



Industrial Program Planning Committee

Identifying Target Markets for Industrial
Energy Management Programs

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Objectives

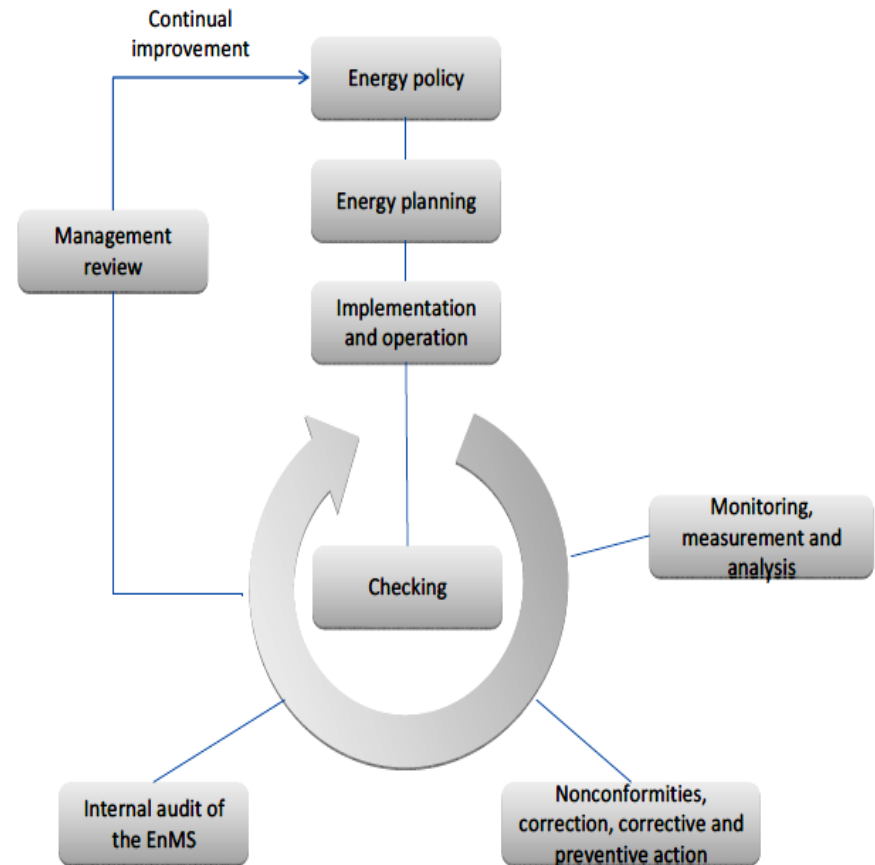
- ▶ Identify the types of industrial customers that are good candidates for industrial energy management programs.
- ▶ Learn how members are targeting industrial energy management programs to specific market segments
- ▶ Draft set of participant criteria to guide members who are considering an energy management program

