

# **Xcel Energy Industrial Process Efficiency**

**Kerry Ryan Klemm – Program Manager**

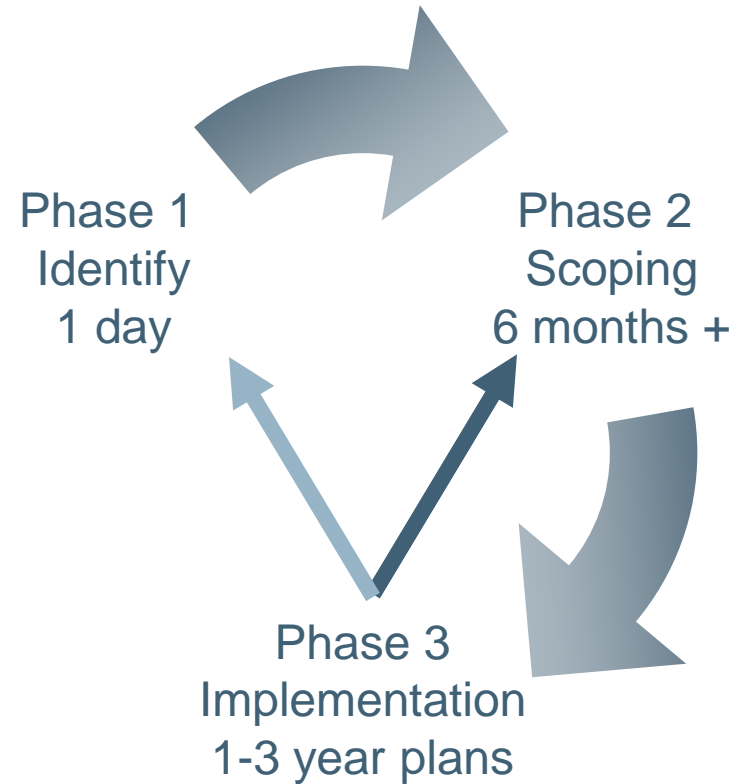
# What is Process Efficiency?

- Targets large industrial processes
  - Must produce a widget – SIC code
- Provides additional resources, driven by the magnitude of the conservation opportunities
  - 1 GWh or 40,000 therm minimum potential
- Available in Minnesota and Colorado



# Phased Approach

- 3 Phased Approach
- Customer decides whether or not to proceed with each phase
- MOU at each phase



# Phased Implementation

- Phase 1 – Identify
  - Recognize opportunities through EnVinta and high-level walk-through audit
  - Involves key decision makers
  
- Phase 2 – Scope and Define
  - Expand on opportunities to integrate energy efficiency into business practices
  - Meter, monitor and engineer to clarify technical projects and map energy flow



