

**Response of
Interstate Power and Light Company
to
OFFICE OF CONSUMER ADVOCATE
Data Request No. 101**

Docket Number: EEP-08-1
Date of Request: July 7, 2008
Response Due: July 14, 2008
Information Requested By: Jennifer Easler
Date Responded: July 17, 2008
Author: Kim King
Author's Title: Mgr. Energy Efficiency and DSM
Author's Telephone No.: (319) 786-7649
Subject: 2008 Energy Efficiency Plan, Appendix B, Pages 3 and 4 of 6

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Please provide a complete quantitative and qualitative explanation, and a copy of all documentation concerning the objectives, criteria, goals, and philosophy on how IPL establishes each non-residential rebate level.

Response

In determining which nonresidential measures to include in IPL's proposed Plan, IPL conducted a thorough review of program history, the Joint Utility Assessment, and the measures that were identified by interested parties as worthy of review during the collaborative process. As described in IPL's proposed Plan, the collaborative process included meetings with both stakeholders and coordination with MidAmerican and Aquila on measures to include and rebate amounts.

The nonresidential rebate programs described in IPL's proposed Plan seek to provide rebates for all measures deemed cost-effective and appropriate for IPL's customers, as well as measures that are not cost-effective on their own, but are included due to high savings potential and customer demand.

The first step in this process was to examine current rebate levels to see if measures should continue to be included in programs and whether rebate levels were appropriate based on updated data on savings and costs. For new measures identified to warrant inclusion, rebate amounts were determined by examining incremental costs, as well as societal and participant benefits. Some guidelines that shape the rebate calculations are that IPL seeks to offer an incentive that is a material percentage of the incremental measure cost facing a customer but is not approaching 100 percent of that cost. Once preliminary measures and rebate amounts were determined, IPL coordinated with

MidAmerican and Aquila to attempt to align incentives. However, it is recognized that this is an ongoing process, and through this coordination effort, rebate levels may change from those preliminary numbers presented in IPL's proposed Plan.