

**Response of  
Interstate Power and Light Company  
to  
OFFICE OF CONSUMER ADVOCATE  
Data Request No. 71**

Docket Number: EEP-08-1  
Date of Request: July 3, 2008  
Response Due: July 11, 2008  
Information Requested By: Jennifer Easler  
Date Responded: July 15, 2008  
Author: Gilbert Nunez  
Author's Title: Product Manager  
Author's Telephone No.: (319) 786-7237  
Subject: Custom Rebates – Contractors

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**Data Request No. 71**

- A. Who, or what organization, will actually be delivering the services?
- B. How will their performance be evaluated?
- C. What will be the role of the strategic account managers, and how will their time and expenses be allocated?

**Response**

A. For IPL's managed account customers IPL's Custom Rebate program is being delivered by strategic account managers, the Performance Contracting administrator and project developers. For IPL's non-managed account customers, the program is being delivered through trade allies, project developers, Alliant Energy website and IPL's Business Resource Center. IPL's Business Resource Center is available for any customer questions.

B. IPL objects to OCA data request number 71, part B, as it is vague and ambiguously unclear who is referred to as "their." Without waiving its objection, IPL states the following:

IPL assumes that "their" refers to contractors. Performance is not being evaluated by the contributions of any given person and or contractor. It is ultimately the customer's decision to select and implement measures that save energy, however, the program's overall success is measured by exceeding the program kWh and Therm goals set on a yearly basis.

- C. The role of the account manager is to educate the customer on the Nonresidential Energy Efficiency Portfolio that gives the customer several energy efficiency programs to choose from. Strategic Account Managers' time and expenses will be allocated according to Chapter 35 of the Iowa Administrative code which can be found at the following website.  
[www.legis.state.ia.us/Rules/2003/iac/199iac/19935/19935.pdf](http://www.legis.state.ia.us/Rules/2003/iac/199iac/19935/19935.pdf)

See Attachment A for the document titled Energy Efficiency Program Cost Categories which is an IPL internal document used to explain the application of Chapter 35 account requirements.

ENERGY EFFICIENCY PROGRAM COST CATEGORIES (1)

Category (2)	ERP Mapping	Definition
1) Planning and design	DES & DEV	Planning and designing the program. <b>Global level. To be used only for designing a new program, or revamping an existing program. May include internal labor (primarily marketing) or consultant labor. Non-marketing labor charged here must be approved by Product Manager. Market Research utilized for program design. Sales training related to launch or redesign of a program.</b>
2) Administrative	ADMIN	Administrative costs needed to run the program. <b>To be used as last resort. Internal labor and expenses such as employee expenses. DSM hotline, BRC, Product Managers, Sales Support when performing administrative tasks. Dues for technical organizations such IEC, IRC, E-Source, EPRI. Ongoing internal/vendor training for program continuity.</b>
3) Advertising and promotional	<b>PROMO</b>	Advertising needed to promote the plan to customers. <b>All Sales and technical support for cust visits (both internal and external, non audit) time. DSM Hotline, BRC labor when promoting programs. 100% Trade Allies, Ag labor (non audit). Product Manager labor for shows, developing ads. All Corp Com labor &amp; materials incl printing costs. Michaels labor for cust. visits.</b>
4) Customer Incentive	INCENTS	Board rules (p.1): "Incentives include, but are not limited to rebates, loan subsidies, payments to dealers, rate credits, bill credits, the cost of energy audits, the cost of equipment given to customers, and the cost of installing such equipment." <b>Ag labor for audits only. Feasibility Studies. Outside labor for audits, calculations, and design assistance. Technical Support labor for calculations and walk-throughs. Installed measures (thermostat, cfl, etc.). Dealer spiffs. Interruptible/Load Management. Low interest financing. No marketing or sales labor.</b>
5) Equipment costs	MATERIL	Costs of equipment needed to implement the program. <b>Any equip AE retains ownership of. Meters, etc. Demand meters for DLC.</b>
6) Installation costs	INSTALL	Installation of equipment needed to implement the plan. <b>Installation of demand meters, any equip we retain ownership of.</b>
7) Monitoring and evaluation	MONITOR	Board rules (p.11): "The utility shall describe in complete detail how it proposes to monitor and evaluate the implementation of its proposed programs and plan and shall show how it will accumulate and validate the information needed to measure the plan's performance against the standards." <b>Verification reports. Annual Cust Rebate report (Michaels), Shared Savings report, etc. KW Engineering. Market Research utilized for program evaluation. Michaels or internal tech support for rebate calculations. 100% claims processing. Follow up by DSM Hotline on audits.</b>
8) Miscellaneous costs	MISCELL	Anything not otherwise covered. <b>Not to be used. See O&amp;M.</b>

NOTES:

- (1) The cost categories are based on the Iowa rules. The categories are sufficiently general that Minnesota and Wisconsin rules are satisfied if the same categories are used for those states. The Iowa Utilities Board rules are found in Chapter 35 of the Iowa Administrative Code which is at the following web site: [www.legis.state.ia.us/Rules/2003/iac/199iac/19935/19935.pdf](http://www.legis.state.ia.us/Rules/2003/iac/199iac/19935/19935.pdf)
- (2) IUB rules, Chapter 35, page 11.
- (3) The IUB further defines its requirements as follows: "Each utility shall maintain accounting plans and procedures to account for all energy efficiency charges incurred on and after July 1, 1990....Each utility shall maintain a subaccount system, a work order system, or an accounting system which identifies maintain costs by each program. Examples of individual items include, but are not limited to costs for planning and design, labor, advertising and promotion, rebates, customer incentives, equipment, installation, funding of the Iowa energy center and the center for global and regional environmental research, funding of the alternate energy revolving loan program, and consultant fees. Each utility shall maintain accurate employee, equipment, materials, and other records which identify all amounts related to each individual energy efficiency program." Chapter 35, page 18.

**2005 Update:**

**Received Board approval at quarterly meeting to include energy-savings calculations and walk-throughs as customer incentives.**