

Sierra Pacific Power Company

Peak Performance Program

Sierra Pacific Power Company's Peak Performance program represents a program that has evolved over time addressing both the needs of the utility and its customers. The program's roots were typified by conventional incentives. Then in order to make the program more cost effective and to serve a greater number of customers in difficult-to-reach customer segments, the program began to more fully exploit the company's technical and engineering services while shifting a greater percentage of the resulting retrofits' costs to customers themselves. Financing was also added as a program option to alleviate participants' first-cost hurdles and to broaden the net of eligible customers. Now financing and customer capital appears poised to replace rebates as the basis for the program as the utility's cost effectiveness criteria have become more stringent and electric utility competition increases.

Key to the success of the program has been its engineering orientation. The Customer Technical Services Department which implements the program has fashioned the program in line with several other industry trends. Paramount to the program are monitoring and verification of savings. Staff work in close cooperation with a qualified network of engineering firms in the utility's service territory to identify savings potentials and to perform pre- and post-installation monitoring of customers' facilities. These trade allies have been critical to the program's implementation and have been instrumental in assuring that incentives are only paid for validated savings.

Another feature of Peak Performance is its focus on two intriguing customer segments. Since the demand for energy and capacity related to mining is Sierra Pacific's fastest growing load, Peak Performance works in close cooperation with Mining Customer Services to make this sector's use of electricity most productive and to serve these customers with enhanced energy services. Incentives have been provided for more efficient equipment, such as motors and pumps, and for process improvements such as gravity-feed water systems.

The gaming industry also presents unique challenges and opportunities for Peak Performance. While casinos and hotels are among the toughest customer segments to address with energy efficiency improvements, through sophisticated technical services Sierra Pacific has been able to make progress with decreasing overall energy consumption while maintaining or improving visitor amenities. Key to this success has been a recognition that these customers' unique needs are generally not financial but instead related to minimizing inconveniences related to energy efficiency while improving the overall productivity of staff and maximizing the gaming floor area and customer comfort. Sierra Pacific experts continue to use their creative and technical abilities to evaluate alternative advanced energy services for casinos -- such as on-site generation and district cooling -- to maximize the efficiency of their power use and to thus retain these customers which are clearly important to both the utility and the area's economic development.

SIERRA PACIFIC POWER COMPANY Peak Performance Program

Sector: Large Commercial and Industrial

Measures: Any and all energy conservation measures for new construction or retrofits which produce verifiable savings in energy or peak demand

Mechanism: Rebates and shared savings financing are available to qualifying SPPCo customers as incentives to install energy-efficient measures

History: Peak Performance evolved from the Generic Rebate program which began in 1990

1994 PROGRAM DATA

Energy savings: 26,878 MWh
 Lifecycle energy savings: 403,170 MWh
 Capacity savings: 4.41 MW winter
 3.25 MW summer
 Cost: \$1,354,407

CUMULATIVE DATA

Energy savings: 254,374 MWh
 Lifecycle energy savings: 1,900,224 MWh
 Capacity savings: 21.81 MW winter
 21.58 MW summer
 Costs: \$2,670,906

The Results Center produced 126 profiles of the most successful energy efficiency and renewable energy programs in the United States and around the world in the early and mid 1990s. With the support of the John D. and Catherine T. MacArthur Foundation, Ted Flanigan directed a research team at Colorado-based IRT Environment to produce and distribute these exceptional examples. Thanks to strong demand for solid case studies, The Results Center was supported by dozens of major utilities and energy associations worldwide. Today, The Results Center is managed again by Ted Flanigan, now at California-based EcoMotion Incorporated, a firm focused on strategic consulting, information dissemination, program design, outreach services, and aggressive implementation. To nominate highly successful programs, contact: The Results Center, c/o EcoMotion, 15375 Barranca Parkway, F-104, Irvine, CA 92618, (949) 450-7155, or TFlanigan@EcoMotion.us

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