# Phased Implementation

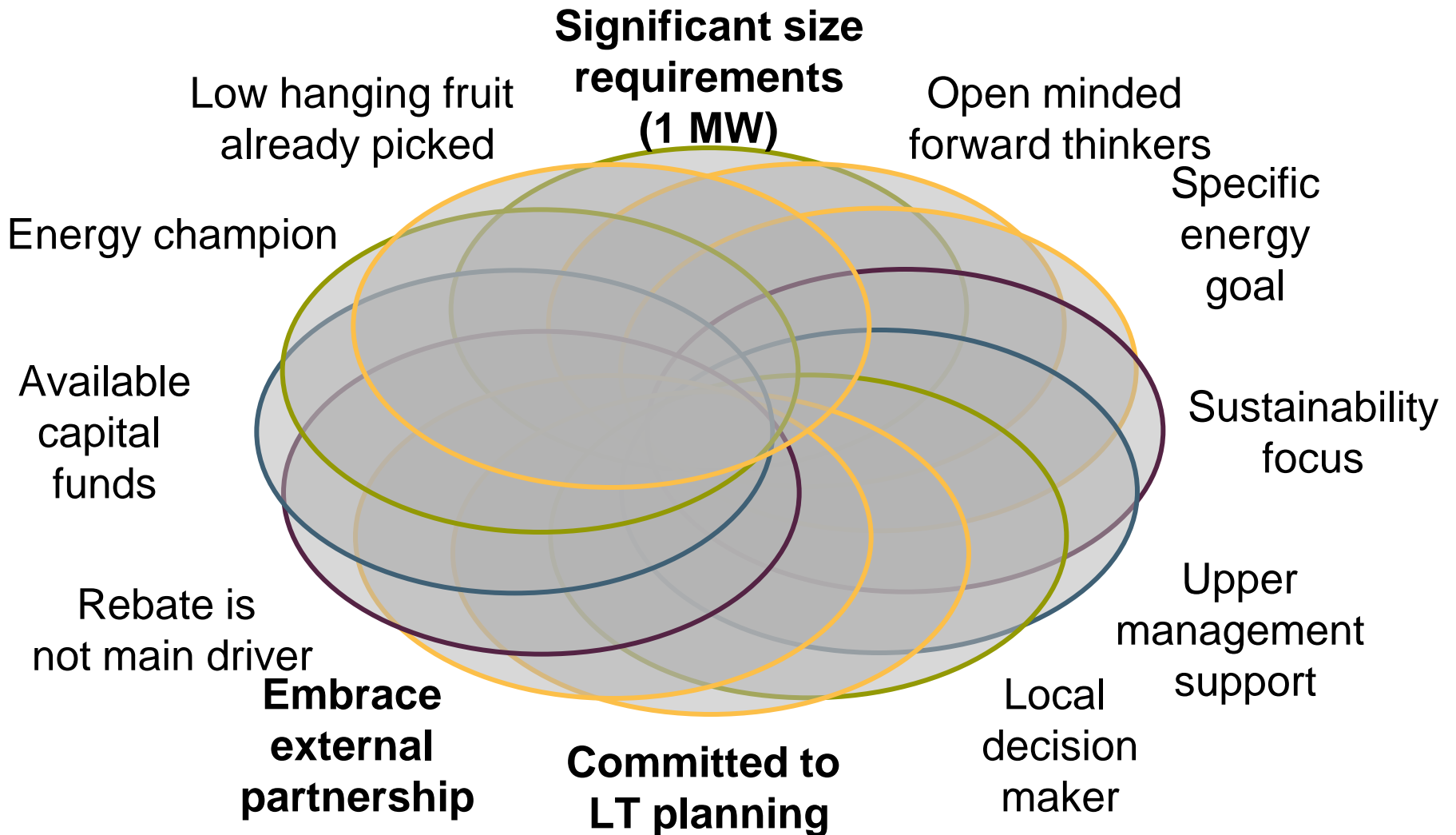
- Phase 3 – Implement
  - Xcel Energy creates custom proposal with bonus structure to support and drive customer's energy management plan
  - Actual savings calculated through prescriptive and custom rebate programs, roll up to holistic parent

# Process Efficiency Deliverables

- **Promote sustainable energy-efficiency behavior in large industrial customers**
  - **Address both business practices and technical projects**
- **Customize support to match customer needs**
- **Develop long-term energy management plan and drive implementation**



# Ideal Customers



# Key Industries

- **Plastics**
- **Chemicals**
- **Petro-chemicals**
- **Pharmaceuticals**
- **Electrical and Electronics**
- **Food and Beverage**
- **Oil refining**
- **Metals**
- **Water treatment**

