

STATE OF IOWA
BEFORE THE IOWA UTILITIES BOARD

IN RE: INTERSTATE POWER AND LIGHT COMPANY	DOCKET NO. EEP-2012-0001 199 IAC 35
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REQUEST FOR APPROVAL OF ENERGY EFFICIENCY PLAN

COMES NOW, Interstate Power and Light Company (IPL), pursuant to the Order issued June 24, 2009 (the June 24th Order), by the Iowa Utilities Board (Board) in Docket No. EEP-08-1 directing IPL to file a new Energy Efficiency Plan (Plan) on or before December 1, 2012, and files its Application for Approval (Application) of its 2014-2018 Energy Efficiency Plan (Plan). In support of its Application, IPL states as follows:

1. Statutory Authority. IPL is a rate-regulated public utility as defined in Iowa Code §476.1, and is therefore subject to the Board's jurisdiction. IPL is filing this Application pursuant to Iowa Code §§ 476.6(14) and (16) (2011) and 199 IAC Chapter 35. Iowa Code § 476.6(14) requires electric and gas public utilities to offer energy efficiency programs to their customers through an energy efficiency plan, and that the plan as a whole be cost effective. Iowa Code § 476.6(16) generally outlines the content and process for approval of utilities' energy efficiency plans. IPL's Plan, submitted with this Application, is designed to incorporate and satisfy these statutory mandates.

2. Collaboration. Throughout the planning and development of the Plan, IPL has pursued opportunities to inform stakeholders of its progress and

solicit input. IPL has had frequent formal and informal communications with multiple parties, including: other Iowa investor-owned utilities (IOUs), specifically MidAmerican Energy Company (MEC) and Black Hills Energy (BHE); Iowa municipal and cooperative utilities; the Iowa Utilities Association (IUA); Office of Consumer Advocate (OCA); environmental and industry advocates; economic development organizations; community-based organizations; trade organizations and trade allies; and energy-efficiency program contractors.

The following is a list of collaborative meetings held during the development of the Plan.

- January 24, 2012 – IUA sponsored a joint IOU meeting with the OCA and interested parties. The IOUs' consultant, The Cadmus Group, Inc., explained the Plan development process and presented results of the statewide Assessment of Energy and Capacity Savings Potential in Iowa study (Assessment).
- March 8, 2012 – IPL sponsored a meeting with the OCA and interested parties. IPL shared its specific Assessment information and received input on current and proposed energy-efficiency programs.
- May 15, 2012 – The IUA facilitated a joint IOU meeting addressing low-income programs.
- September 19, 2012 – IPL sponsored a meeting with the OCA and interested parties. At this meeting, IPL presented a summary of the Plan it had developed, and which is submitted for approval with this Application.

3. IPL's Energy Efficiency Plan. IPL's Plan consists of 25 programs offered under three portfolios, as well as three additional funding initiatives, as outlined in Table 1.

TABLE 1 - PROGRAM LIST

NO.	PROGRAM NAME
Energy Efficiency Portfolio	
Residential	
1	Residential Prescriptive Rebates
2	Home Energy Assessments
3	Change-A-Light
4	Appliance Recycling
5	New Home Construction
6	Multifamily
7	Low Income Weatherization
8	Low Income EnergyWise Education
9	Low Income Multifamily
10	Low Income Home Energy Savers
Nonresidential	
11	Nonresidential Prescriptive Rebates
12	Business Assessments
13	Custom Rebates
14	Commercial New Construction
15	Agriculture Sector
Outreach, Education and Training Portfolio	
16	Non-Targeted Energy Awareness and Information
17	School-Based Energy Education
18	Tree Planting
19	Hometown Rewards
20	Builder Training
21	Energy Efficiency Dealer Network
22	Bright Ideas
23	Research, Development and Demonstration
Demand Response Portfolio	
24	Residential Direct Load Control
25	Nonresidential Interruptible
Other Funding Initiatives	
26	Legislative Assessment
27	Evaluation, Measurement and Verification (EM&V)
28	Next Plan

IPL's Plan includes a range of programs tailored to meet the needs of all customer classes. IPL designed its programs to include residential, commercial, industrial and agricultural customers, as well as programs for low-income customers, so that all IPL customers can take advantage of energy efficiency opportunities. The Plan includes a number of new, revised and current program enhancements.

