



# Iowa Energy Efficiency The Power of Opportunity

*Sarah Else*

*Director, Renewable Energy Resources*

# The Power of Opportunity: Overview

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- Iowa Climate Change Advisory Council
- Iowa Office of Energy Independence
- Iowa Power Fund
- House File 918 Studies
  - Energy Efficiency Program Study
  - Energy Efficiency Program Study Recommendations
  - Survey of Consumers Energy Efficiency Knowledge
- Iowa Energy Efficiency Planning Process
- So, what does that mean for Alliant Energy?

# Iowa Climate Change Advisory Council

- Senate File 485
  - Development of a greenhouse gas (GHG) inventory and voluntary registry
  - Established the Iowa Climate Change Advisory Council
  - <http://www.iaclimatechange.us/>
- Recommendations to date (January 1, 2008)
  - Multiple scenarios for state-wide reductions in greenhouse gases with targeted goals of 50% and 90% by 2050
  - Adopting a baseline year of 2005 for the purposes of calculating state-wide GHG emission reductions in future years
  - Adopting other baseline years for the purposed of economic opportunities and incentives as needed
  - GHG reductions for interim years including 2012, 2020, and finally 2050
- In 2008 the Council will
  - Continue work on selecting GHG mitigation options and energy opportunities
  - Evaluate cost-effectiveness of these options
  - Recommend policy options by December 31, 2008
- Position the state to address the climate change problem, become more energy independent, and create future economic opportunities

# Iowa Office of Energy Independence

- Created in May 2007
  - Coordinate Iowa's effort to expand renewable energy production and EE
  - Lead Iowa to energy independence by 2025
  - Roya Stanley, Director, Office of Energy Independence
- Iowa Plan for Energy Independence, Charting Iowa's Course in the New Energy Economy, December 2007
  - [http://www.energy.iowa.gov/OEI/docs/Final\\_Plan.pdf](http://www.energy.iowa.gov/OEI/docs/Final_Plan.pdf)
  - Goals and Strategies
    - Engage all Iowans in achieving the state's energy goals
    - Achieve greater energy efficiency
    - Develop, encourage, and use sustainable and secure energy
    - Improve Iowa's natural resources and environment
    - Ensure that energy is affordable
- Next Steps

# Iowa Power Fund

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- The Power Fund was created to be a tool for OEI, the Power Fund Board, and the Due Diligence Committee to use to promote the goals of Iowa energy independence. Power Fund money is appropriated to the office to be used in providing financial assistance to entities conducting business, research, or programs in Iowa:
  - To accelerate research and development, knowledge transfer, technology innovation, and improve the economic competitiveness of efforts
  - To increase the demand for and educate the public about technologies and approaches
  - \$100 million
  - Board (18 members) from a wide spectrum of stakeholders
  - First meeting September 2007

[http://www.energy.iowa.gov/Power\\_Fund/index.html](http://www.energy.iowa.gov/Power_Fund/index.html)

# Iowa House File 918 Studies

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- HF 918 directed IUB to conduct 2 studies
  - A study to determine the status and effectiveness of all gas and electric utilities' energy efficiency plans and programs
  - A survey of consumer knowledge of energy use and efficiency programs
  - <http://www.state.ia.us/iub/energy/noi072.html>

# EE Programs Study

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- Report on the status of Energy Efficiency Programs in Iowa, in 2006 IOUs
  - Achieved new or incremental savings of 0.8% of retail electricity and natural gas sales
  - Cumulative or ongoing savings of 5.9% of retail sales
  - Invested 3.36% of electric revenues and 2.8% of gas revenues on EE
  - Achieved a b/c ratio of 2.13 (more than \$2 benefits received for every \$1 spent on EE)
  - Ranked among the top ten states for planned per capita spending (CEE)
    - EE and load management (#1)
    - Electric EE (#9)
    - Natural gas EE (#2)

# EE Programs Study Recommendations

## ■ Key Recommendations

- ❑ IUB will direct IOUs to analyze the feasibility and effects of increasing EE savings from .8% in 2006 to 1.5% of annual utility retail sales by 2012
- ❑ Will require IOUs to estimate the effects of potential carbon dioxide emission standards on future avoided costs
- ❑ IUB will work with IOUs to research implementing shared energy efficiency programs to achieve economies of scale
- ❑ IUB will work with IOUs to research implementing a statewide energy education and marketing program
- ❑ IUB will research the feasibility of increased funding for low-income weatherization
- ❑ IUB will work with stakeholders to research loan guarantees, grants to secure loans, or other sources of capital for EE

# Survey of Consumers EE Knowledge

- Survey of consumer knowledge of energy use and efficiency programs designed to assess
  - Consumer knowledge of energy use and efficiency
  - Methods to increase such knowledge
- Funded by the Iowa Energy Center, completed fall of 2007
  - University of Northern Iowa Center for Social and Behavior Research
  - Approximately 900 interviews - a 95% confidence level
- Conclusions (page 27 of report)
  - Global warming is viewed as serious and action is needed
  - Knowledge about EE and conservation is moderate, but accurate
  - Use of CFLs a high satisfaction product
  - ENERGY STAR awareness is moderate
  - TV and print media are viewed as most effective communication sources for EE and most likely to be source of current knowledge . . . internet reference is important!
  - Utility viewed as credible source of energy information
  - Attitudes and behavior vary across subgroups

# Iowa Energy Efficiency Planning Process

- Statutory Requirements for IOU EE plans must include
  - Range of programs for all customer classes
  - Low-income EE assistance
  - Use of Iowa agencies or contractors to extent cost effective
  - Technical assessment of potential
  - Cost effective at the plan level
  - Performance standards
- Process
  - Developed, reviewed and implemented on a 5-year cycle
    - Joint assessment of potential
    - Individual plan development
  - Public stakeholder collaboration
  - Filing in 2008 and effective in 2009 - 2013
  - IUB sets procedural schedule

# So, what does that mean for Alliant Energy?

## OPPORTUNITY

- Alliant Energy position on climate change
  - Alliant Energy will continue to invest in energy efficiency and renewable energy
  - See Alliant Energy Environmental Progress Report, September 2007 at [www.alliantenergy.com/docs/groups/public/documents/pub/p014402.hcsp](http://www.alliantenergy.com/docs/groups/public/documents/pub/p014402.hcsp)
- Next 5-year Energy Efficiency Plan (EEP) will build on successes
  - In the top five nationally in spending at \$39.26 per person
  - Electric energy savings surpassed 115 million kWh ( $\approx 150\%$  of goal)
- 2008 application for 2009 EEP
  - AE will do more energy efficiency
  - AE will have a more holistic approach to energy efficiency
  - AE will include renewable resources
  - AE will develop a flexible plan
  - AE will adopt to changing technologies, laws, codes, and standards

# Contact Information

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**Kim King, Manager, Energy Efficiency and Demand Side Management**

Phone: 319.786.7649

Email: [kimking@alliantenergy.com](mailto:kimking@alliantenergy.com)

**Sarah Else, Director, Renewable Energy Resources**

Phone: 319.786.7722

Email: [sarahelse@alliantenergy.com](mailto:sarahelse@alliantenergy.com)

[www.alliantenergy.com](http://www.alliantenergy.com)