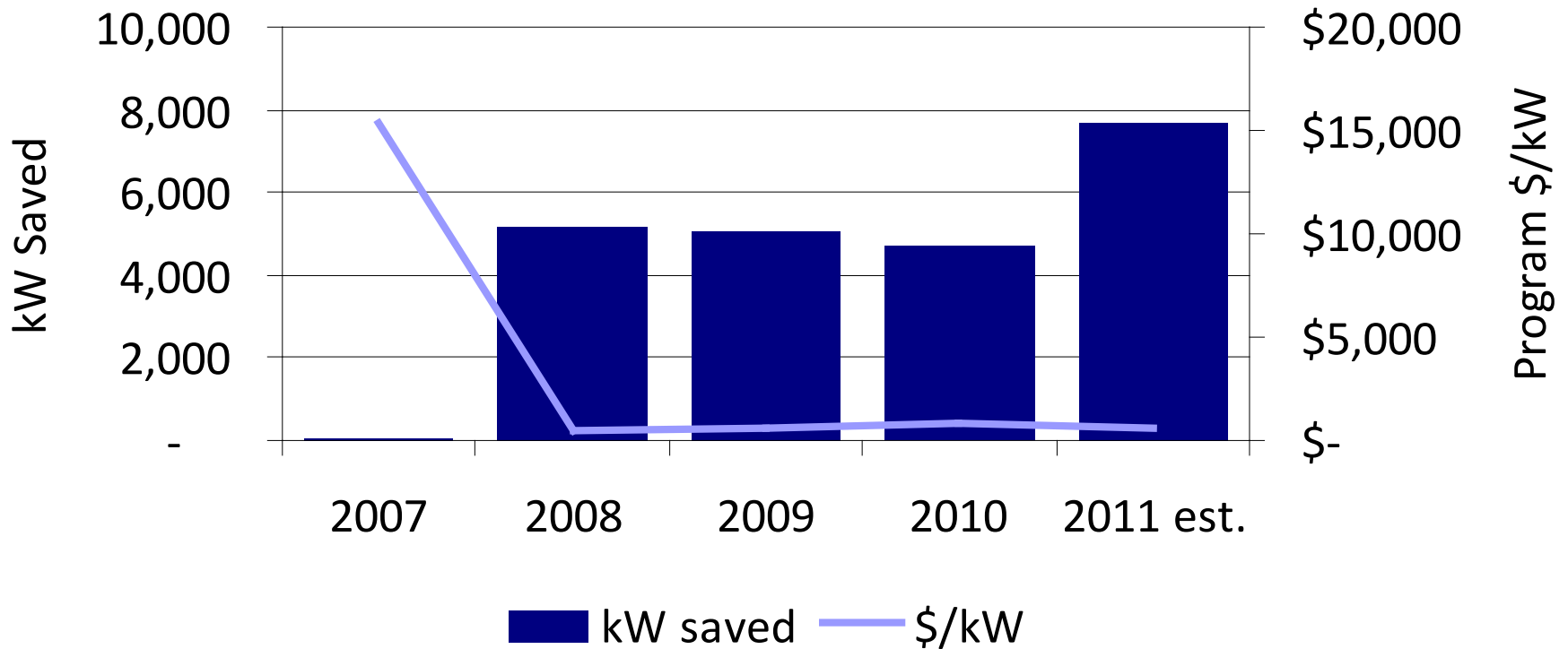


# Benefits of Process Efficiency

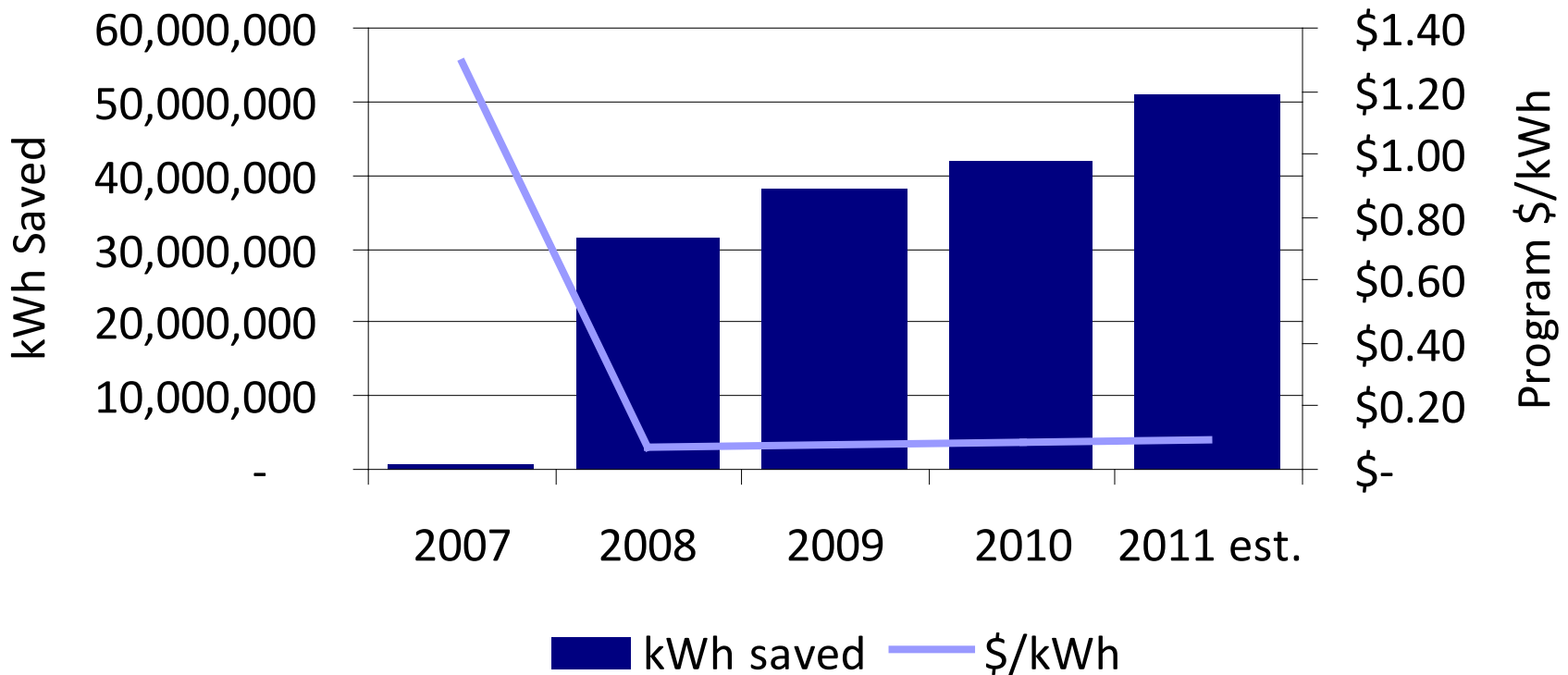
- 1. Long-term partnership that delivers integrated approach versus project-by-project support**
- 2. Results in sustainable energy-efficiency strategy by looking at both practices and projects**
- 3. All projects under one umbrella simplifies administration and avoids missing rebate opportunities**
- 4. Xcel Energy has flexibility to provide unique resources to match specific customer needs**
- 5. Potential to earn bonuses for exceeding annual goals or improving entire systems**



