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Efficiency Groups Endorse Duke's 'Save-A-Watt' Plan

In a boost for Duke Energy Corp.'s bid to win regulator support for the utility's plan to earn nearly the same amount of profit from boosting energy conservation in its service territory as it does from building new power plants, three national advocacy groups for energy efficiency announced Tuesday they have reached an agreement with Duke Energy to expand its efficiency programs, including a more aggressive energy savings target.

Under the terms of the agreement, the Alliance to Save Energy, the American Council for an Energy-Efficient Economy (ACEEE), and the Energy Future Coalition now endorse Duke's "save-a-watt" initiative as "an innovative and promising new direction for the company and its customers." Significantly, the three groups stopped well short of endorsing Duke Energy's bid to earn from its efficiency program as much as 90 percent of the profit it would expect to make from building new generation.

"While supporting the save-a-watt

initiative, the alliance, ACEEE and the Energy Future Coalition will look to regulators in each state to determine an appropriate and reasonable level of compensation," the groups said in a written statement.

Duke announced new efficiency targets of 1 percent of ongoing retail electricity sales by 2015 in its five-state region, upon approval of its initiative. The agreement calls on the utility to pursue all cost-effective energy savings with no company-imposed cap on its total efficiency investment.

The target is subject to the availability of cost-effective energy efficiency measures to achieve the target. To ensure success in meeting its savings target, Duke said it will devote approximately 5 percent of its efficiency program expenditures to strong evaluation, measurement, and verification (EM&V) protocols and practices. In addition, an advisory committee will be formed to review Duke's progress in achieving its efficiency goals, the groups said.

"The Alliance to Save Energy ap-

plauds Duke Energy's innovative approach to deploying energy efficiency as the first and most valuable resource for meeting its customers' growing demand for energy," said Alliance's President Kateri Callahan. "Duke's commitment to unlimited investment in energy efficiency marks a paradigm shift away from conventional thinking that growing populations and growing demand by definition require new generation."

"We are excited about this new partnership to expand energy efficiency across the regions we serve," said Ted Schultz, Duke's vice president of energy efficiency. "We have adopted some very aggressive energy efficiency targets, but are confident we can produce these savings through additional programs and new technology that will provide greater savings to customers without sacrificing convenience or productivity."

Duke has filed energy efficiency plans in North Carolina, South Carolina, and Indiana. The company will be making similar filings in Ohio and Kentucky later this year.