

# FOCUS ON ENERGY

*Wisconsin's statewide energy efficiency  
and renewable energy program*

*Presentation to the Blue Skyways Collaborative*

*September 26, 2007*

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# Prior to Focus on Energy...

- Utilities ran their own efficiency programs
- This model had successes and challenges
  - Solid savings and program models in some areas
  - Confusion for market providers and customers
  - Talk of utility deregulation meant efficiency programs might fall by the wayside (utility spending for efficiency declined in 1990s)
  - Stakeholders agreed that there were more efficient and cost effective ways of achieving the savings needed to meet state's growing needs

# How Focus Began

- Wisconsin's "Public Benefits" Program was created in 1999 via Wisconsin Act 9
- The program was administered through the Department of Administration (DOA)
- DOA rolled out the new program – called Focus on Energy – statewide in 2001
  - From 1998 to 2001 DOA operated a pilot version of Focus in the Wisconsin Public Service territory

# Original Admin Structure

- DOA was the lead; contracted with administrators to design/implement programs
  - Business Programs
  - Residential
  - Renewable Energy
  - Environmental Research
  - Evaluation and Compliance
- Program administrator(s) had subcontracts with multiple other organizations

# Eligibility under Act 9

- Investor-owned utilities (IOUs) were required to participate; municipal and cooperative utilities had options
- Eligibility based on utility serving customer
  - Wisconsin residents only
  - Customers of participating electric utilities were eligible for ALL measures
  - Customers of participating gas utilities were eligible for gas-saving measures

# A Need for Change

- Focus on Energy's budget was susceptible to funding diversions
- Lack of integration with Public Service Commission (PSC)
  - Focus results not part of planning for state's future energy needs
- Recognition that state needed more aggressive approach to energy efficiency

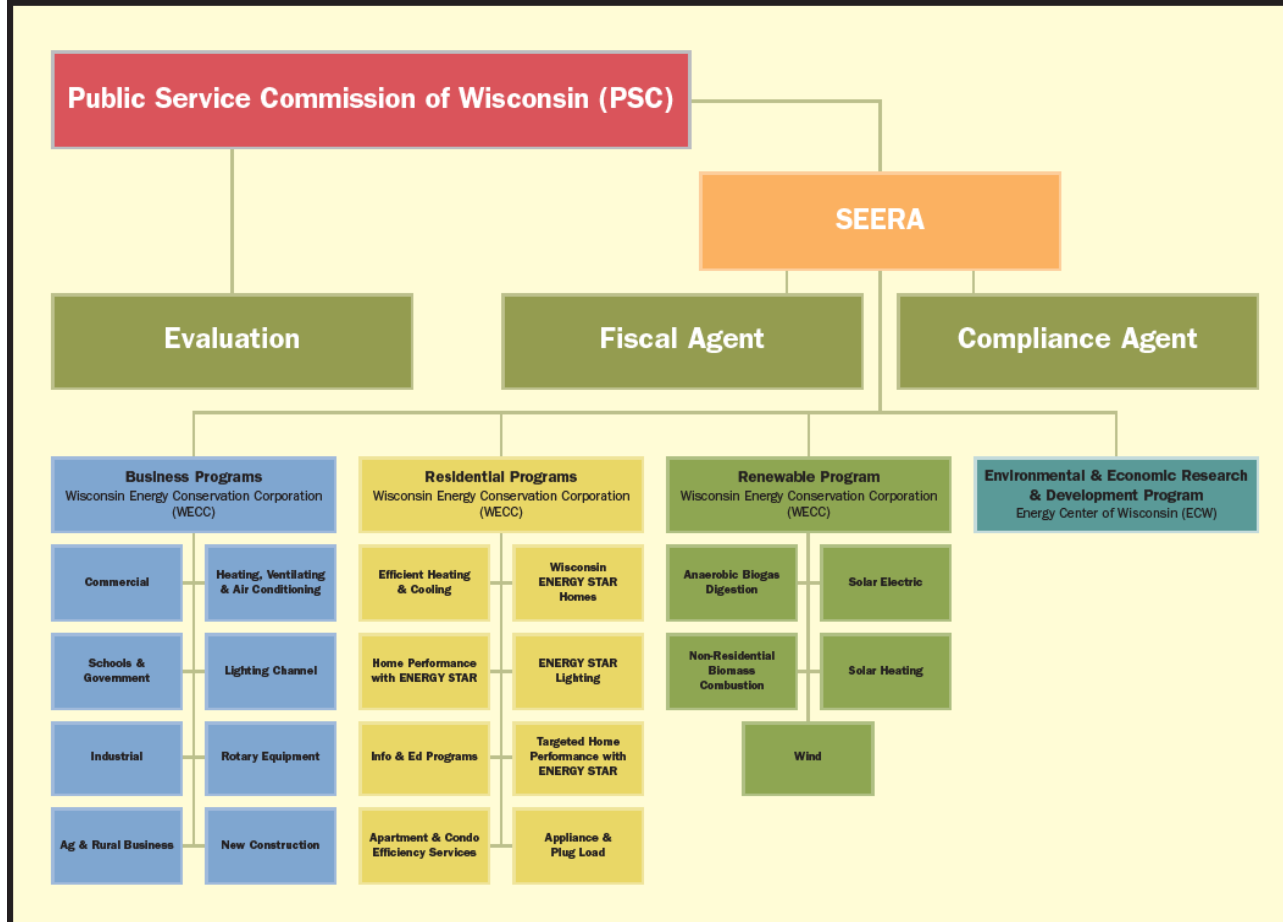
# Which Leads Us To...