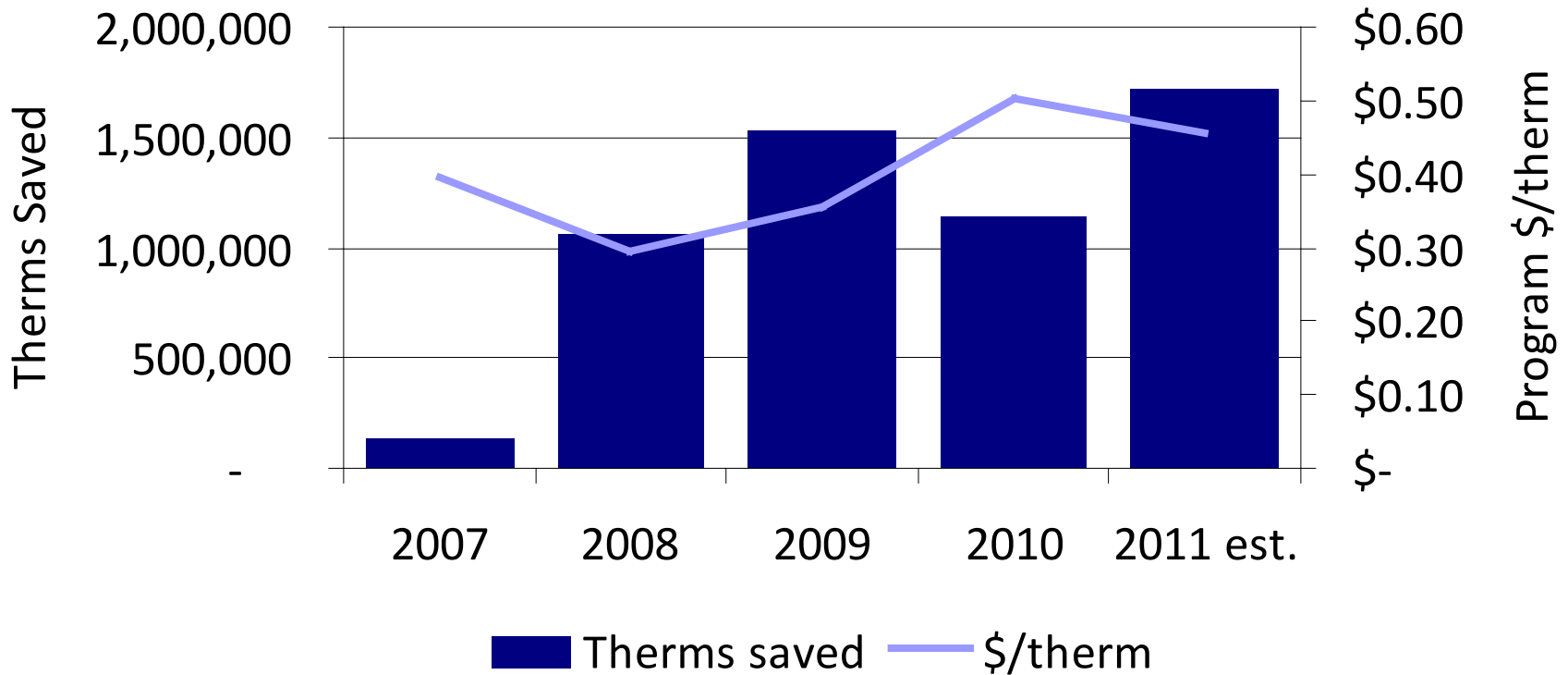
# Process Efficiency Achievements MN Electric kW



