

## Smart \$aver Non-Residential Programs

*Cory Gordon*

Custom Incentives

Energy Assessments



## FACTS ABOUT DUKE ENERGY

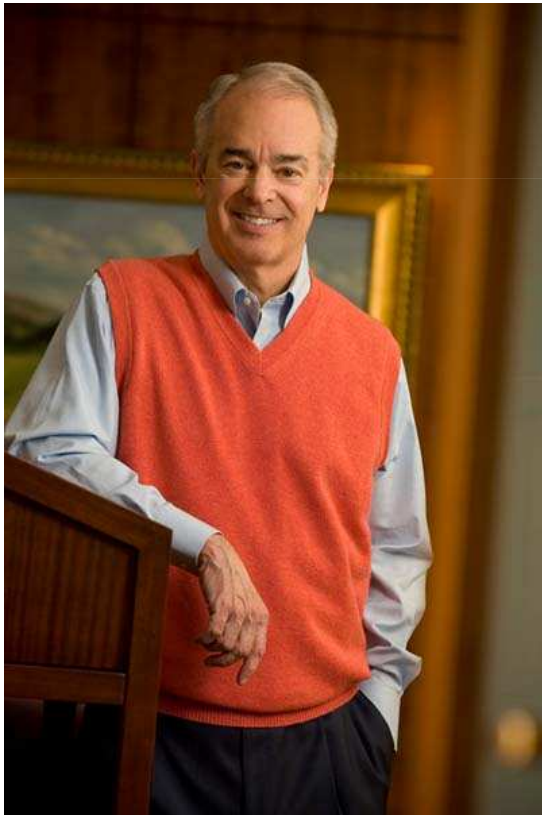
- 150+ years of service
- 4 million customers
- Fortune 500
- \$59+ billion in assets
- Stock dividends for 80+ years
- Traded on NYSE as DUK
- Dow Jones Sustainability World Index





## OUR ASPIRATIONS

- Decarbonize our power generation
- Help make our communities the most energy efficient in the world



*“These aspirations are grounded in our commitments to provide our customers with clean, affordable and reliable electric and gas services.”*

***Jim Rogers***

Chairman, President and CEO



## WHY DOES DUKE ENERGY DO THIS?

- Doesn't this cut into sales?
  - Yes, it does.
  
- OK, so why?
  - The right thing to do.
  
  - Help customers remain competitive.
  
  - Strategic deferral of the generation/capacity costs.
  
  - Mandates to save energy.
  
  - Regulated profit is earned on efficiency investments.



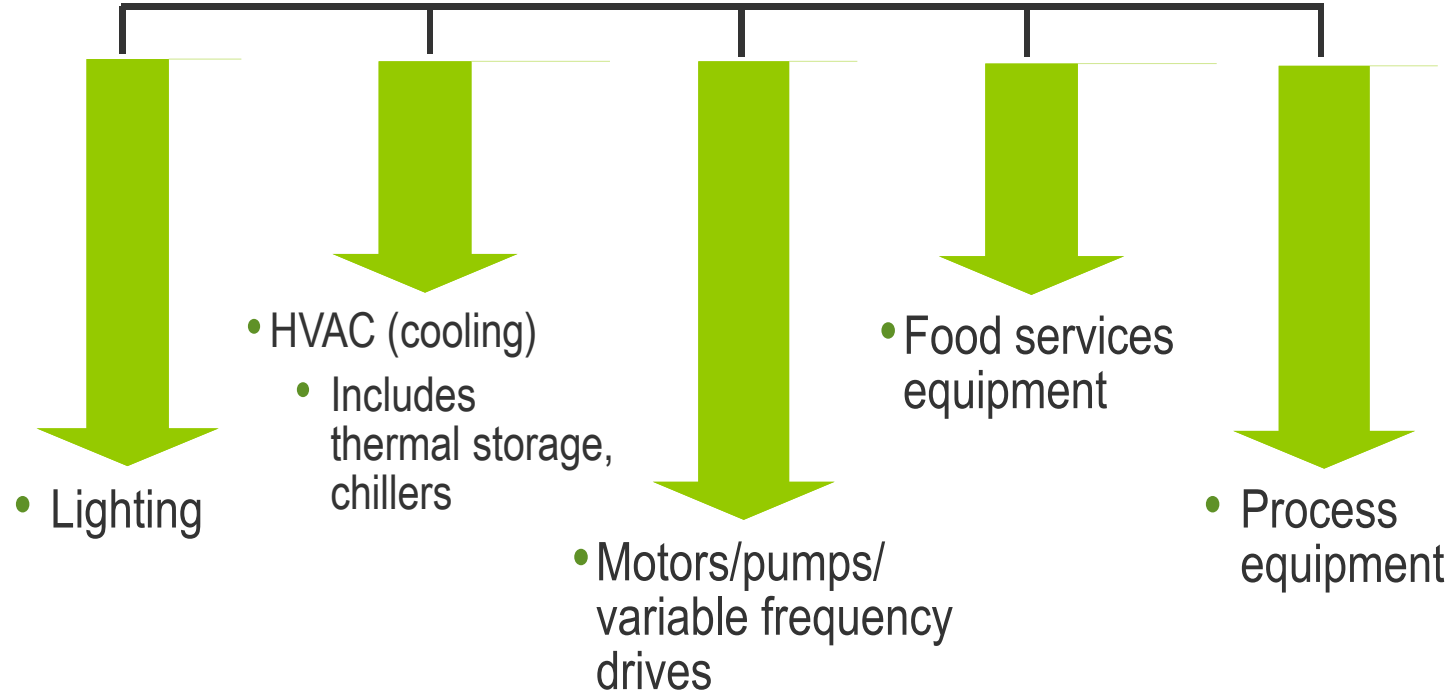
## WHAT IS NON-RESIDENTIAL SMART \$AVER?

