

# Embracing Energy Efficiency as a Resource

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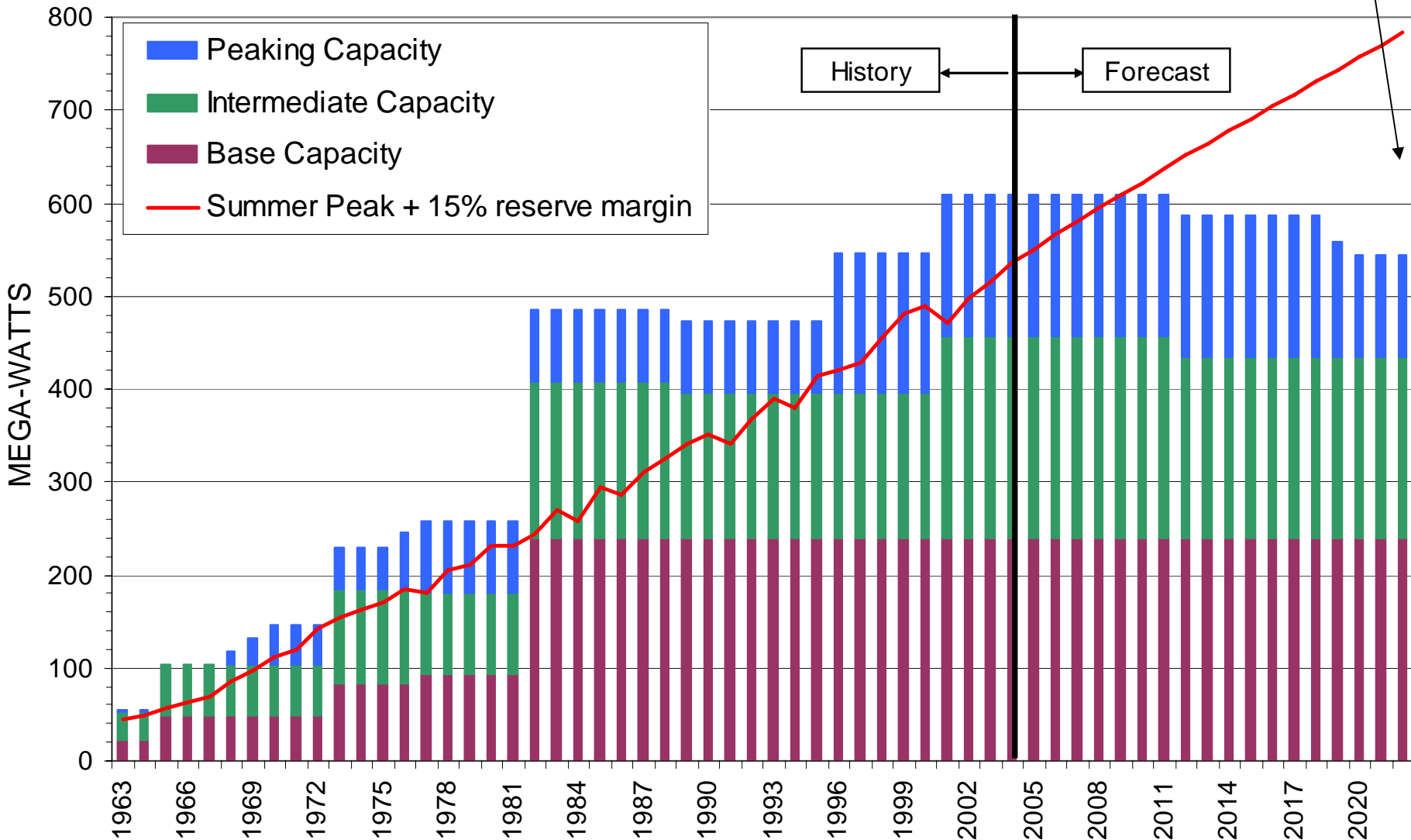


# About GRU

- Gainesville Regional Utilities (GRU) is a multi-service utility owned by the City of Gainesville and is the 5th largest municipal electric utility in Florida.
- Approximately 89,000 electric retail customers in Gainesville and surrounding unincorporated areas.
- Most recent summer peak 483 MW
- Total installed capacity 611 MW

