

**Response of
Interstate Power and Light Company
to
OFFICE OF CONSUMER ADVOCATE
Data Request No. 74**

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Response Due: July 11, 2008
Information Requested By: Jennifer Easler
Date Responded: July 15, 2008
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Subject: Custom Rebates – Feasibility Study Program Component

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The program will pay up to \$15,000 for a feasibility study when the customer implements measures that capture at least 75% of the identified savings.

- A. What pre-screening criteria, if any, are applied to this program?
- B. How are the savings verified?
- C. Does the program also pay custom incentives for measure installation?
- D. What is the anticipated cost/kWh or kW saved of the program?

Response

- A. Pre-screening is required before approval is granted for a feasibility study. First, to qualify, the customer must generate annual revenues of over \$100,000. Second, the customer must submit a feasibility proposal to IPL's technical staff and product manager for review. The feasibility proposal must include the following criteria, (1) Purpose of the study, (2) Scope of work, (3) Expected completion date, (4) Total cost and breakdown, (5) Report expectations, (6) Report deliverables and (7) Contact name and address. Please see Attachment A for a IPL document that states the guidelines for the review process of feasibility studies.
- B. The feasibility study is used to educate the customer of potential savings found by the study, the account manager encourages the customer to implement the study's recommendations, but it is ultimately the customer's decision to implement the measures the study identified. Savings are not verified within the

Feasibility Study program, but if the customer chooses to implement the identified measures, the program would reimburse the remaining 50 percent of the study costs. The savings would be verified under the guidelines of either the Custom Rebate or the Performance Contracting program.

- C. Yes, as stated above, the customer is eligible for incentives under the Custom Rebate program.
- D. The Feasibility Study is used as a tool to educate IPL's customers and encourage them to implement the identified savings measures. In 2006, seven studies were approved for funding of \$45,024; with three projects completed for an expended total of \$32,912. In 2007, eight studies were approved for funding of \$60,100; with one project completed for an expended total of \$32,550. Since savings are not verified under the Feasibility Study program, the costs associated with kWh or kW saved for the program are not incorporated into the Feasibility Study program. Costs for verified savings that are realized due to a Feasibility Study are accounted for in the Custom Rebate program or the Performance Contracting program.