

Improving Life in the Communities We Serve

8/17/10

Agenda

- Comprehensive Energy Plan
- Commercial Programs
- Residential Programs
- Other Available Incentives
- Questions

Comprehensive Energy Plan

- Provide electricity needed to support local economy and meets growing supply needs
- Maintain competitive electric rates
- Continue our delivery of reliable service
- Balance renewables with stability of clean coal
- Respond to rapidly evolving environmental laws and regulations

Benefits of the CEP



Strengthening the Community

- Economic development incentives that reduce the cost of doing business
- Connections program
- Charitable contributions and company-sponsored volunteerism
- Business and residential energy efficiency programs and services

Energy Efficiency Programs

Commercial / Business Programs

- Rebate Program
- Energy Optimizer (demand response)
- Building Operator Certification
- Solar Rebates (Missouri small accounts)
- AccountLink (online)



Residential Programs

- Home Performance with ENERGY STAR® (Missouri)
- Cool Homes
- Energy Optimizer (demand response)
- Solar Rebates (Missouri)
- AccountLink (online)
- ENERGY STAR® New Homes (builder)
- Lighting the Future (Missouri)
- Weatherization

Commercial / Business Programs

Commercial / Business Rebates

- Prescriptive rebate
- Custom rebate
 - Retrofit
 - New construction
- Application process
- Program maximums

Prescriptive Rebates

- Designed for business customers served under one of KCP&L's Smaller rate classes (i.e. SGS, MO711, MO930)
- Available for both new construction and retrofit projects
 - Qualifying measures include:
 - Lighting
 - Motors
 - Unitary and split cooling systems
 - Efficiency measures that do not qualify under the Prescriptive Rebate program may be submitted under the Custom Rebate program
 - Customers may submit multiple rebate applications for different measures and locations up to the program year maximum

Prescriptive - Lighting

- High Performance T8 fixtures
 - Consortium for Energy Efficiency [CEE] rated
 - High Performance “Super T8”
 - Rebate: \$20 for 2-lamp fixtures
 - Rebate: \$30 for 3-lamp fixtures
- Standard T8 lamps and ballasts
 - Existing T12 to Standard T8
 - Rebate: \$2 per lamp
 - Rebate: \$10 per ballast
- High Intensity Fluorescent
 - Replace HID fixtures in high bay & other applications
 - 4-lamp T5 and T5HO w/ 75% minimum efficiency
 - Rebate: \$50 per fixture

Prescriptive - Cooling

Unit Type and Size	Required Minimum Efficiency	Rebate \$ (per ton)
Single-Phase Unitary or Split Systems < 5.4 tons	14.0 SEER	\$92
3-Phase Unitary or Split Systems < 5.4 tons	13.0 SEER	\$92
3-Phase Unitary or Split Systems \geq 5.4 tons and < 11.25 tons	11.0 EER	\$73
3-Phase Unitary or Split Systems \geq 11.25 tons and < 20 tons	10.8 EER	\$79
3-Phase Unitary or Split Systems \geq 20 tons and < 30 tons	10.0 EER	\$79

NOTE: Unitary package and split cooling units must exceed the minimum performance requirements of local energy codes or ASHRAE 90.1-2004.

Prescriptive - Motors

Motor HP	ODP NEMA Premium Efficiency	TEFC NEMA Premium Efficiency	Rebate \$ (per motor)
1	85.5%	85.5%	\$50
1.5	86.5%	86.5%	\$50
2	86.5%	86.5%	\$60
3	89.5%	89.5%	\$60
5	89.5%	89.5%	\$60
7.5	91.0%	91.7%	\$90
10	91.7%	91.7%	\$100
15	93.0%	92.4%	\$115
20	93.0%	93.0%	\$125
25	93.6%	93.6%	\$130

NOTE: Motors must exceed the minimum efficiency requirements of local energy codes or ASHRAE 90.1-2004 for typical applications of three-phase Design A and Design B NEMA Premium motors. Rebates are available for Open Drip Proof [ODP] and Totally Enclosed Fan Cooled [TEFC] motors.