Agenda

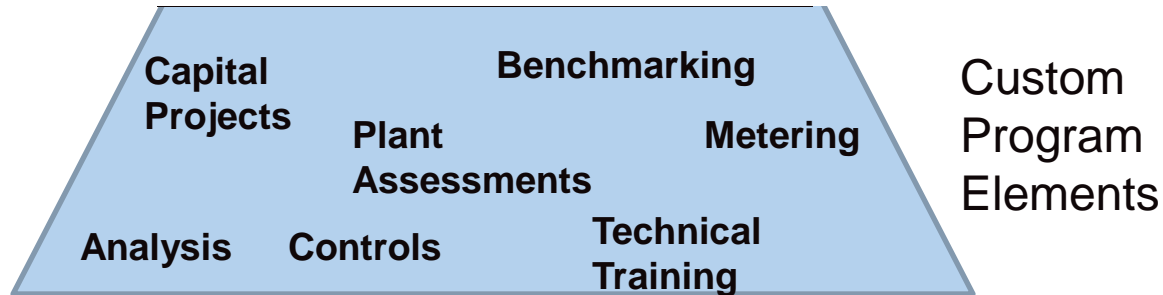
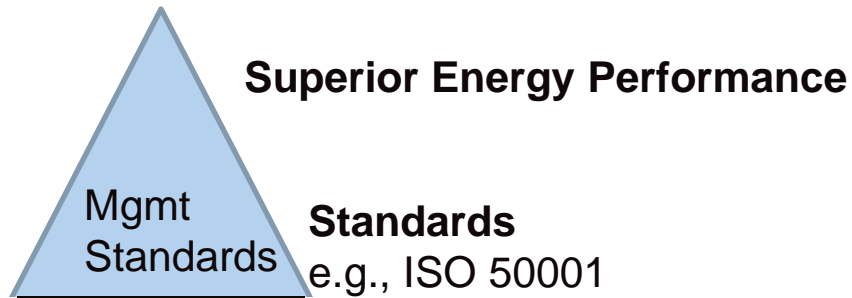
- ▶ Introduce Committee Framework
- ▶ Program Panel
 - Xcel Energy – Minnesota
 - BC Hydro – British Columbia
 - Union Gas - Ontario
- ▶ Questions, Discussion
- ▶ Next Steps

Industrial Energy Management

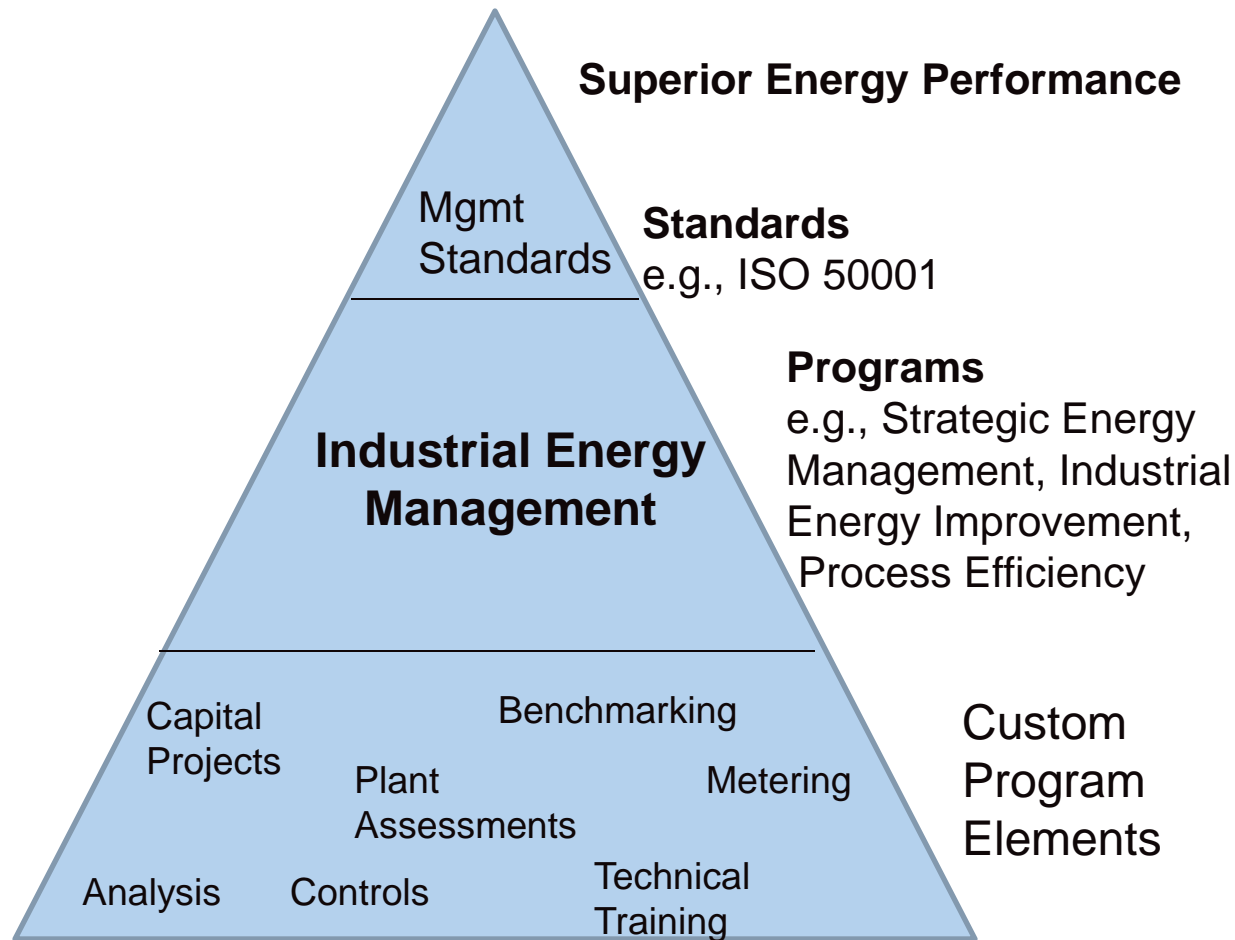
- ▶ **Hypothesis:** Implementation of energy management leads to persistent measurable energy savings for programs
- ▶ Strong member interest, some very compelling members pilots, but there are many questions on program design and evaluation
- ▶ What is the role for programs?
- ▶ Role for CEE