- Act 141 – passed in 2005; enacted 7/1/07
- Overall administration moves to the PSC
- Utilities created SEERA (Statewide Energy Efficiency & Renewables Administration) to contract with Focus administrators
- Funding is set at 1.2% of IOU revenues and \$8/meter for munis/coops
- Funding is protected from diversions

# Other Act 141 Changes

- Eligibility now states that a WI customer is eligible for a certain measure if it saves a fuel type they purchase from a participating utility
- Munis/coops still have options to join Focus or run their own programs, but are now required to report on achievements
- New options for serving largest customers beginning in 2009
- PSC won't order utilities to do more efficiency before new building projects are approved

# ORGANIZATIONAL CHART FOR THE FOCUS ON ENERGY PROGRAM



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# What does Focus on Energy do?

- Works with eligible Wisconsin residents and businesses
- Assists with installation of cost effective energy efficiency and renewable energy projects (info, referrals, incentives) that would not occur otherwise
- Helps customers manage rising energy costs
- Promotes in-state economic development
- Protects our environment
- Controls the state's growing demand for electricity and natural gas

# Focus on Energy's Approach

- Provide info, resources and incentives to help move projects to completion
- No incentives for technologies already adopted by market, low/no incremental costs, or installations that would occur without program's help
- Work through market channels whenever possible

# *Introduction to Focus on Energy Programs*

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# Focus on Energy's Programs

- **Residential**
- **Business**
- **Renewable**

# Residential Programs

- **Lighting** – ENERGY STAR qualified CFLs, lamps, fixtures; LED holiday lights
- **Appliance & Plug Load** – Mostly educational; incentives on water heaters & occasionally other appliances
- **Efficient Heating and Cooling** – SEER 14+ central air, heating systems with electricity-saving fan motor, high efficiency boilers
- **Certification discounts** for new Wisconsin ENERGY STAR Homes

# Residential Programs, cont.

- **Evaluations and improvements** for existing homes
  - Home Performance with ENERGY STAR incentives average 10-15% of project cost and include discount off the consultant's evaluation fee
  - Targeted Home Performance pays 90% of project cost for income-eligible customers
- **Services and incentives** for both new and existing apartments and condos (including up to \$250,000 for new construction projects)

# Business Programs

- **Commercial, industrial and agricultural** facilities, as well as **schools and government** buildings
- **Standard “prescriptive” incentives** on lighting, motors, HVAC equipment, compressed air, steam traps, plate coolers, variable speed controllers for vacuum pumps, heat recovery tanks and **more**
- **Incentives on custom projects** of \$125-\$200 per kW, 4-6 cents per kWh and 40-60 cents per therm (up to 30% of project’s cost and max of \$250,000)

# Business Programs' Services

- **Unbiased technical information and assistance**
  - Case studies, technical information sheets, fact sheets: available in hard copies or on the web
  - Actual customer and business ally experiences
- **Access to education and training classes statewide**
  - Commercial/industrial Practical Energy Management
  - Operations & Maintenance Training
  - Building Operator Certification
- **Work closely with contractors and business allies.** They install efficient technologies for customers and ensure customers obtain Focus financial incentives.

# Renewable Energy Program

- Solar electric
- Solar thermal
- Wind
- Biogas
- Non-residential biomass

# Renewable Energy Services

- **Information and advice** via telephone, fact sheets, community outreach, and web site
- **Site assessments** to determine feasibility of installation
- **Financial incentives** and grants
- **Installation assistance** & referrals

# Key Points to Remember

- For every \$1 spent on Focus on Energy, Wisconsin residents and businesses gain \$5.30 in benefits

# Key Points to Remember

- Focus matters: if recent trends in electric usage growth in Wisconsin continue, our state will need a new power plant **every year after 2012**
  - We can reduce that growth in usage through efficiency and renewables

# Key Points to Remember

- Compare the cost of saving energy via Focus to the cost of building a typical power plant in Wisconsin to produce that energy.

	Electricity	Natural Gas
Focus*	\$0.04/kwh	\$0.37/therm
Avg WI Utility	\$0.052/kwh	\$0.84/therm

\* Averages since 2001