Custom Rebates

- Provides rebates to customers that implement qualifying electric savings measures
- Pre-approval of project is required before purchase and installation
- Buy down to a two year payback or 50% of the incremental cost, whichever is less
- Customers may submit multiple rebate applications up to the program year maximum
- Qualifying projects must produce a societal benefit/cost test result of 1.0 or higher, and have more than a two year payback, as evaluated by KCP&L



Missouri Rebate Maximums

Missouri	Class A *	Class B **	Class C ***
Custom Rebate - Retrofit	\$7,299	\$11,853	\$41,821
Custom Rebate - New Construction	\$9,124	\$14,816	\$52,276

*Typically Small General Service Customers

** Typically Medium General Service Customers, former Aquila territory codes including: M0720, M0725, M0940

***Typically Large General Service Customers, former Aquila territory codes including: M0730, M0735, M0944

Kansas Rebate Maximums

Kansas	Class A *	Class B **	Class C ***
Custom Rebate - Retrofit	\$4,907	\$7,988	\$28,114
Custom Rebate - New Construction	\$6,134	\$9,960	\$35,142
<p>*Typically Small General Service Customers ** Typically Medium General Service Customers ***Typically Large General Service Customers</p>			

Rebate Calculation Example

Based on a Large Commercial Rate (Class C) customer's retrofit project in Missouri

Standard efficiency installation cost (existing)	\$ -
High efficiency installation cost	- \$ 110,000
High efficiency incremental cost	\$ 110,000
Energy use with standard efficiency (kWh)	2,400,000
Energy use with high efficiency (kWh)	- 1,800,000
Energy savings with high efficiency (kWh)	600,000
Energy rate (LG average dollar cost per kWh)	x \$ 0.0599
Energy cost savings with high efficiency	\$ 35,940
Simple payback for high efficiency installation	3.1
<u>Lesser Of:</u>	
Incentive to buy payback down to 2 years, or	\$ 38,120
Incentive to cover 50% of the incremental cost	\$ 55,000
Up to the "cap": \$41,821	
Total Rebate:	\$ 38,120