- Portfolio of programs designed to help our customers use less energy.
  - It is an INCENTIVE program, not a rebate program.
  - It is for ENERGY EFFICIENCY, not renewable or distributed generation.
- Prescriptive Incentives
  - “Menu” of basic measures
- Custom Incentives
  - Collaborative & case-by-case
- Energy Assessments
  - Treasure hunts



## Prescriptive Incentives

### FIVE TECHNOLOGY GROUPS



**Over 250 incentive possibilities**



## Prescriptive Incentives – Case Study

- Branch bank project (135 locations)

- Lighting retrofits
- Occupancy sensors
- Programmable thermostats
- 6,700,000+ kWh Impact



- Estimated Annual Customer Savings: \$ 946,000
- Prescriptive Incentives \$ 250,000+



## Prescriptive Incentives – Typical Technologies

- Lighting retrofits
  - Interior T8 & T5
  - Exterior LED
- Occupancy sensors
- Programmable t-stats
- Air source heat pumps
- VFDs < 50 HP
  - HVAC pumps & fans
  - Process pumps
- DX Cooling Units
- Chillers
- VSD Air Compressors



## Custom Incentives

- Custom Incentives cover the unique, low volume and/or large measures that Prescriptive Incentives do not.
- There are exceptions:
  - Measures/equipment not meeting efficiency requirements
  - Market standard choices
  - Unproven technologies
  - Distributed/onsite generation
  - Others



## Custom Incentives – Case Study

- Hotel HVAC **EMS** (400,000 Conditioned SF)
  - Temperature set-point limits
  - Unoccupied setbacks
  - Central EMS portal & control
  - 500,000+ kWh Impact; 200+ Peak kW Impact



■ Customer Cost:	\$135,000
■ Estimated Annual Customer Savings:	\$ 46,000
■ Custom Incentive	\$ 68,000
■ Simple Payback with Incentive	1.5 Years



## Custom Incentives – Other Typical Technologies

- **Green Building Design**
- **Compressed Air**
- **Lighting Re-design**
- **Thermal storage**
- **Process efficiency**
- **Large VFD**
- **ERVs**
- **Building Envelope**
- **Water-side economizers**
- **Other**



## Energy Assessments

- Bring professional engineering/design expertise to bear.
- Assist customers with finding & quantifying projects.
  
- Three Main Types
  - Online – Self-directed
  - Telephone (Off-site) – High Level & Consultant-directed
  - Onsite
    - ~ ASHRAE Level 1
    - ASHRAE Level 2
    - ASHRAE Level 3



## Energy Assessments

- Cost shared by Duke Energy
  - Typically 50%
- May be system or technology specific
  - Compressed air
  - HVAC
- May be conjoined with other marketing efforts
  - SmartBuilding Advantage<sup>SM</sup>
  - EnergySmart Data Centers



## INDIANA PROGRAMS

- Limited Prescriptive portfolio now available to customers with <500 kW peak demand.
  
- Bi-furcated model in regulatory approval process
  - One third party administrator will run a set of Prescriptive measures consistent across all Indiana utilities.
  - Duke Energy will run the balance of the portfolio.
  - Details on contacts, processes, incentive specifics, etc are pending regulatory approvals
  
- STAY TUNED.
  - [www.duke-energy.com](http://www.duke-energy.com) will have up to date information.



## Questions?

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