Understanding the Program Landscape in 2012



Understanding the Program Landscape in 2012



Committee Framework for IEM

An IEM program takes a **multi-year, whole** facility approach to enable customers to manage their energy. Key customer-side pieces include:

- ▶ Customer Commitment
 1. Resources
 2. Goal setting
 3. Persistence
- ▶ Energy Plan—Who? How? When?
- ▶ Tracking System—Measure energy performance and progress toward goals

Many Potential Benefits

- Lower program transaction costs
- More savings though greater (and deeper) customer participation in programs (via capital projects)
- More savings by establishing a basis to claim energy savings from improved operations and maintenance, behavior-based savings
- Opportunity to integrate additional program offerings, such demand response, Auto DR

Necessary Conditions

▼ Program Side

- An industrial ee program
- Regulator support for IEM (at some level)
- Ability to administer multi-year programs
- Approach to M&V
- Program Evaluation

▼ Customer Side

- Management Commitment and Support
- Action Plan (KPIs, energy, demand reduction goals)
- Monitoring, Reporting Systems to Track Performance Over Time (EMIS)
- Enhanced Communication Capability

Today's Program Panel

- ▶ Industrial Process Efficiency Program
 - Kerry Klem, Xcel Energy
- ▶ Sustainable Energy Management Program
 - Cindy Muller, BC Hydro
- ▶ Industrial Energy Management Program
 - Amanda McAlorum, Union Gas

Discussion

▼ Draft Program Criteria

- Industrial – manufacturing, mining, other, etc.
- Load Type – process dominated (not weather)
- Load – Shape?
- Size - energy consumption, spend, e.g., top 20%
- Savings Potential – efficiency and demand reduction
- Management
 - Experience with management standards (ISO, Lean, etc.)
 - Information System in place – EMIS, process or operations (SCADA)
 - History, track record with key performance indicators
 - Management commitment/support (energy manager, energy, GHG, or other complimentary goal)
 - Corporate Mandates/Support
- Recommendation from Utility Account Representative or Third Party Implementer

Next Steps

- ▶ Document today's findings on target markets
- ▶ Continue to define key terms and concepts from a program perspective
- ▶ Identify key markets and technologies
- ▶ Provide current member offerings results and lessons learned in a detailed program summary
- ▶ Determine and specify an appropriate CEE role to advance members programs
 - Identify data needed to conduct M&V

Contact

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