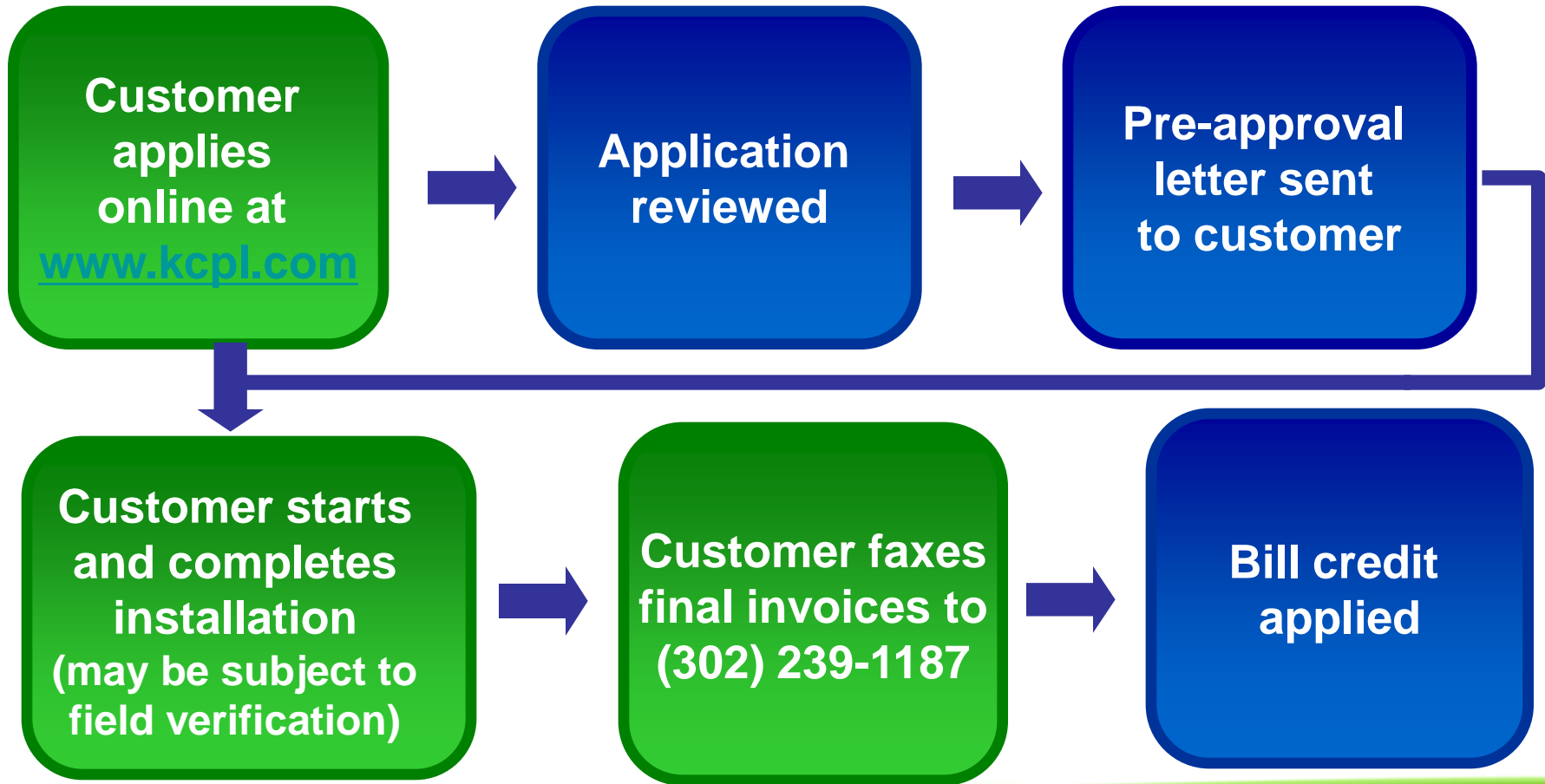
Rebate Application Process



KCP&L Required Action



Customer Required Action



Building Operator Certification

- Seven part professional development courses for building operators and maintenance staff
- Focuses on the efficient operation of resources and facilities
- \$1,150 enrollment fee
- KCP&L rebate for successful completion and certification = \$575
- Registration: www.boccentral.org

Commercial Building Tax Deduction

Created by the Energy Policy Act of 2005 and is currently available through December 31, 2013

- Eligible projects must be installed in, or on, a building that is within the scope of *ASHRAE Standard 90.1-2001 Energy Standard for Buildings Except Low-Rise Residential Buildings* and is certified to be part of a plan to reduce total energy consumption by 50% in relation to the ASHRAE standard
- The deduction covers all energy-related expenses subject to a cap of \$1.80 per square foot of building space, with allowances for partial deductions for improvements in interior lighting, HVAC and hot water systems, and building envelope systems

www.energystar.gov/index.cfm?c=tax_credits.tx_comm_buildings

Residential Programs

Home Performance with ENERGY STAR® (MO Only)

- Help homeowner understand their homes energy efficiency through a home energy audit from a certified auditor
 - “Whole house approach”
- Partnership between MGE, KCP&L, and Metropolitan Energy Center (MEC)
 - Sponsored by MO Department of Natural Resources
 - Branded with ENERGY STAR - joint program from the EPA and the DOE
- Customers can qualify for up to \$1,200 in utility bill credits - \$600 from each utility, when recommended measures are implemented

Cool Homes

- Instant rebate program to upgrade cooling systems with new higher efficiency equipment
- HVAC technicians conduct a CheckME![™] test on existing equipment to determine if it qualifies for the replacement incentive
 - \$650 (14 or 15 SEER)
 - \$850 (16 SEER or above)
- Only eligible working systems may qualify for incentives
- Equipment that is ineligible for a rebate may qualify for free partial tune-up services

Other Residential Programs

ENERGY STAR® New Homes

- Builder rebate program for building more energy efficient homes

Lighting the Future

- Partnership with MO Home Depot's from Oct – Dec to encourage MO residents to replace their home's five most frequently used incandescent light fixtures with ENERGY STAR-qualified compact fluorescent (CFL) light bulbs

Weatherization

- Enables low-income families to permanently reduce their energy bills by making their homes more energy efficient