# Where We Started: IRP 2003

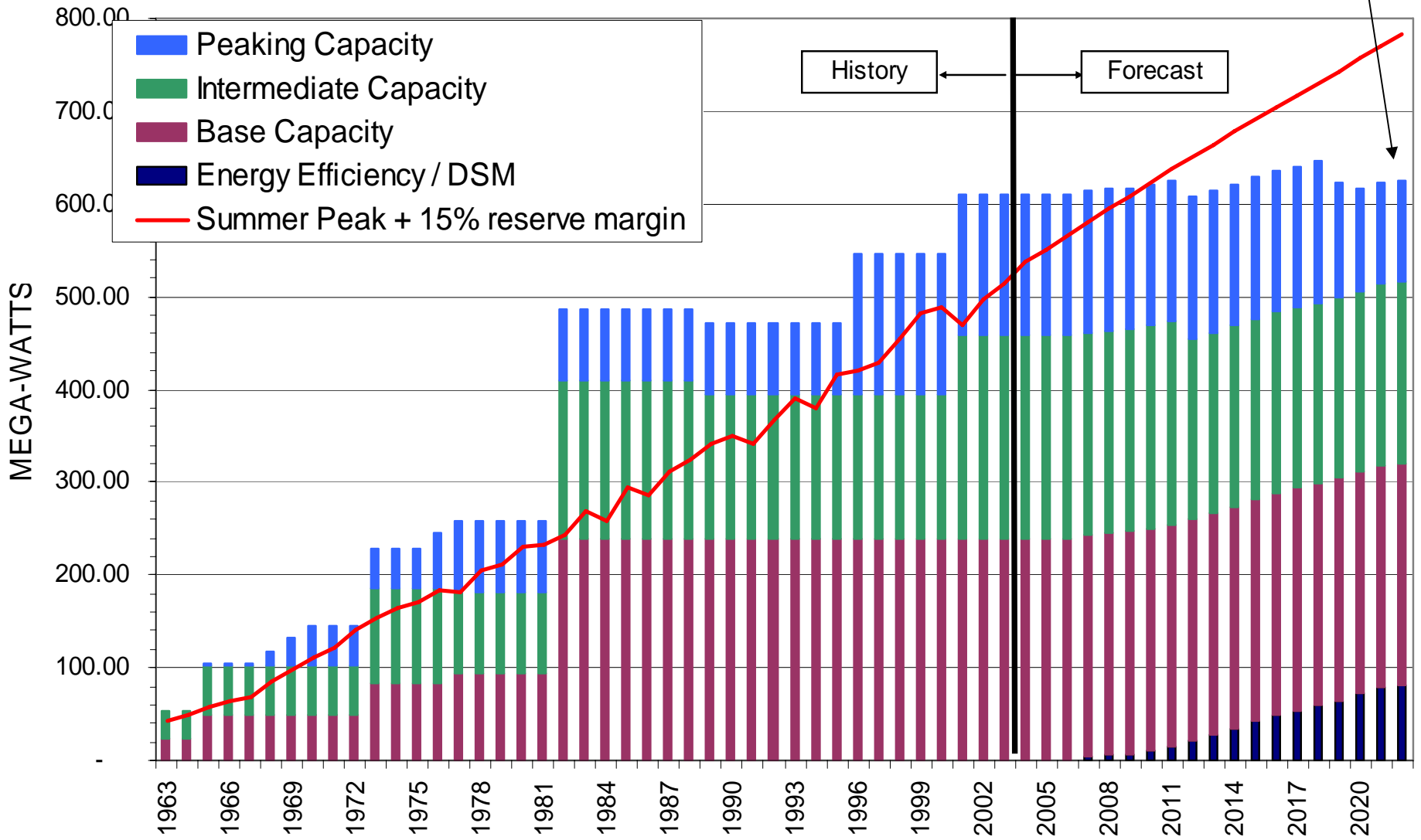
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Source: GRU Presentation - ELECTRICAL SUPPLY PLANNING IN AN ERA OF GLOBAL WARMING October 13, 2004

# Adopted TRC and Implemented Maximum DSM 2006

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# The Process

- Public discussion process 2002 – 2006
  - Over 50 public meetings
  - Over 20 meetings with City Commission
- Integrated Resource Plan (IRP) 2002 – 2005
  - Identified need for new economical base load capacity
  - Plan utilized Rate Impact Measure (RIM) test
- Independent review process 2005 – 2006
  - Conducted two independent reviews of IRP
  - April 2006 City Commission took action

# City Commission Action

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

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

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

# DSM Study Results

- Goals
  - Demand - 86 MW by 2025
  - Energy – 249,000 MWh by 2025
- Long term impacts
  - Decrease demand growth by ~ 50% a year
    - Projected growth 8.8 MW / year
    - Projected DSM - 4.5 MW / year
  - Decrease energy growth by ~ 30% a year
    - Projected growth 43,000 MWh / year
    - Project DSM - 13,000 MWh / year

# Taking the Lead

## Comparison of 2015 Electricity Energy Efficiency Goals for Florida Utilities

Utility	% Reduction of Retail Electric Sales
GRU	10%
Tallahassee	8%
Gulf Power	5%
Progress	4%
Tampa	3%
FPL	1%
Seminole	0%
JEA	0%
FMPA	0%
OUC	0%
Lakeland	0%

“The targets that you have set for 2015 rank among the more aggressive being realized by utilities nationally based on our review of other programs’ performance, and are clearly the most aggressive announced by utilities in the state of Florida.”

- R. Neal Elliott, Ph.D., P.E.

ACEEE

Data Source: Schedules 3.1.1  
2007 Florida Ten Year Site Plans



More than Energy

# Program Budget

- FY07
  - \$2.3M incentives budget (excluding admin)
  - \$290M total budget revenues
  - \$120M electric revenue (excluding fuel)
- FY08
  - \$3.5M incentives budget (excluding admin)
  - \$334M total budget revenues
  - \$132M electric revenue (excluding fuel)

# Results so Far

- FY07 results through 3<sup>rd</sup> quarter
  - 1.6 MW
  - 11,710 MWh
- Costs with overhead and administration
  - \$ / kW - \$863
  - \$ / MWh - \$11

# Next Steps

- Continue to add to program mix
  - We're still on the uphill slope of ramp up
- Evaluate and improve existing programs
  - 3<sup>rd</sup> party measurement and verification
  - Collaboration with peers
    - Benchmarking
    - Florida Municipal Energy Efficiency Committee

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