# Process Efficiency Achievements MN Electric kWh

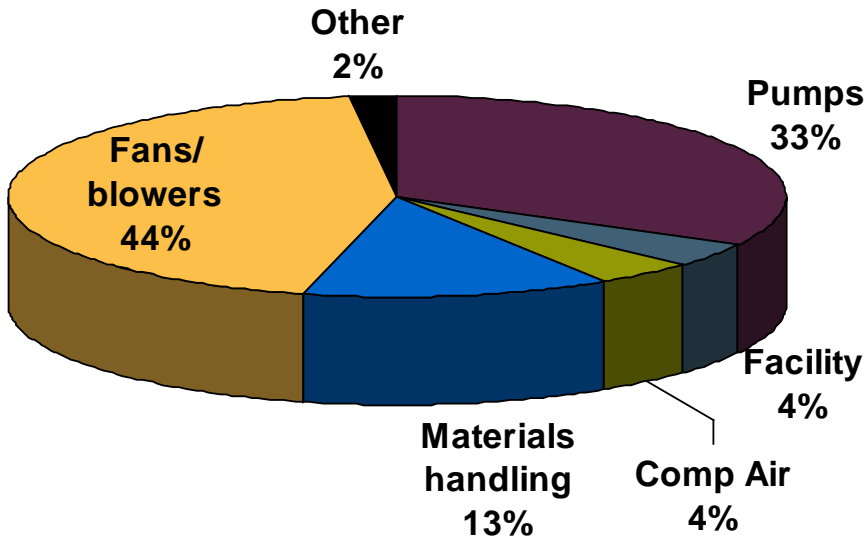


# Process Efficiency Achievements MN Gas

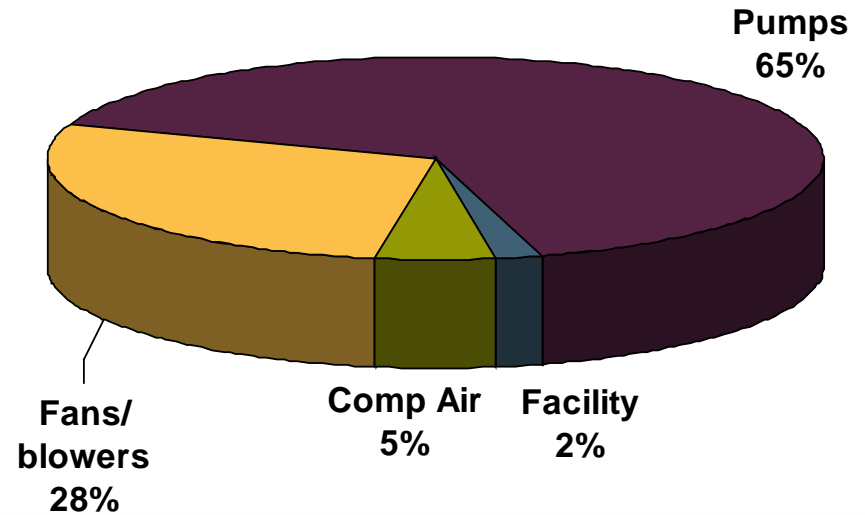


# Where Do Savings Come From?

## Electric Use - All Facilities



## Electric Savings - All Facilities



# What's Next?

- **Continued low-cost growth**
  - **New customers**
  - **Deeper savings from existing customers**
- **Address behavior savings**
- **Modified offering for mid-market**
  - **1 GWh or 4,000 Dth potential savings**
  - **Lower cost, less intensive effort**
- **Similarly designed program for commercial customers**
  - **Barriers, solutions vary by segment**
  - **Address behavior impacts**
- **Opt-out customer risk/opportunity**

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