

Update on Utility Energy Efficiency Programs in the Southwest

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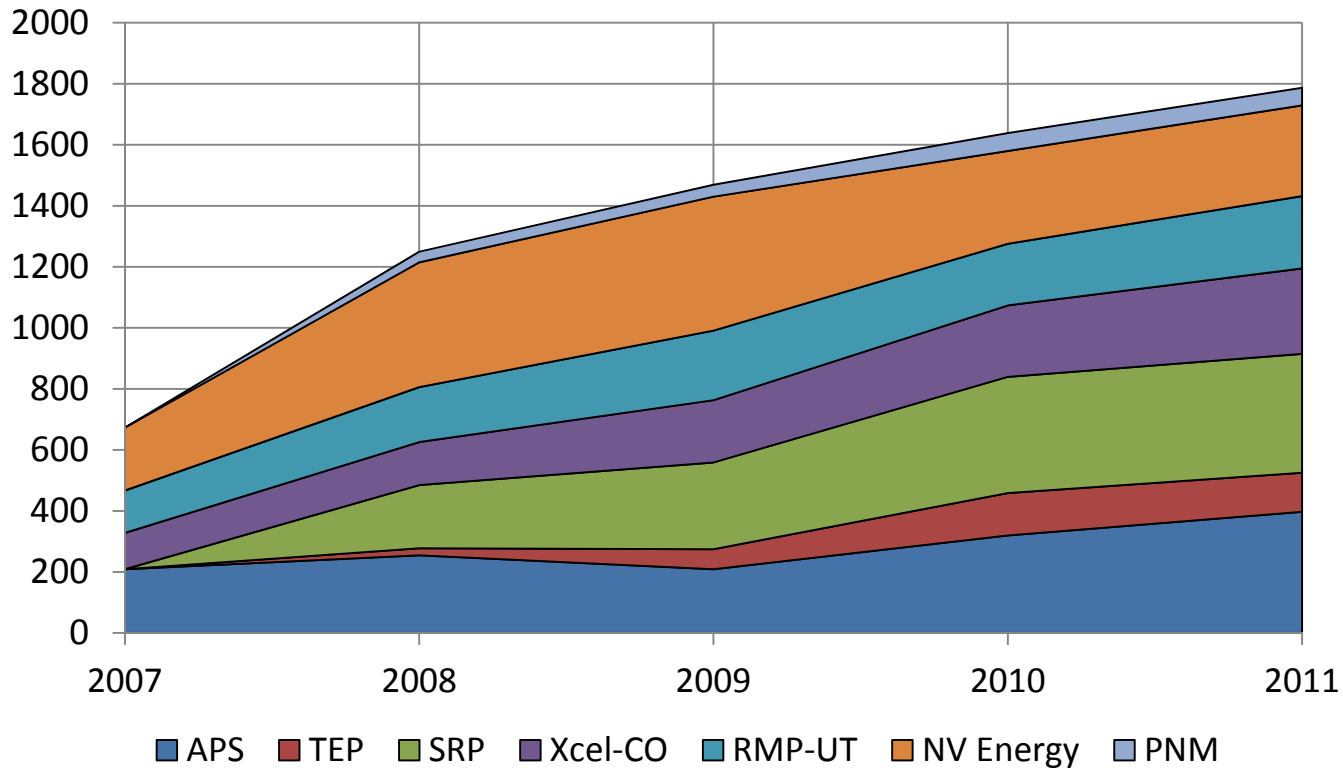
Electric Utility Efficiency Programs in the Southwest

| State | Electric DSM Program Spending/Budgets (million \$ per year) | | | | | | |
|---------------|--|-----------|-----------|------------|------------|------------|----------------|
| | 2002 | 2004 | 2006 | 2008 | 2010 | 2011 | 2012 (est.) |
| AZ | 4 | 4 | 19 | 45 | 94 | 111 | 130 |
| CO | 11 | 21 | 18 | 28 | 66 | 85 | 100 |
| NV | 3 | 11 | 30 | 55 | 46 | 50 | 55 |
| NM | 1 | 1 | 1 | 10 | 24 | 28 | 35 |
| UT | 9 | 16 | 27 | 36 | 51 | 51 | 55 |
| WY | ~0 | ~0 | ~0 | ~0 | 3 | 4 | 5 |
| Region | 29 | 54 | 95 | 174 | 284 | 329 | 380 |

