



PacifiCorp's Rocky Mountain Power

Energy Savings Success Story

Program Highlights

- Fully outsourced, pay-for-performance peak load reduction program
- PacifiCorp pays only for measured and verified load reduction
- 90 MW
- 10 year contract
- Residential and small C&I customers

Fully Outsourced Energy Management Solution

Problem

Facing a rapid increase in peak energy demand and the associated costs and reliability issues, PacifiCorp (specifically its Rocky Mountain Power subsidiary, a Utah-based regulated utility) needed a long-term solution which could be quickly implemented without the commitment of significant PacifiCorp resources.

Solution

PacifiCorp's solution of choice was Comverge's Virtual Peaking Capacity® (VPC) business model. By providing a completely outsourced peak load reduction program grounded in a true pay-for-performance contract structure, Comverge provided PacifiCorp with long-term peaking capacity specifically configured for PacifiCorp's Wasatch Front - an 80-mile stretch of territory in Utah, from Provo north through Salt Lake City, to Ogden. As a completely outsourced program, Comverge's VPC provides PacifiCorp exactly what they want - peak load reduction during critical periods to address troublesome T&D issues in a specifically targeted area. This 90 MW, 10 year contract is based on Comverge's direct load reduction hardware/software to cycle residential and small C&I air conditioners. The contract is structured such that Comverge is only paid for measured and verified load reduction. While Comverge provides all components of the load control program (including marketing, recruitment, installation, maintenance, operations, hardware and software), and deploys its own capital, it is marketed under a PacifiCorp brand - CoolKeeper - developed by Comverge in cooperation with PacifiCorp.

"The recent trend of rapid conversion from evaporative coolers to central electric air conditioning in our service territory has led us to consider innovative ways to offset the increasing demand for electric delivery capacity," stated Jeff Bumgarner, PacifiCorp Director, Demand Side Management.

"Comverge provided us with a comprehensive turnkey solution to help us optimize our long-term capacity requirements. We especially like the fact that the Cool Keeper program is an environmentally friendly demand side solution that complements our overall approach to inform customers about energy efficient cooling systems. We look forward to a mutually beneficial long-term partnership with Comverge."

Results

Secured through a competitive bidding process, Comverge's PacifiCorp VPC contract was approved by the Utah Public Utilities Commission in record time. With operations beginning in June 2003, Comverge has initiated an aggressive marketing and recruitment program, resulting in a market penetration of 15% of those customers in the target area with air conditioners. While still in the implementation phase, Comverge has already provided PacifiCorp with 30 MW of load reduction, ahead of schedule for the ultimate 90 MW program.

With Comverge's Virtual Peaking Capacity® (VPC) business model, PacifiCorp has achieved more with less, and solved a growing peak demand problem in an environmentally and economically efficient manner.
