), account representatives
Accompanying Services	Large C&I account representatives help customers investigate all opportunities the utility offers. Considerable communication with customers about utility's present program to install automated meters.
Evaluation	No formal evaluation process; impacts embedded in load forecasting and integrated resource planning report.
kW Savings (2006)	14400 (for LGS)

Tariff 29

Utility	Indiana Michigan Power Company
Tariff Name	LGS, Off-Peak Hour Provision
Year Started	1987
Eligible Customers	C&I LGS customers (demand 100 to 1,000 kVA)
Description	On-peak / off-peak rates in lieu of standard energy charges.
Goals	Reduce energy consumption and consumer energy expenses in a way that maximizes end-use efficiency. Encourage customers to shift energy usage from higher cost peak periods to lower cost off-peak periods.
Participants (2006)	32 accounts
Participants - % of Eligible	2.09%
Marketing	web, customer call center, billing inserts (for new offerings), account representatives
Accompanying Services	Large C&I account representatives help customers investigate all opportunities the utility offers. Considerable communication with customers about utility's present program to install automated meters.
Evaluation	No formal evaluation process; impacts embedded in load forecasting and integrated resource planning report.
kW Savings (2006)	14400 (for LGS)

Tariff 30

Utility	Indiana Michigan Power Company
Tariff Name	QP, Off-Peak Hour Provision
Year Started	1987
Eligible Customers	C&I QP customers (demand >= 1,000 kVA)
Description	Off-peak demand disregarded for billing purposes.
Goals	Reduce energy consumption and consumer energy expenses in a way that maximizes end-use efficiency. Encourage customers to shift energy usage from higher cost peak periods to lower cost off-peak periods.
Participants (2006)	42 accounts
Participants - % of Eligible	42.42%
Marketing	web, customer call center, billing inserts (for new offerings), account representatives
Accompanying Services	Large C&I account representatives help customers investigate all opportunities the utility offers. Considerable communication with customers about utility's present program to install automated meters.
Evaluation	No formal evaluation process; impacts embedded in load forecasting and integrated resource planning report.
kW Savings (2006)	64,000

Tariff 31

Utility	Indiana Michigan Power Company
Tariff Name	IP, Off-Peak Hour Provision
Year Started	1987
Eligible Customers	C&I IP customers (demand >= 1,000 kVA)
Description	Off-peak demand disregarded for billing purposes.
Goals	Reduce energy consumption and consumer energy expenses in a way that maximizes end-use efficiency. Encourage customers to shift energy usage from higher cost peak periods to lower cost off-peak periods.
Participants (2006)	53 accounts
Participants - % of Eligible	34.42%
Marketing	web, customer call center, billing inserts (for new offerings), account representatives
Accompanying Services	Large C&I account representatives help customers investigate all opportunities the utility offers. Considerable communication with customers about utility's present program to install automated meters.
Evaluation	No formal evaluation process; impacts embedded in load forecasting and integrated resource planning report.
kW Savings (2006)	121,400

Tariff 32

Utility	Indiana Michigan Power Company
Tariff Name	WSS, Time-of-Day
Year Started	1990
Eligible Customers	C&I water works systems and sewage disposal systems with normal demands of 100 kW or more
Description	On-peak / off-peak rates in lieu of standard energy charges.
Goals	Reduce energy consumption and consumer energy expenses in a way that maximizes end-use efficiency. Encourage customers to shift energy usage from higher cost peak periods to lower cost off-peak periods.
Participants (2006)	3 accounts
Participants - % of Eligible	0.91%
Marketing	web, customer call center, billing inserts (for new offerings), account representatives
Accompanying Services	Large C&I account representatives help customers investigate all opportunities the utility offers. Considerable communication with customers about utility's present program to install automated meters.
Evaluation	No formal evaluation process; impacts embedded in load forecasting and integrated resource planning report.
kW Savings (2006)	0

Tariff 33

Utility	Indiana Michigan Power Company
Tariff Name	CS-IRP, Interruptible
Year Started	1995
Eligible Customers	C&I customers operating at 34 kV or higher
Description	Customer-specific rates in exchange for demand curtailment when called by utility.
Goals	Reduce energy consumption and consumer energy expenses in a way that maximizes end-use efficiency. Encourage customers to shift energy usage from higher cost peak periods to lower cost off-peak periods.
Participants (2006)	8 accounts
Participants - % of Eligible	18.6%
Marketing	web, customer call center, billing inserts (for new offerings), account representatives
Accompanying Services	Large C&I account representatives help customers investigate all opportunities the utility offers. Considerable communication with customers about utility's present program to install automated meters.
Evaluation	No formal evaluation process; impacts embedded in load forecasting and integrated resource planning report.
kW Savings (2006)	401,000

Tariff 34

Utility	Indiana Michigan Power Company
Tariff Name	Rider ECS, Emergency Curtailable
Year Started	1998
Eligible Customers	C&I customers under tariffs QP or IP with an on-peak curtailable demand not less than 1 MVA
Description	Compensation per kWh curtailed.
Goals	Reduce energy consumption and consumer energy expenses in a way that maximizes end-use efficiency. Encourage customers to shift energy usage from higher cost peak periods to lower cost off-peak periods.
Participants (2006)	none
Participants - % of Eligible	n/a
Marketing	web, customer call center, billing inserts (for new offerings), account representatives
Accompanying Services	Large C&I account representatives help customers investigate all opportunities the utility offers. Considerable communication with customers about utility's present program to install automated meters.
Evaluation	No formal evaluation process; impacts embedded in load forecasting and integrated resource planning report.
kW Savings (2006)	0

Tariff 35

Utility	Indiana Michigan Power Company
Tariff Name	Rider PCS, Price Curtailable
Year Started	1999
Eligible Customers	C&I customers on tariffs QP or IP with an on-peak curtailment demand not less than 1 MVA
Description	Compensation per kWh curtailed.
Goals	Reduce energy consumption and consumer energy expenses in a way that maximizes end-use efficiency. Encourage customers to shift energy usage from higher cost peak periods to lower cost off-peak periods.
Participants (2006)	none
Participants - % of Eligible	n/a
Marketing	web, customer call center, billing inserts (for new offerings), account representatives
Accompanying Services	Large C&I account representatives help customers investigate all opportunities the utility offers. Considerable communication with customers about utility's present program to install automated meters.
Evaluation	No formal evaluation process; impacts embedded in load forecasting and integrated resource planning report.
kW Savings (2006)	0