Source: SWEEP data

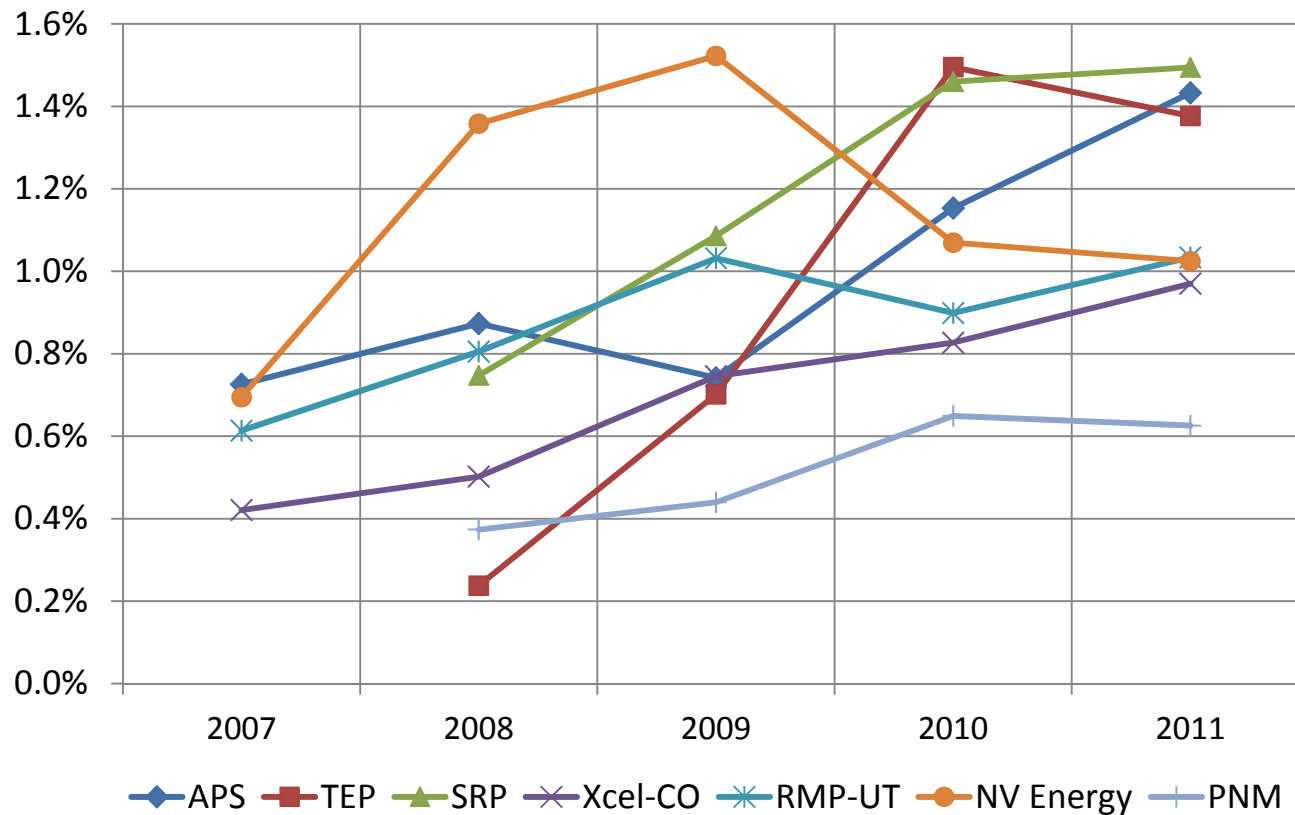
Energy Savings Trends by Utility - First Year Savings (GWh/yr)

Utility GWh Savings by Year



Energy Savings Trends by Utility (first year savings as a % of retail sales)

Utility Annual % Savings by Year



Featured Program Successes

- ❑ **APS** – Home Performance with ENERGY STAR implemented through contractors
- ❑ **NV Energy** – variable speed pool pumps with incentives for distributors & vendors
- ❑ **SRP** – building energy code education and advocacy
- ❑ **Xcel-CO** – small business lighting retrofits
- ❑ **PacifiCorp-UT** – industrial self-direct - 170+ projects since 2004

Key Trends and Issues

- Arizona IOUs striving for 1.75% savings in 2012 but under pressure from ACC to hold down program expenditures; disincentive removal and utility incentives under review
- Xcel Energy ramping up programs and energy savings in CO – shareholder incentive working well
- NV Energy DSM programs being cut by PUCN due to deep economic recession, excess capacity and concern for short-term rate impact; lost revenue recovery mechanism adopted but very controversial

Key Trends and Issues (cont.)

- ❑ New Mexico – two smaller IOUs planning to exceed 1% savings in 2012 but PNM is lagging; disincentive removal/incentive policy still in flux and controversial
- ❑ Utah – PacifiCorp expanding programs and energy savings (> 1% in 2012) without decoupling or shareholder incentive
- ❑ Wyoming – PacifiCorp ramping up programs but 2012 projected savings still only ~0.25% of sales

SWEEP:

Dedicated to More Efficient Energy Use in the Southwest

Resources available online at:

www.swenergy.org

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