4. Objectives. IPL's Plan satisfies a number of objectives. First, the Plan is designed to ensure IPL customers receive the benefits of greater energy efficiency – which leads to lower utility bills – and the pride of helping to sustain clean and environmentally friendly communities. Second, the Plan ensures the citizens of Iowa receive the benefits of delaying the need to add new capacity. Finally, the Plan ensures that IPL shareholders receive the benefits of improved customer efficiency, satisfaction and loyalty and the returns from prudent spending strategies.

5. Board Findings. Iowa Code § 476.6(14) provides that “[i]n determining the cost-effectiveness of an energy efficiency plan, the Board shall apply the societal test, utility cost test, rate payer impact test, and participant test.” IPL's Plan includes a thorough analysis of all the requisite statutory tests, and presents those results for the Board's consideration.

6. Assessment of Potential. The process for developing the Plan began with the Assessment, a collaborative research project on behalf of the three IOUs. This Assessment identified technically feasible and cost-effective energy efficiency opportunities. Using common parameters tailored to each utility's specific customer base, load forecasts and avoided costs, the

Assessment produced a database of energy efficiency measures and an assessment of technical and economic potential of capacity and energy savings.

7. Program Design. In the second development phase of the Plan, IPL developed new or enhanced existing programs and initiatives for the energy efficiency portfolios. This phase drew heavily on: the results of the Assessment; company-specific data relating to avoided costs; customer forecasts; rates; and many other input parameters. The existing programs in the Plan were then systematically compared, at the end-use level, with the results of the Assessment to identify potential programmatic sectors and end-uses with significant potential that were not adequately served by existing programs. For each program in the portfolio, the development effort focused on the following elements:

1. Program description;
2. Operations;
3. Value proposition;
4. Customer targets;
5. Trade ally targets;
6. Incentive structure and process;
7. Eligible measures and incentives;
8. Market barriers;
9. Marketing and promotion;
10. Key participation information;
11. Outside services;
12. Participation;
13. Energy and demands savings;
14. Budget; and
15. Cost-effectiveness results.

8. Contents of Plan. The Plan is organized into the following six chapters:

1. Executive Summary;
2. Overview of the Plan;

3. Energy Efficiency Portfolio (Residential and Nonresidential);
4. Outreach, Education and Training Portfolio;
5. Demand Response Portfolio; and
6. Other Funding Initiatives (Legislative Assessment, EM&V, and Next Plan).

9. Witness. Ms. Jeanine A. Penticoff, Director - Energy Efficiency, Account Management, and Economic Development, provides testimony in support of the Plan. In her testimony, Ms. Penticoff sponsors all elements of the Assessment and the Plan submitted in this proceeding.

10. Appendices. Additionally, a number of technical and information appendices are supplied to provide the necessary backup and documentation associated with the development of this Plan. The appendices are labeled and described in Table 2 below.

TABLE 2 - LIST OF APPENDICES

LETTER	DESCRIPTION
A	Customer Rate and Bill Impacts
B	Collaborative Efforts
C	Electric and Natural Gas Load Forecasts
D	Electric Customer Class Load Profiles
E	Electric Avoided Costs
F	Natural Gas Avoided Costs
G	IPL Technical and Economic Potential
H	Volume 1: Assessment of Energy and Capacity Savings Potential in Iowa
I	Volume 2: Assessment of Energy and Capacity Savings Potential in Iowa

11. Conclusion. IPL has demonstrated that its Plan meets the requirements pursuant to the Iowa Code and 199 IAC Chapter 35. IPL therefore requests the Board approve IPL's Plan.

WHEREFORE, Interstate Power and Light Company respectfully requests the Board grant IPL's request for approval of its 2014-2018 Energy Efficiency Plan.

DATED this 30th day of November, 2012.

Respectfully submitted,

**INTERSTATE POWER AND LIGHT
COMPANY**

By:/s/ Paula N. Johnson

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