Additional Residential Incentives

- Federal Tax Credit – 30% of cost up to \$1,500
 - Set to Expire December 31, 2010
 - HVAC – Combine with Cool Homes rebate
 - Insulation, Doors, Windows – Combine with HPwES rebate
 - www.energystar.gov/index.cfm?c=tax_credits.tx_index
- Missouri Appliance Rebate
 - Began April 19 while funds are available
 - Central A/C - \$200; Air Source Heat Pumps - \$300 – Combine with CH rebate
 - <http://missouriappliancerebate.com>
- Efficiency Kansas Loan Program
 - Revolving loan program to promote energy conservation through energy-efficiency improvements in existing Kansas homes and small businesses
 - Access low-interest financing, through partner lenders and utilities
 - <http://www.encykansas.com>
- Manufacturer Rebates
 - HVAC (e.g. Lennox manufacturer rebate – up to \$1,400)
 - Dependent on HVAC dealer - Combine with CH rebate
- Other Utility/State Rebates
 - MGE (Energy Sense; furnace (\$200) & hot water heater (\$200))
 - Independence Power & Light (Central A/C, Heat Pumps, Water Heaters)
 - BPU (Kansas Energy Efficiency Program (KEEP), Central A/C, Heat Pumps, Water Heaters)

Great website for Federal, State and local incentives:

<http://www.dsireusa.org>

Programs for Business & Residential

Renewable Program

Solar Rebates (MO Only)

- Effective January 1, 2010
- Customers may qualify for \$2 per watt, up to 25 kilowatts, for photovoltaic (PV) solar systems installed on their home or business
- Solar power converts sunlight into electricity by using PV or by boiling water with the sun and causing generation

Programmable Thermostat

Energy Optimizer

- Free web-programmable thermostat installed in home or business
- Large, easy to read display
- Back lit screen with easy programming
- Works with multiple stage central A/C equipment (does not work with zoned systems)
- One free thermostat for each central A/C unit
- Free installation and service for as long as a customer remains in the program

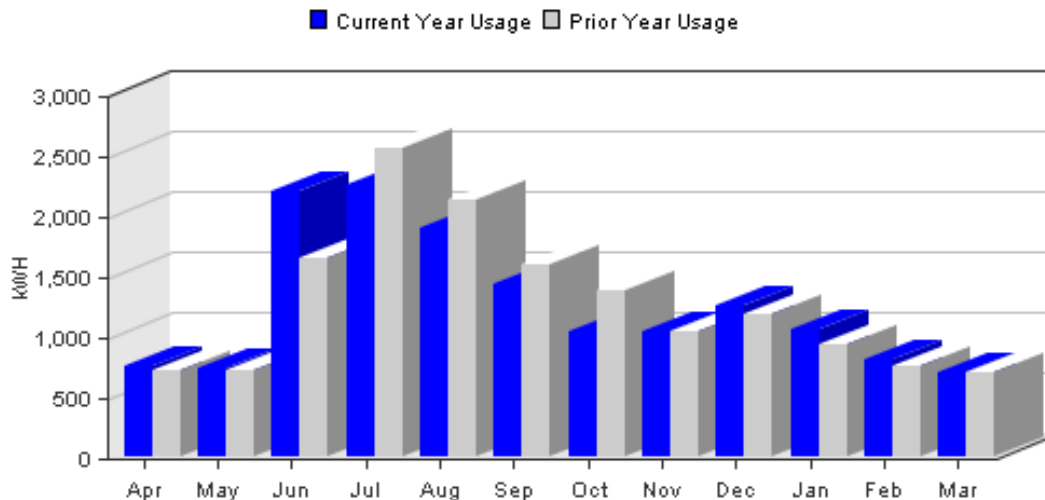


AccountLink

- Tool for customers access their account online.
- This includes energy tracking tools, as well as electronic billing & payment options

Change in Average Daily Usage Compared to Last Year

This month's average daily usage	25.4 kWh/day
12 months ago	25.0 kWh/day
Change in monthly usage	+ 1%
Average change for customer class	+ 9%
Change in average temperature	-13%



Contact Information

- KCP&L
816-471-KCPL (5275)
www.KCPL.com
- KCP&L Commercial / Business Energy
Efficiency Hot Line
1-800-541-2475